FAMILY ACTION

England & Wales · Charity number 264713

Details

Other names	FAMILY WELFARE ASSOCIATION, FAMILY WELFARE ASSOCIATION LIMITED, FNA
Status	Registered
Legal form	Charitable company
Company number	01068186
Registered	1972-11-13
Register	View on the Charity Commission register

Contact

Address	Family Action 34 Wharf Road London N1 7GR
Phone	07917838573
Email	info@family-action.org.uk
Website	www.family-action.org.uk

Activities

Objects: 3.1 The objects for which the Charity is established are for the public benefit: 3.1.1 to preserve and protect the good health (in particular but not limited to mental health) and advance the education of families, individuals and groups within the community; 3.1.2 the relief of poverty; and3.1.3 the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage;in such ways as the Trustees think fit.

Activities: To preserve and protect the good health (in particular the mental health) of children and families, other individuals and groups within the community and to provide services, advice and grants to children, adults and families.

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Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, The General Public/mankind

Geography

- Isle Of Man
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£44,282,000	£42,671,000	£24,338,000	1018
2024-03-31	£40,361,000	£39,323,000	£20,809,000	920
2023-03-31	£39,001,000	£36,913,000	£20,673,000	856
2022-03-31	£35,231,000	£32,784,000	£16,886,000	904
2021-03-31	£41,068,000	£38,113,000	£12,855,000	890

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Trustees

Name	Role	Appointed
Asha Lad		2026-03-26
Caroline Walsh		2023-05-04
Charlotte Heiss		2023-05-04
Dez Holmes		2018-03-22
Ian Raymond Hargrave		2018-03-22
Jennifer Anne Holly		2023-07-06
Katherine Marie Prince		2023-07-06
Louise Turnbull Posocco		2024-02-15
Melanie Williams Browne		2021-02-11
Paul John Hayes		2016-01-11
Philippa Lisa Kramer		2025-02-13
Philippe Michael Broadhead		2018-03-22
Robert Andrew Parry		2026-03-26

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Linked charities

- WALTER FREEMAN TRUST (264713-1)
- QUEEN ADELAIDE'S FUND (264713-10)
- WOMEN'S HOLIDAY FUND (264713-11)
- LIMPSFIELD CONVALESCENT HOME FUND (264713-12)
- LADY ST JUST FUND (264713-13)
- THE ALFRED DE ROTHSCHILD CHARITY (264713-14)
- SOUTHWARK, NEWINGTON AND WALWORTH RELIEF IN SICKNESS FUND (264713-15)
- EAST ISLINGTON MOTHERS' AND CHILDRENS' WELFARE FUND (264713-16)
- ELIZABETH STACE HOLIDAY FUND (264713-17)
- ELEANOR WATT FUND (264713-18)
- DINNER FUND (264713-19)
- OFF CENTRE 25 HACKNEY GROVE LONDON E8 (264713-2)
- THE WOMEN'S LAND ARMY BENEVOLENT FUND (264713-20)
- MAY AND WALTER MARTIN TRUST (264713-21)
- GERARD BLAKEMAN ATKINS CHARITY (264713-22)
- THE MARGARET CLUB AND DAY NURSERY FUND (264713-23)
- THE FOSTER FUND (264713-24)
- GEORGE HENRY BLAXILL CHARITY (264713-25)
- FAMILY WELFARE ASSOCIATION NATIONAL RELIEF IN NEED CHARITY (264713-26)
- THE CUMBERLAND BENEVOLENT INSTITUTION (264713-27)
- THE CURZON WYLLIE MEMORIAL FUND (264713-28)
- WILLIAM LITTLETON MEMORIAL FUND (264713-29)
- THE FAMILY WELFARE ASSOCIATION RELIEF IN SICKNESS CHARITY (264713-3)
- WALTER FRANCIS GLENCAIRN CAMPBELL (264713-30)
- J J JAFFE FUND (264713-31)
- THE FAMILY WELFARE ASSOCIATION RELIEF IN NEED CHARITY FOR THE AGED (264713-32)
- FENTON TRUST (264713-33)
- NATHAN SIMPSON TRUST (ISAAC V DEFRIES FUND) (264713-34)
- WEDGEWOOD CHARITY (264713-35)
- SISTERS TRUST (264713-36)
- JOHN CHRISTIAN PRINGLE MEMORIAL FUND (264713-37)
- WILKINSON'S CHARITY (264713-38)
- BRITISH WAR REFUGEES FUND (264713-39)
- KENNEDY AND SCANES RELIEF IN NEED CHARITY (264713-4)

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- METROPOLITAN VISITING AND RELIEF ASSOCIATION (264713-40)
- JOHN CYRIL LEES COLLINGHAM (264713-41)
- THE PENDLEBURY HOUGHTON FRESH AIR FUND (264713-42)
- GREENE BEQUEST FUND (264713-43)
- MERCEDES GLEITZE RELIEF IN NEED CHARITY (264713-44)
- MARY ELEANOR BENSON MEMORIAL FUND (264713-45)
- THE SKENE KEATING FUND (264713-46)
- THE LONDON NOTTINGHAMSHIRE BENEVOLENT FUND (264713-47)
- LONDON PHILANTHROPIC SOCIETY (264713-48)
- MRS M J WILLIAMS FUND (264713-49)
- MATTHEW WISTRICH TRUST (264713-50)
- CATERHAM WHYTELEAFE TRUST (264713-51)
- ELEANOR PONSONBY TRUST (264713-52)
- TOM GODFREY MEMORIAL FUND (264713-53)
- BAILWARD TRUST FUND (264713-54)
- GUSTAV ADOLPH AND ERNEST KOETTGEN MEMORIAL FUND (264713-55)
- THE NORA HENRY TRUST (264713-56)
- JANE GATLAND (264713-57)
- HANNAH MARIA BENSON (264713-58)
- FAMILY WELFARE ASSOCIATION GREATER LONDON RELIEF IN NEED CHARITY (264713-59)
- PERCY RATCLIFFE BEQUEST (264713-6)
- THE MORGAN MENTAL HEALTH TRUST (WILLIAM AND EDITH MORGAN) (264713-60)
- FAMILY WELFARE ASSOCIATION COMMON INVESTMENT FUND -POOL CHARITY (264713-7)
- BISHOP ANDREWS CHARITY (264713-8)
- OVERMAN AND DE BOSSET RELIEF IN NEED CHARITY (264713-9)

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FAMILY ACTION

England & Wales - Charity number 264713

Accounts

FAMILY ACTION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Charity number: 264713
Company number: 01068186
Isle of Man Company number: 6009F
Isle of Man Charity Number: 1206

Welcome from Ian Hargrave, Chair of Family Action

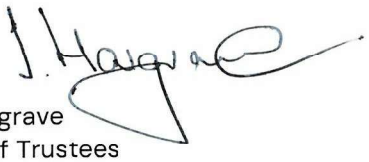
This has been another busy year for Family Action. On top of our day-to-day service delivery, we completed the acquisition of the charity Relate's staff and services and took forward significant organisational projects whilst also managing the impact of continuing cost of living pressures on our service users, volunteers and staff. I continue to be very proud of the leadership, drive and effectiveness that Family Action shows every day.

Key achievements during the year included:

- Providing over 150 community-based and national services that together reach hundreds of thousands of children, adults and families;
- Providing a nutritious breakfast to over 380,000 children a day in disadvantaged areas through the National School Breakfast Programme and achieving an extension to the contract to deliver the NSBP until July 2026;
- Acquiring the business and services of Relate and bringing nearly 200 Relate staff into Family Action with effect from 1 January 2025;
- In the 3 months from 1 January 2025 to 31 March 2025, Relate's services at Family Action provided 7,527 sessions of professional support to 4,609 children and adults. Relate's huge reach demonstrates why it is the best-known brand in relationship support and why its acquisition is such an opportunity for Family Action;
- Redesigning and relaunching our free to access flagship FamilyLine service, which provides practical advice and emotional support to families to prevent challenges from reaching crisis point, as a three Tier digital service. FamilyLine now provides free online support at Tier 1, a free telephone helpline, text and email service at Tier 2, and free (by referral) counselling and befriending services at Tier 3;
- The relaunched FamilyLine service received over 66,000 contacts during the year, a sharp increase on the previous year's figures (9,000) evidencing the huge demand for accessible digital family support services;
- In August 2024 we launched our new website. From April 2024 - March 2025, we had 1.6 million page views from 429,000 users. The average monthly page views have increased by 119%, with a 309% increase in views of the FamilyLine landing page. Brand new self-help content had 82,000 views by 35,000 unique users;
- Our free FamilyConnect service which supports people to prepare to trace their adoption and care records had nearly 42,000 users and over 72,000 page views, an increase in page views of 11% on the previous year. Thanks to funding from Adoption England, our FamilyConnect offer was expanded significantly; new areas on the FamilyConnect website have been developed, a new FamilyConnect Advice Line was launched and the original £150,000 fund, managed by PAC-UK, for intermediary services for adoptions that took place between 1949 and 1976 was doubled to £300,000 due to the volume of eligible applications received;
- Through service level agreements covering 78 local authorities across England, work delivered via the Adoption and Special Guardianship Support Fund, commissions from Adoption England and funding from the National Lottery Community Fund and other smaller grant providers, our adoption support agency PAC-UK supported over 6,000 people affected by adoption and special guardianship during the reporting year;

- Our Barclays' funded LifeSkills programme continues to go from strength to strength. 920 LifeSkills Open sessions were delivered to nearly 6,500 adult attendees (1,591 unique participants). LifeSkills Intensive received 95 referrals during the financial year, working with those furthest away from education, training or employment to support them with skills and confidence around work;
- Our Christmas Toy Appeal 2024 sourced 15,000 gifts from 135 companies to distribute to children and young people supported across our services, we made 1,878 financial grants to the beneficiaries under our various grants schemes with a total value of £856,001 and we maintained our network of over 30 FOOD Clubs in direct response to continuing food insecurity resulting from cost of living pressures; and
- We won over £1m in new and retendered work over the year across England and Wales, including a new contract to deliver a Youth Support Service with Gloucestershire County Council.

Family Action celebrates its 156th birthday this year. Please support this fantastic charity to do even more.



Ian Hargrave
Chair of Trustees
18 September 2025

Our objects

To preserve and protect the good health (in particular mental health) and advance the education of families, individuals and groups within the community, the relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in such ways as the Trustees see fit.

Our purpose and activities

At Family Action, our vision is of a society that understands the importance and power of family as a foundation for individual futures and connected, resilient communities.

We support people through change, challenge and crisis. It's what we've done for over 150 years. We protect children, support young people and adults and offer direct, practical help to families and communities.

We see first-hand the power of family to shape lives, for better and worse, so we speak up for the importance of family in national and local policymaking, amplify family voices and represent the changing needs of families in the UK today.

We care deeply about the children of today, the adults of tomorrow and all of us here now, the children we were and the people we could be in the future – with the right support. And that's what we strive to offer: the right support at the right time – for every family in need and anyone who is, or ever has been, without the support of a family or familial networks.

Through every age and stage of life, we have specialist and practical support for those in need. Community FOOD Clubs help with food and essentials; perinatal, parenting and post-adoption support gives families the best start in life, while our family support, wellbeing, helpline and counselling services help people to shape – or reshape – their futures for themselves.

Through all our work, we focus on:

- Creating opportunity and life chances
- Promoting health, wellbeing and connectedness
- Supporting families through all life stages and major changes
- Helping to build and sustain safe, supportive relationships
- Amplifying family stories and the voices of families today.

Family Action support hundreds of thousands of families, adults and children each year through some 150 community-based services across England, Wales and the Isle of Man and a significant portfolio of national services. We help many more every year with financial assistance through our UK-wide education and welfare grant programmes and through our FamilyLine service, through the services provided by Relate and via the National School Breakfast Programme.

What we deliver
We provide life-changing support through a diverse range of specialist and practical programmes and services. The following is not an exhaustive list, but a description of our core work grouped into nine key domains that align with our public facing website.

Support for children and families
As diverse as the families we support and covering a broad geographical area across England and Wales, our children and family support cover two broad areas:

1) Perinatal mental health and early years support services
   Services that specialise in supporting women through pregnancy and parents and carers with children from birth to 5 years, at home, in family centres and in education settings. This includes several community-based projects supporting women at high risk of postnatal depression and a range of Ofsted regulated Early Years settings.

2) Support for children, young people and families where a whole family approach to support is available.
   For those who need some immediate support at any time of day or night, we offer a range of online self-help articles covering topics we know are affecting families right now. Our online support will continue to evolve to align with what families tell us they need support with, through our national helpline, FamilyLine.

For those that need more direct support, we have a wide range of services across the country including:

- Short term targeted interventions to provide support with specific issues and intensive support for families with complex and enduring needs
- Evidence-based parenting programmes to support children's emotional and social development
- Emotional health and wellbeing services including counselling and therapeutic work for children who have suffered trauma, bereavement or abuse and other specialist services for children and families
- Young Carers services including working with schools to identify and support young carers and their families
- Supervised contact centres and working with separated parents
- Maintaining high quality Children's Centres particularly in disadvantaged areas
- Welfare benefits, debt and housing advice.

Adoption and special guardianship
We support children and young people who have been or who are currently under the care of the local authority. We support adopted adults with specialist counselling and other services to help uncover their history and trace relatives. We help birth parents come to terms with grief, loss and the stigma that often attaches to giving up or having to give up a child for adoption. We support adoptive families as they navigate the joys and challenges of family life.
Specialist services include:

- Adoption support for adopted children and young people, adopted adults and adoptive families
- Specialist individual, group and peer support for birth families
- Specialist support for families affected by special guardianship
- Contact services
- FamilyConnect (www.familyconnect.org.uk)

Food and financial hardship
At Family Action, we believe everyone deserves dignity, respect and an equal chance at life. We work in partnership with companies and communities to help families put food on the table and support people in the face of an ongoing cost of living crisis. These services represent Family Action at our most practical with schemes that give access to healthy and affordable food in local areas experiencing high food insecurity, community activities that build wellbeing and confidence, and direct grants designed not just to help but also empower. Current services include:

- A national network of FOOD Clubs that promote dignity and alleviate hunger in local communities
- A range of food and wellbeing related wrap-around support including life skills and employability training
- Grants and short term financial relief for individuals and families who have an immediate need for economic stability including programmes themed around welfare, education and multiple complex needs (for example, our Open Doors programme)

Schools and education
The National School Breakfast Programme is our largest school provision, offering a tasty, nutritious breakfast to over 380,000 children every school day, every year, many of whom would start the day too hungry to learn without it. We also provide specialist behaviour outreach support and emotional wellbeing services in schools.

Promoting health and wellbeing
We offer a range of services supporting mental health and wellbeing, ranging from WellFamily support in GPs surgeries to specialist therapeutic counselling services for survivors of domestic violence and abuse and sexual violence.

We deliver social prescribing services that are explicitly designed to support people with issues that are affecting their health but often do not have a medical cause. This can take pressure off GPs and the wider health service, and help people regain confidence and make supportive connections in their local area.

For those with more complex social or mental health issues, we run a number of therapeutic services across England including BAND in Bolton - a dedicated, mental health service for adults.

Relationship support
Having acquired the services of Relate, the relationship support charity, we are now a leading provider nationally of relationship support for couples, families, children and young people. We deliver both contracted counselling services to organisations and direct to consumer counselling services and self-help resources including workbooks that cover a range of issues from communication styles to managing blended families to parental conflict.

Specialist Educational Needs and Disability (SEND)
We provide support, information and guidance to children, young people, families and adults who are living with a Special Educational Need or Disability. We are one of the leading providers of SENDIAS services in the UK, supporting families and young people to understand their rights and get the help they need through advice, support and signposting. We provide online, over the phone and face to face information, advice and guidance to families of neurodiverse children and young people.

Young people
Family Action support young people between the ages of 16 and 25 in a variety of different ways, aiming always to meet young people where they are, listen and respect, and offer the right support at the right time. As well as our Young Carers' services which take a whole family approach, we also offer focused youth work, often supporting young people for whom family can be a source of difficulty, as well as care experienced young people. Our work with young people is a growing area and we currently offer:

- Local youth services
- Mentoring programmes for young people
- Specialist therapeutic support, including group work and art therapy, for young people and young adults
- Peer support for adopted young people.

Skills and employability
Family Action offer support to overcome practical barriers that get in the way of getting in or getting back into work. We have a range of grants, schemes and programmes that often particularly benefit young people without networks or single parents without family around to support them. Our London based HeadStart programme features a range of training and employment focused opportunities, including work placements.

Practice development
Internally, we currently focus our practice development around thematic areas – the number of which may expand as we grow into new areas, for example relationship counselling. For now, we have nine thematic areas of work, each with its own Community of Practice:

- Perinatal mental health and the early years
- Children and family support services
- Adoption and permanency
- Domestic and sexual violence and abuse
- Specialist Educational Needs and Disability (SEND)
- Adult mental health and wellbeing
- Young people's support services
- Financial support
- Food services.

We invest in communities of practice for each one of these thematic areas to ensure organisation-wide quality standards and best practice and to promote development and innovation through the exchange of information and knowledge across our service portfolio.

Our Staff

Family Action is committed to encouraging diversity, promoting equal opportunities, and providing fair treatment in all that we do. We strive for a working environment that is inclusive, free from discrimination and where everyone is treated with dignity and respect. We believe that people with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives to the workplace. We seek to encourage and harness these differences to meet the changing needs and requirements of our staff, volunteers, service users, governance, partners, funders and supporters.

We are a signatory to the Race at Work Charter and a member of the Stonewall Workplace Equality Index (WEI) and a holder of the Stonewall WEI Silver Award. We also hold the Level 2 – Disability Confident Employer status which confirms that Family Action is committed to the recruitment and retention of disabled people, and that we do the following to enable this:

- Interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. We operate a guaranteed interview process for any candidate who meets the essential criteria for a role and ensure that where candidates require reasonable adjustments in the selection process, that these are implemented. All recruiting managers receive training in our recruitment processes.

- Ensure there is a mechanism in place to discuss, at any time but at least once a year, with disabled employees what can be done to make sure they can develop their abilities. We do this through monthly supervision with all staff and an annual appraisal review where career development is discussed with every employee at Family Action. There are many opportunities for staff to get involved in exciting projects, and all staff are encouraged to do this.

- Make every effort when employees become disabled to make sure they stay in employment. We discuss with employees any reasonable adjustments needed to support them during the course of their

employment, and ensure appropriate support is put in place to accommodate these requirements where feasible.

- Take action to ensure all employees develop the appropriate awareness needed to make these commitments work. We promote this through our organisational policies and through the work of the Equality, Diversity and Inclusion (EDI) Steering Group.

We have a dedicated EDI Manager role within our Senior Leadership Group. Our small EDI team leads all our organisation-wide EDI work in close collaboration with a range of staff diversity networks (see more about our staff networks and EDI work below).

Good communication is integral to all that we do at Family Action. There are a number of ways in which staff and managers are kept informed:

- Our user-friendly staff intranet is regularly updated to ensure that all employees are kept informed about important news, strategic developments, training opportunities, feedback received or key organisational initiatives such as our regular staff engagement surveys and recognition awards.
- We provide weekly updates on the intranet about issues discussed at our weekly Senior Leadership Group meeting so that staff across the organisation are kept up to date with key organisational challenges and opportunities. Each member of the SLG takes it in turn to blog about these meetings, using this opportunity to communicate with the whole organisation about their lives, teams, families and interests and what inspires and motivates them, as well as the content of the weekly meeting.
- Our monthly Family Action Bulletin (FAB) keeps everyone up to date with key news about what is happening across the organisation.
- Our Executive Group also holds a virtual open meeting once a month to which the whole organisation is invited so that people can pose questions live to members of the Executive Group and hear updates on key organisational priorities. We have also introduced an anonymous 'Ask EG' communication channel so anyone can ask EG anything at any time.

Information on progress against our strategic objectives is reported to, discussed with and communicated up and down the organisation through a range of fora including monthly Open Executive Group meetings, weekly Senior Leadership Group meetings, regional and team meetings, and individual supervisions, so everyone in the organisation is kept informed.

- Our Chief Executive regularly communicates with the entire staff group on important organisational matters. Every month, he personally inducts all new staff joining the organisation that month and keeps a highly visible profile within the organisation through regular communication, through celebrating successes and keeping everyone informed on key news, opportunities and challenges.
- Our Executive Group also provides regular updates on progress towards our strategic objectives whenever there is an opportunity, through attendance at service level, thematic or regional meetings or during their many visits to services.
- We hold quarterly Joint Negotiating Committee meetings with our recognised unions (Unite and Unison) and staff representatives to discuss issues that impact upon staff including policies and procedures, organisational changes, and health and safety issues.

We provide an extensive wellbeing programme with a focus on supporting the physical, emotional and financial wellbeing of our staff.

Our Volunteers

Family Action is fortunate to have over 400 volunteers across our range of services. Our volunteers support our work in so many different ways, for example:

- helping to run our FOOD Club services in locations across England and Wales
- as befrienders in our Perinatal Services
- as volunteers in Relate's retail shops
- in parent support roles in our Children's Centres
- as advisers, counsellors and befrienders in our FamilyLine Service
- as mentors to disadvantaged children, young people and care leavers accessing our Friendship Works service
- through the provision of practical support in our Emotional Health and Wellbeing services for adults
- as fundraisers for us

We are proud to hold the Investing in Volunteers (IiV) Award. This is the UK quality standard for good practice in volunteer management. The award demonstrates our commitment to all our amazing volunteers and provides objective external evidence of our ability to provide an outstanding volunteer experience.

Our Values

Our Values and Behaviours underpin all that we do. Family Action staff demonstrate our values and behaviours in their work and in their professional relationships with colleagues, volunteers, partners and service users.

We have a **Can Do** attitude;
We strive for **Excellence** in everything we do;
We are **People Focused**; and
We have **Mutual Respect** for colleagues, volunteers, partners and service users.

Our Impact

Family Action is committed to measuring the impact of our work. We seek to triangulate the impact of our services through service user feedback, robust data collection and analysis, compliance with contractually agreed outcomes, and independent evaluation of the effectiveness of our service models. We also monitor how sharing the voices of families and our experience from our work has an impact on policy and investment decisions by government so that families today receive the support they need, and systems and frameworks place families at the heart of our society.

We have an organisational Theory of Change, that is a living document, updated to reflect changes in the organisation and the context we work in. Our Theory of Change has five key pillars where we consider that we have a genuine role to play in changing families' lives. We have updated them this year to fit with our new brand narrative:

- creating opportunities and life chances
- support through life's changes and major stages
- building and maintaining safe, supportive relationships
- promoting health, wellbeing and connectedness
- amplifying families voices and sharing stories

We know that these areas are complex, overlapping, and require integrated support from a variety of organisations, but our organisational Theory of Change helps us to focus harder on how we can both achieve and evidence our own impact in these areas; on what we have learnt; and on how we will build our impact in the future.

Across our different services in Family Action, we use bespoke Theories of Change or Logic Models to express how our activities contribute to outcomes which, in turn, help us achieve our goals. Our Communities of Practice and Learning & Development roadmap are also supporting us to share and develop our practice across the different themes of our work and to enhance our Learning & Development offer to our staff and volunteers.

Our impact – examples of service feedback
Many of Family Action's services receive wonderful feedback. Here are just a few examples of the feedback received from our service users and partners for some of our service provision:

BAND Bolton – Bridging the Gap
I have attended various groups and activities organised by Bridging the Gap over the past few months and have found them to be interesting and enjoyable. The main benefit for me is helping with my mental health. I have severe anxiety and delusions and find that attending the groups helps me to remain calm and focused and the social aspect of activities gives me a sense of community and friendship. I cannot praise Bridging the Gap enough and hope for their continued success moving forward.

Living Well Bolton
I just wanted the Living Well team in Bolton to know that I am truly grateful for their input and being able to access their services. I had undergone a lot of setbacks and this service enabled me to get back on my feet.

FamilyLine
Thank you so much. I feel overwhelmed by the support you were able to provide in such a short time. You do not know how much of a difference you have made to me and my son.

I have tried on so many occasions to access support but was not able to. It was so easy to get through to your helpline. Thank you so much for listening and not judging. I don't feel quite so alone now.

What a great service you offer and it is free too. Wonderful.

It's taken a lot for me to reach out for support. It's not really what men do nowadays. It's been so hard not seeing my son. Thank you for listening and all the information. You have been so helpful.
Wandsworth WellFamily
You have been really nice to me. I get really excited about telling my keyworker about my achievements each week and this has supported my mental health too. I have felt motivated by 'my keyworker' too.
It's good to speak freely and everything has been spot on. You can open your heart and there is courtesy, and it feels like family.

Hackney WellFamily Plus
Local GP feedback:
I work closely with Rhonda and I cannot praise her enough for her dedication, care and professionalism. My patients consistently tell me how much she has helped them. She is very responsive and she meets people's cultural needs. I cannot imagine not working with Rhonda! Thank you for everything you do.

Excellent service. Monika is very professional and has excellent rapport with patients.

Shqipe is an incredibly responsive and caring member of our team. A fantastic service!

Hackney WellFamily Plus
I felt my voice was heard and I was given great support and advice, very organised and informative.
Service user

Relate
Client Feedback Summary (Jan–Mar 2025)

Adults

- **48%** of adults reported no longer taking time off work, with an additional **17%** taking less time off *(20% reported they had not been taking time off initially)*
- **74%** of adults felt their mental health had improved
- **77%** of adults felt they finished their service with better coping strategies
- **81%** of adults felt we had supported and improved the main reason they came to Relate
- **83%** of adults said they would use our services again
- **88%** of adults would recommend us as a provider

Thank you for all your help, the sessions helped me a lot to come to terms with my feelings and to accept the things I have no control of. Also I gained more confidence and I really learnt how to love myself more.

It was very beneficial to speak to someone outside the situation to clarify my own thoughts. I also learned some things about my own reactions that were helpful - particularly how things from the past still play into current feelings.

Children/Young People

- **73%** of children and young people felt they finished their service with better coping strategies
- **81%** of children and young people felt their mental health had improved
- **100%** of children and young people would recommend us as a provider

I am writing to express my deepest gratitude for your assistance in helping my son overcome his suicidal thoughts. Counsellor's timely intervention and support were invaluable during a very difficult time for our family.

I really like how it helped with my sadness.

I have been able to tell my friends now about my parents' divorce. Counselling has really helped me talk to my friends.

I feel brave.

Cumbria 0-19 Child and Family Support Service
I feel great, I was so stressed, it feels like I can breathe again, I was carrying so much. It feels like a huge weight has been lifted, I honestly feel so much better. We have both come such a long way compared to where we were at the end of last year to now, there has been a massive turn around. I am so proud of A, she has not been in any trouble for ages, and she is really trying, she is so much happier in herself, she is a changed girl.
Parent of Child, who accessed Family Support

For me doing the Domestic Abuse Recovery Toolkit helped me greatly and made me realise everything I was blamed for in the relationship wasn't actually my fault and also realising what emotional abuse is and how it was used against me. I was always scared to talk about it because being a man you feel like you have to be stronger and that you are weak especially when you are on the receiving end of the abuse, but the course has made me a stronger person and made me realise I wasn't weak.
Parent, who accessed Adult DART

Neurodiversity Sheffield's Managing ADHD Groups
Thank you so much! I cannot begin to tell you how much of a difference your support, both pre and post diagnosis, has made to our family. The work you do is life changing. I feel more empowered as a parent and I see how empowered my son feels. I cannot begin to describe what a difference you have made. I only hope you can continue to grow as there are so many families out there who I know could benefit just as much as we have.

Grants

Open Doors Grant Recipients

Thank you so much for your help and support I am now able to make my house a home and make sure it is a nice place for me and my daughter to live.

From a college re Education grants.

Student is a single parent to four children. The support has relieved a lot of stress and pressure for the student and overall improved her mental wellbeing. She is now able to complete coursework easily and promptly from home.

Recipients of Barclays Learning Support Fund grants.

Without the grant I wouldn't have been able to purchase a laptop or new equipment for the course which has helped massively to my learning outside of the course. The financial help at home has helped me to get to and from college. It's relieved so much stress and anxiety. I am so grateful you awarded me this as I was full of worry before this how I was going to complete my homework etc off a mobile phone. The laptop will help me with my next college course too. Thank you so much.

Early Help - West Birmingham

I want to express my deep gratitude for the exceptional support I received from Maimunah. She was not only incredibly knowledgeable but also compassionate and understanding throughout the entire process. Her dedication to helping me navigate through my challenges was evident from the start, and her ability to listen and provide thoughtful solutions made a real difference. Her kindness and professionalism truly stood out, and I felt supported every step of the way.

Both my child and I are finding your help and the way you are helping us admirable and helpful. A godsend, professional and caring individual. We want to continue having the benefit of your help to navigate the complex landscape of services and funding. Until you came along, we were lost.

Medway Universal Parenting Programme

This (Solihull Understanding Your Baby), course has given me confidence and provided not only knowledge but also support during these early weeks of baby's life. I feel these sessions will have a lasting impact for me and my baby. Becoming a new parent has been scary- I had so many questions and fears and I feel like the course material has addressed so many. The facilitators, Karen and Nikki, delivered the course in a considered, clear way and their dedication and care really shows. Their practice is friendly, kind and non-judgemental. They went the extra mile, by answering questions and doing additional research or signposting if they didn't know the answer. Thank you !!!

PAC-UK

Our adoption support agency, PAC-UK, expanded its geographical reach too during the reporting year, winning new work in Hertfordshire, Bedford and Southend-on-Sea. The PAC-UK service Adopteens won a commission from Adoption England to deliver 'Adopt a Change' training to professionals pan-regionally.

The support I received from PAC-UK helped me to feel understood without any fear of judgement. It was truly what I needed at this point in my life... I am truly grateful a service like this, exists. It has helped me understand myself more and be more compassionate with my specific situation.

The support, kindness and understanding shown to me, as a very nervous person ready to take the steps to understand my adoption history - was invaluable. I am so grateful and feel like I have been supported through to the next chapter of my life. I cannot thank PAC-UK enough.

I have received excellent support and guidance from PAC-UK when finding my birth family, it's been an emotional journey but I am glad I did it, now thanks to PAC-UK I have the final piece of the puzzle. PAC-UK has helped me every step of the way, in a very professional, kind and supportive way, thank you.

Change4Life
Emily is a real rockstar. She has been so knowledgeable and easy to approach about all things during my pregnancy. I have been able to count on her for quite a bit of insight all through my pregnancy.
Start4Life Change4Life Club

The information is expert advice and is reassuring. Answered questions with care. She gave me confidence to look after my baby safely.
Minis 0-12 Months Change4Life Club

Inclusive for all kids. My son is shy but got quite talkative by the end of the session.
Minis 1-4 Change4Life Club

National School Breakfast Programme
The NSBP has been instrumental in creating a warm, welcoming start to the day for all students. Removing barriers to learning doesn't just take place inside the classroom. Making sure students are dressed, equipped and fed in a morning enables them to have the best possible start to the day.
NSBP Secondary School

Our punctuality and overall attendance have significantly improved since introducing our breakfast club. Children are able to be part of a calm, safe environment and tell us about their weekend and have a chat before starting the school day.
NSBP Primary School

FOOD Clubs
The main benefit of FOOD Club would have to be the impact of how much I spend on food shopping. I have been using FOOD Club for 6 months and have found my monthly food bill has reduced between 20-30%. Even though we have been saving money, we have more food in the cupboard and have also been eating better.

Medway SENDIASS
It has provided the clarity and information I need to be able to go into my first annual review especially as the school has been less than supportive and not accommodating the EHCP fully. Knowing I have the legal right to challenge and ask questions has made me more confident as opposed to feeling like we are being held 'hostage' by the school.
Service user

Norfolk and Waveney ADHD/Austism Support service
Thank you so much for talking to me yesterday, it was so helpful to speak to someone who understood what it is like to be a parent to a child with SEND, and to also be so informed and able to share such useful support and advice. Thank you for all the information and links, they are all so helpful. We started using some of the approaches you suggested when S came in from school yesterday, and it definitely helped him to feel more regulated, which in turn alleviates the worry and stress for us as parents too.

Participant attending the safe session at the Norfolk Discovery garden
I find that I am very isolated with autism. The garden gives me a chance to meet people and be involved and included and to do some exercise. I have been going on Mondays where everyone is lovely who attends. It fills a void as no other services will help for my mental health and the manager was kind enough to let me go. Everyone that attends seems happy and included.

Leicestershire Post Sexual Abuse Service
L previously had outbursts where she would lash out and have arguments with her sister. L is now much calmer and controlled and she uses breathing exercises to cope. The work has had a really big impact on us as a family, the home is much calmer and peaceful. Beth also helped my own mental health, she took time and listened to me. Mum of L, age 12

Lincolnshire BOSS
Feedback from a school following BOSS training
The trainer's knowledge and experience was very informative and useful. I now feel more confident in working and identifying children who might have experienced or are experiencing trauma. I really liked the practical suggestions which supported the identified behaviours.

Feedback from parents following BOSS work
You are the first person we have spoken to in the past 3 years who truly understands our daughter and what she has been through and what she still is going through.

Feedback from pupil following BOSS work
I am now doing A levels at college and did well in my exams. I don't think I would have got through school at all if you wasn't helping me, even my mum can't believe I made it.

Strategic Report

Achievements and Performance

The 2024/25 financial year was the first year of Family Action's new five year strategy, *Family can shape the Future,* for the period 2024-2029. During the year the Trustee Board worked with the senior management of the organisation to take forward the five agreed strategic objectives in *Family can shape the Future.*

Examples of our progress against the five agreed strategic objectives over the first year of the *Family can shape the Future* strategy to March 2025 are given below:

1. Ensuring we maximise our positive impact on society

Family Action both wants, and has a responsibility to support and promote a society that enables children, young people, adults and families to thrive. We recognise that we operate within a broader system and we must ensure we do all we can to leverage our unique position to facilitate change for the benefit of families in the UK

During the reporting year we have continued to advocate across the political spectrum for policy and investment that is relevant to and supportive of families today. We were sorry to see our large and successful child and family support contracts across Cumbria taken back in house by Cumberland and Westmorland and Furness Local Authorities at the end of these contracts. This is symptomatic of the churn we continue to see particularly in some of our local government financed provision as local authorities struggle to find ways to make their budgets stretch to cover all their responsibilities to their local communities. Unfortunately, this leads to huge uncertainty for staff, service users and for us as providers as contracts shift between providers and deep operating experience is inevitably lost. We continue to draw attention to the consequences for everyone of a market in public services for vulnerable children and families that is operating in a context of enormous financial strain.

We have seized every opportunity to influence during the reporting year. We were pleased to be asked to be part of the Expert Reference Group for Lord Darzi's independent investigation into the NHS in England. We submitted evidence about the need for a focus on prevention and providing more support in the community, which are now two of the three 'shifts' that the government has decided that the Health 10 Year plan should focus on. We have continued to be a Member of the Partners Council for the Health 10 Year plan development.

We were delighted to see that breakfast provision was included in the Labour Party Election manifesto as a key pledge, as we had influenced continuously with key parliamentarians and civil servants about the impact of breakfast for children and young people seen through the National School Breakfast Programme which we have operated since 2018.
We submitted evidence to the Children's Wellbeing and Schools Bill Committee Stage in January 2025 - MPs debating the Bill have picked up on our messages about needing to continue to support the most vulnerable, e.g. those with SEND, and ensure quality of provision in the rollout of the new universal primary breakfast scheme. The National School Breakfast Programme has been extended until the end of the school year in 2026.

We were also asked to take part in the Royal Foundation Centre for Early Childhood's Delphi Study on the social and emotional skills that matter most [August 23] – this fed into their 'Shaping Us Framework', which is focused on 'improving awareness of and knowledge about social and emotional skills to inspire action across society' [released Feb 2025].

We have also achieved impact from influencing using local media and by contacting the local MP regarding our concerns about the lack of funding to continue our Portsmouth Abuse and Rape Counselling Service. Funding has now been secured via the Local Authority, OPCC and National Lottery.

2. Ensuring the quality of our work.

Family Action aims to provide sector leading, high quality, impactful services at the right time, in the right way and by the right people. We are committed to improving and sustaining outcomes for children, young people and families and adults through delivering high quality services. We aspire to always operate a high performance, high support and high challenge culture with safeguarding and continuous improvement central to our work

During the reporting year we have developed a comprehensive action plan under this objective 2 and linked this closely with the action plan for objective 3 of our organisational strategy *Ensuring a strong culture that enables our people to thrive* as the objectives are so interlinked. We developed a new governance structure and an Operational Practice Group to lead decision-making, resource allocation and accountability across our Services Directorate ensuring joined up working and transparency as we implement our quality action plan.

Key developments and achievements include the delivery of 11 well-attended Communities of Practice that together have reached over 500 staff over the reporting year. We have also supported our services with the development of service-specific logic models and practice wheels. We have worked with all our case management services to review their referral to closure paperwork and to ensure that all these services have high quality continuous improvement plans in place. Senior colleagues across our Services Directorate and Learning and Development (L&D) teams have worked closely together and consulted with services to identify L&D needs across the organisation and to develop a new tiered offer of mandatory learning, an enhanced core curriculum and bespoke L&D where required.

By the end of the reporting year we had also developed a new one team approach to practice development and quality assurance, safeguarding and performance by merging existing teams and creating a new and fully integrated Quality, Continuous Improvement and Safeguarding team.

3. Ensuring a strong culture that enables our people to thrive

Our people are the lifeblood of our organisation; passionate staff and volunteers working together to achieve the best outcomes possible for everyone we work with. We want and need an organisational culture that supports this and enables our people to thrive – to be supported, equipped and engaged to achieve our strategic objectives. We will continue to develop a culture where the families we work with have a strong voice and influence.

During the reporting year we launched our first People strategy and its supporting HR, L&D, EDI and Volunteering strategies. A rolling action plan sits behind the strategies to help drive implementation over the next five years. Work also continued on our Pay and Grading project. During the reporting year we agreed our Reward principles and proposition and shared these with the organisation and established a designated reference group to begin the very substantial task of collating all job descriptions across the whole organisation and agreeing the job evaluation factors at the different levels of our new grading structure. This work will complete in the next financial year.

During the reporting year work on the development of our new HR and Payroll System, iTrent, continued and we were delighted to launch our Employee Self-service in December 2024 and our Manager Self-service with effect from 1 April 2025.

In relation to EDI, we were pleased to launch a pilot reciprocal mentoring programme in January 2025, with senior leaders and staff of colour matched. This activity reflects the importance of the EDI Staff Survey in highlighting areas for improvement and implementing interventions to help address these areas – in this case inclusive leadership and the progression of staff of colour. We undertook our most recent bi-annual EDI Staff Survey in summer 2024. The survey received 488 responses, which pleasingly continues the upward trend in the response rate from 358 (in 2022) and 188 (in 2021).

4. Ensuring our organisation remains relevant and resilient

We will ensure that Family Action is a strong, resilient and sustainable organisation that is able to manage uncertainty in a very challenging economic context, so that we are able to continue to be there for the people who need us.

Throughout the reporting year we had to prepare for the fact that we had several large contracts due to come to an end in 2025. We were delighted that the Department for Education decided to renew the National School Breakfast Programme for a further year to July 2026. We were equally disappointed that Cumberland and Westmorland and Furness local authorities decided to take the highly successful 0-19 Child and Family Support Service contracts that we had been delivering for them since 2020 in house. This led to a very large TUPE process for us in March 2025 but we worked hard to make that transition as smooth as possible for the staff concerned and to minimise the impact of this transition on the many children and families who were relying on those services in the two local authority areas. We will watch with interest to see if the taking in house of these services leads to any better outcomes for local children and families or any saving in public money, particularly when the added value provided by the voluntary sector is taken into account. Elsewhere in Family Action, we retained the very large majority of our service contracts which is a testament to the quality of the services we are providing across the country and the excellent working relationships we have with our commissioners across the country.

There is a clear need for Family Action to diversify its income away from too much reliance on local government funding because of the financial difficulties that are evident in so many local authorities across the country. With this in mind, we acted quickly and decisively when the opportunity arose to acquire the business and staff of Relate out of Administration. Relate has a proud history of providing high quality support for over 80 years and the Relate brand is very widely known.

As well as acquiring all Relate's contracts and services, and its retail chain of 11 shops, we also acquired Relate's remaining staff – and some 184 Relate colleagues joined Family Action on 1 January 2025. We worked hard to ensure that Relate's staff were able to continue to provide their quality services with as little disruption as possible to Relate's beneficiaries. In the three months since Relate joined Family Action, 4,609 children, young people and adults have received professional support through Relate's services. We have also taken the opportunity to review all Relate's income streams and sources of expenditure to stabilise the Relate services and ensure that the mistakes of the past are not allowed to happen again. We have great plans for Relate in the year ahead and we will say more about that in our future plans below.

This objective also embraces Family Action's environmental and technological sustainability. Family Action qualified for the Government's mandatory ESOS (Energy Savings Opportunity Scheme) from 31 December 2022 and we submitted our organisation compliance with the scheme on 30 July 2024 and submitted our Energy Action Plan (EAP) in January 2025. On the technology side we successfully completed the Cyber Essentials external assessment and were pleased to achieve Cyber Essentials and Cyber Essentials Plus certification for another year. We have also done a range of work during the year exploring how we can use AI well and proportionately to support processes and to increase efficiency within the organisation.

5. Ensuring Families in the UK are seen and heard

We want families to trust us an organisation that shares and amplifies their voice but, importantly, we will also create spaces and platforms for families to share their stories themselves, as the experts in their own lives and experience.

In order to achieve these priorities in the reporting year we have:

- Developed a dedicated storytelling role and rolled out a new consent policy and processes. We have delivered a new website, which along with our social media and our PR activity, provide the channels to share stories, which are all underpinned by our newly developed brand positioning and messaging covering the breadth and we depth of family life in its many forms.
- Rolled out our updated visual identity, supporting the visual identification of Family Action as a trusted brand both nationally and in our community based services across the country.
- Centred our fundraising activity around sharing families' stories to demonstrate the impact of our work that donors are supporting. We have more clearly defined our fundraising audiences, allowing us to tailor our messaging and approach to them to drive income. Our annual Christmas Toy Appeal campaign was our most successful to date.
- Established an active Co-production and Participation Community of Practice that engages across the organisation and provides support to our external engagement activity.
- Developed an active Influencing Group, comprising representative internal staff, which meets regularly to horizon scan and to agree our key influencing priorities. In the last year we have proactively engaged with the new Government through direct contact with politicians and attendance at relevant APPGs and a range of events.
- Used our membership of various networks and coalitions to maximise and amplify the voices of the families we support.
- Established our media connectors programme across Family Action, which allows us confidently to maximise media and PR activities, utilising the expertise of our staff and the families we work with to represent accurately the reality of family life today.

In our media work over the reporting year we have sought to ensure that lesser heard voices are amplified. The PR team secured BBC Radio seven times plus ITV News Anglia and London. During the reporting year our organic social media activity saw over 3.5 million impressions across channels with a 200% increase in video views (343,521 views).

Financial Review

Family Action's total income for the year was £44.28m (2024: £40.36m). 92% (2024:95%) of our income was restricted to funding specific services. Income for Operational Services came from Local Authorities, central government and NHS Trusts for the provision of specific services. These funders are listed in the accounts (Note 5a, b & c).

On the 1st January 2025, Family Action acquired the Relate business, leading to an increase in unrestricted income. Of the £3.73m unrestricted income, £1.20m is for Relate business with expenditure of £1.55m resulting in a deficit of £0.28m.

Total expenditure amounted to £42.67m (2024: £39.32m), with £41.95m (2024: £38.57m) relating to restricted charitable activities. 64% (2024: 64%) relates to salary costs and we employed a monthly average of 1,018 (2024: 920) staff in the year.

Our net income position before gains/losses on investments for the year is £1.61m (2024: £1.03m), and included in this result is unrestricted surplus position of £3.14m (2024: deficit (£0.9m)). The increase in the unrestricted surplus is due to the transfer of funds totaling £3.26m from old closed restricted balances.

Total Funds at year-end were £24.33m (2024: £20.80m). There was a decrease in the Pension deficit valuation at year-end from £10.86m to £9.02m (see pension fund statement for further details). We have also seen a slight increase in the value of the Endowment funds from £9.86m in 2024 to £9.95m. The net increase in total funds was £3.52m (2024: £0.13m).

Fundraising approach and performance

The charity undertakes fundraising activity to its supporters via a range of methods, including but not exclusively, fundraising events, challenge events, corporate fundraising, Trusts and Grants fundraising and online fundraising, in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website to reassure supporters of our approach, outlines when you support us, you can be sure of the following:

- We will never sell your contact details to anyone
- If you are an individual supporter, we will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door-to-door or street fundraising. We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal

All our fundraising staff have regular supervision and appraisals to ensure we are working to best practice standards and regularly reinforcing our fundraising ethics. We have an Ethical Fundraising Policy which is reviewed at least every two years.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice.

Over the course of this financial year, we have received no fundraising complaints. As such, no complaints were referred to the Fundraising Regulator. Our complaints procedure is available on our website with all relevant contact details.

Reserves Policy

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the Charity to continue its normal activities in the event of a significant drop in funding, or loss of projects, with contribution toward the closure costs, if the project cannot absorb its own closure costs. In considering the nature and diversity of our income, the Trustees believe the appropriate level of free reserves should be a minimum of £3.32m which is made up of 4 months' running costs of the central operation, a contribution towards potential project closure costs and total lease obligations payable.

Our freely available general funds as at 31 March 2025 were £3.72m (2024: £4.95m). This covers the required level of reserves as required by the policy.

General Funds form part of our Unrestricted Reserves which totaled £9.89m at 31 March 2025 compared with £6.73m as at March 2024. Following a review of all contracts during the year, we identified a number of closed contracts with fund balances. As all obligations under these contracts had been met the balances were released from Restricted Funds into Unrestricted Reserves and designated for the furtherance of the objects of the Charity. Funds designated for specific purposes stood at £6.15m (2024: £1.78m). This increase in designated funds is crucial to enable Family Action implement key aspects of its 2024-2029 five year organisational strategy (as approved by the Board last year), to support us in further diversifying the charity's income base over the same period and to help us address some current challenges in managing risk within our service delivery. It also includes £2.54m designated to fund Relate business until it breaks even.

Notes 15-17 of the accounts show the various funds or reserves by type and summarise the year's movements on each fund. Note 18 shows the assets and liabilities attributable to the various funds.

Going Concern

The Trustees have reviewed the projected operations and activities of the company, including consideration of the existing contracts and a two year projected cash flow forecast. Based on the available financial information, the Trustees are of the opinion that adequate resources will continue to be available for a period of at least 12 months from the signing of the accounts to fund the activities and operations of the company, therefore Family Action is a going concern.

Pension Fund

In common with other Charities with historic final salary schemes, our pension scheme shows a deficit which stood at £9.02m on 31 March 2025 (2024: £10.86m) and under UK accounting standards, we are required to account for this deficit on the balance sheet (Note 9).

The net deficit on the defined benefit pension scheme decreased by £1.84m in the year to 31 March 2025.

The main financial assumptions as of 31 March 2025 have changed since 31 March 2024. The discount rate increased from 4.85% to 5.73%. Inflation expectations reduced from 3.25% to 3.22%. Changes in demographic assumptions on 31 March 2025 led to a gain of £0.48m (2024: £0.52m).

There was an experience loss of £0.11m (2024: £1.52m), in addition, there was a loss on assets in excess of interest income of £1.90m (2024: £0.25m).

The funding status of the Scheme over the period is as shown in the table below.

	31 March 2025 £'000	31 March 2024 £'000	Change £'000
Present value of liabilities	(23,982)	(27,396)	3,414
Market value of assets	14,960	16,534	(1,574)
Funding deficit	**(9,022)**	**(10,862)**	**1,840**

The triennial valuation due in January 2023 was completed with a new repayment plan agreed with the Pension Regulator. The Charity continues to make annual payments towards the deficit in line with the new agreed repayment plan made with the Pension Regulator from April 2024 and will do so until March 2027.

The Trustees are aware that the deficit on the scheme under FRS102 will fluctuate with changing market conditions and that their responsibility is to meet the required contributions. There are active options being considered with the Pension Scheme Trustees as we continue to manage the deficit. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds.

Investment Policy and Performance

The Trustees' primary aim is to achieve sufficient income and capital growth from the investments so as to permit without interruption the continued provision of the Charity's core services.

The Investment Strategy has two main objectives and a strategic decision to reduce portfolio risk to focus on capital preservation.

More specifically the objectives were prioritised in the form of 'Primary' and 'Secondary':

Primary
- The target is that the value of the portfolio will be maintained at a minimum of £10m.

Secondary
- To generate £230,000 to £275,000 per annum of income available for distribution as grants;
- Diversification; and
- Capital growth to keep pace with inflation (CPI).

The above objectives have continued to be relevant in recent years given the challenging market conditions.

The Investment Committee retained the Wealth Management consultancy service of Epoch, and the Investment Managers are Waverton and Ruffers.

The portfolio generated investment income during the year of £256k, compared with £352k for the year ending March 2024. With income at 2.48% (2024: 3.44%) of capital value, the market conditions continue to be challenging but the portfolio was managed closely by the Investment Managers to achieve income above the minimum target and achieve a capital value above £10m. The forecast income for 2025/26 is expected to be £233k at 2.25% minimum target.

The portfolio value increased slightly as of March 2025 to £10.34m compared with £10.25m in 2024. During the year, the Investment Committee had a risk workshop with Epoch considering various options and risk profiles to maximise both the value and income generated by the portfolio.

The performance of this investment strategy continues to be reviewed by Trustees, the Investment Committee and Investment Managers on a quarterly basis, with a more in-depth review annually.

The Investment Committee continues to have oversight of the management of the endowment portfolio and relationship with the Investment Managers to provide assurance to the Board of Trustees in respect of the strategies and management of this portfolio, in accordance with the agreed Investment Strategy.

Plans for the future

In 2025/26 Family Action will take forward the 5 strategic objectives in the second year of our 5 year 2024-2029 organisational strategy, *Family can shape the future*. These 5 objectives are all underpinned by detailed rolling action plans which are owned and led individually by the 5 members of Family Action's Executive Group. Progress against these rolling action plans is reported at regular intervals to the Senior Leadership Group and is monitored by the Board of Trustees.

Unfortunately, we are expecting the 2025/26 financial year to be challenging again. As we noted in our Trustees' report last year, the combined impact of more than a decade of austerity, the legacy of the pandemic and continuing cost of living pressures have widened inequalities, particularly for the most disadvantaged, and is continuing to fuel demand for Family Action's services. At the same time, we are seeing huge pressures particularly on local government budgets and this is leading to some very difficult choices being made at local level to cut much-needed services or to focus resources on crisis intervention when much more attention needs to be given to early intervention and prevention. The consequences of this local decision-making inevitably impact on Family Action when we see high-performing services ending for financial reasons. As we also said in our Trustees' report last year, organisations like Family Action that bid for publicly tendered work for the majority of their income are locked into a market and a funding system that does not tolerate inflation-related annual contract increases and, in a similar way, there has been no recognition of the additional pressures put on our budgets by recent increases to rates of Employers NI or the National Minimum Wage. As a result, we struggle to recruit and retain staff in some of our services and our flexibility to cover increasing costs and to increase salaries within existing budgets becomes ever more limited. This is a systemic issue that cannot be ignored or the safety net provided by the charity sector will start to rip and fail. These systemic frailties are issues that politicians from all parties need to acknowledge, prioritise, resource and resolve before it is too late.

In the meantime, Family Action needs to keep looking ahead for new sources of income so that we can continue to deliver high quality services that provide the support that vulnerable families, children and adults need. Our exciting acquisition of Relate's business has broadened the diversity of our income base and reduced our reliance on local government income. We are determined to build up Relate's business in the year ahead and to enhance it by blending aspects of Relate's offer with Family Action's broader experience of working with children, young people, adults and families in so many different contexts. Family Action needs to continue to win new work in this difficult climate, whilst also retaining as many of our existing services as we can and providing our services to as high a standard as possible. We will continue to make the case for greater investment in high quality early intervention and preventative services such as those we provide across the country, and this is a message that we are giving clearly in all our public and private influencing work.

Particular objectives for Family Action in the year ahead will be to

- Implement the rolling action plans under each of our 5 strategic objectives
- Make the most of our recent acquisition of Relate's services and brilliant near 200 strong staff team
- Continue to seize opportunities to develop new services that meet emerging needs for vulnerable children, individuals and families with a particular focus on combining the expertise of Relate and Family Action in new service development
- Invest in our Quality and Continuous Improvement team further to enhance the oversight and quality of our service provision
- Continue implementing our People strategy and its underpinning HR, People Volunteering and EDI strategies
- Complete and begin implementing our new Job Evaluation Framework in the context of continuing to improve Family Action's total reward package for our staff
- Use our campaigns and other engagement work with professional audiences, influencers and political decision makers to influence societal understanding of the diversity of contemporary family life, to drive forward positive change, and to act as a platform for the voices of all those with whom we work. We are planning to develop a network of 'influencers' across the organisation to facilitate local and specialist influencing activity and to expand our reach
- Explore options, through our Co-production and Participation Community of Practice, for lived experience/service user panels which will direct our activity and hold us to account across all our external engagement activity
- Develop and roll out further core messaging for key audiences and key areas of Family Action's work, including the articulation of our young people's services, our therapeutic and relationship support (including Relate), and our adoption and permanency work
- Deliver a new website to support the needs of the families accessing our SENDIAS services – providing information and advice independently of local authority commissioners.

Structure, Governance and Management

Governing Document and group structure

Family Action has its origins in the Charity Organisation Society, which was established in 1869. Today, Family Action is a Company Limited by Guarantee governed by its Articles of Association last amended on 25 April 2019. It is registered as a Charity with the Charity Commission and as a company with Companies House. Family Action subsidiaries are Friendship Works, BAND, PAC-UK and PARCS which are registered and charitable companies that are now dormant following their mergers and transfers of trade and assets to Family Action.

Appointment of Trustees

Our Articles of Association provide that Family Action may have up to 15 Trustees and the present members of the Board are listed in this report. The recruitment of Trustees is steered through the Governance Committee, chaired by the Chair of Trustees. We assess the strengths of the Board and the skills that we need for effective governance on an ongoing basis.

Trustee Induction and Training

All new Trustees receive a bespoke induction plan according to individual need. As a minimum, this includes meetings with the Chair, CEO, Director of Finance, other members of EG, other key staff, the opportunity to observe a Board meeting before joining the Board, the opportunity to learn more about Family Action's services and an offer to attend the monthly corporate induction session for new staff where the CEO presents in detail on the charity's history, strategy, services, finances and current operating environment. We also have a standard Trustee Induction Pack which we keep updated, that contains key information about Trustees' legal duties and responsibilities under Charity and Company Law, the Charity Commission guidance on public benefit, the Charity's Articles and detailed organisational information. New Trustees are offered a Trustee mentor, and we provide training, including safeguarding training, as necessary to ensure that all Trustees are kept up to date with changing requirements. Trustees have also been kept aware of the changing landscape around the regulation of Charity fundraising and Charity law.

Organisation

The Board of Trustees administers the Charity. The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees under its Executive Limitations, for operational matters including finance, contracts, service provision and employment. The Board meets five times a year and there are four Board sub committees: Audit Committee, Quality & Performance Committee, Governance Committee and Investment Committee which can meet up to four times a year under their respective terms of reference.

Related Parties and Co-operation with other Organisations

Any interest between a Trustee or senior manager and the Charity must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of Research in Practice (RiP) (part of the National Children's Bureau), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. During the year, Family Action had an active membership subscription to RiP at a cost of £25,500 excluding VAT per annum, as this is a valuable professional resource for all Family Action staff. This transaction was carried out at an arm's length basis. There are no other related party transactions to report.

Trustee Indemnity Insurance

Family Action provides insurance to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity insurance remains in force as at the date of approving the Trustees' Report.

Key Management Personnel Remuneration

The Directors, who are the Trustees, consider the Board of Trustees and the Executive Group as comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of the Executive Group is reviewed annually. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

Risk Management

The Trustees have a risk management strategy which comprises:

- a review of the principal risks and uncertainties faced by Family Action as a standing agenda item at every Audit Committee meeting, and by the Board of Trustees on an annual basis;
- regular review of the principal risks and uncertainties faced by Family Action and the group by the Executive Group, in line with the *Family can shape the future* Strategy;
- well-established policies, controls, systems and procedures to mitigate any risks identified; and
- clear processes designed to minimise or manage any potential impact on Family Action and the group, should those risks materialise.

The main risks are identified within Family Action's Risk Register. At each Audit Committee meeting we review the Risk Register and also highlight the current highest risks that the Executive Group is concerned about (with commentary and controls). The following top risks were identified over the last year:

- Failure to retain contracted services or win replacement work
- Unstable external environment impacts on staff morale and engagement, and our ability to recruit and retain staff
- Source and sufficiency of management charge to fund central infrastructure
- Death of, or serious harm to, a service user, due to poor safeguarding practice
- Occurrence of a serious data protection breach
- Monitoring and maintaining quality of service delivery.

Key factors in the management of these risks are also reflected in our *Family can shape the future* Strategy. The strategy has five underpinning objectives to help us prioritise and manage ongoing organisational risks and opportunities, especially in light of the external environment- these five strategic objectives are summarised elsewhere in this report.

Further to the above, there remains ongoing mitigation of other key risks such as those relating to data protection, HR, quality, IT, and Health & Safety.

Slavery and Human Trafficking Statement

The Modern Slavery Act 2015 introduced new obligations in relation to slavery and human trafficking. Family Action is fully supportive of the legislation as it is in keeping with our values. Family Action is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities' employer, Family Action is committed to creating and ensuring a non-discriminatory and respectful working environment for its staff and volunteers. Family Action wants all its staff and volunteers to feel confident that they can expose wrongdoing without any risk to themselves.

The nature of our organisation and supply chains means Family Action has a low risk of being exposed to suppliers who utilise human trafficking or slavery. However, we are committed to improving our practices and processes to combat slavery and human trafficking, wherever we can.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk, our Procurement Policy and processes ensure we have in place systems to:

- identify and assess potential risk areas in our supply chains;
- mitigate the risk of slavery and human trafficking occurring in our supply chains; and
- monitor potential risk areas in our supply chains.

We have a zero tolerance to slavery and human trafficking, and we ensure all those in our supply chain and contractors, and our investments comply with these values. Family Action maintains the following policies which are accessible via the Family Action intranet:

- Employee Code of Conduct
- Anti-Bribery Policy
- Anti-Fraud Policy
- Ethical Fundraising Policy
- Health & Wellbeing Policy
- Whistleblowing Policy
- Anti-Bullying and Harassment Policy
- Equality, Diversity & Inclusion Policy Safeguarding Adults Policy
- Safer Recruitment Policy.

Family Action does not enter into business with any organisation, in the United Kingdom or abroad, which knowingly supports, or is found to be, involved in slavery, servitude and forced or compulsory labour.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ended 31 March 2025.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Family Action for the purpose of Company Law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources including the income and expenditure of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Charity will continue on that basis.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charitable Company to 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, hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Public Benefit Statement

The Charities Act 2011 requires all charities to have a purpose that is for the public benefit. The public benefit requirement has two aspects: the "benefit" aspect and the "public" aspect.

All Family Action services provide an identifiable benefit that is capable of being proved by evidence and are made available to the public or sufficient sections of the public. This is entirely in accordance with the two aspects of the public benefit requirement. The Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Family Action's charitable purpose is enshrined in its vision of a society that understands the importance and power of family as a foundation for individual futures and connected, resilient communities. The Trustees ensure that this purpose is carried out for the public benefit by delivering services in accordance with our strategic aims. Many of our services are open to all and our awareness raising and campaigning work benefits everyone.

Carbon Performance 2024/25

Emissions are reported annually in June each year covering the previous financial year running April-March. These are calculated in accordance with the Carbon Trust Corporate Reporting and Accounting Standard using GOV.UK carbon conversion factors. The calculation for scope 3 uses carbon conversion factors for an average UK car. Data includes all activities where we have operational control and specifically eliminates any energy that is procured by a third party. This will include any procured by a landlord and recharged to Family Action as part of a service charge (or similar). We have also adopted the 2015 WRI/ WBCSD Scope 2 Guidance on procured renewable energy.
For our efficiency Index we use 'per FTE'.

- Gas combustion (Scope 1 requirements) – includes gas consumed for stationary or mobile activities for which Family Action is responsible.
- Electricity consumption (Scope 2 requirements) – includes the purchase of electricity by Family Action for its own use, including for the purposes of transport.
- Transport (Scope 3 requirements) – includes energy consumption from transport where Family Action is responsible for purchasing the fuel e.g. fuel used in leased vehicles for business use, fuel used in personal cars for business use, including where Family Action reimburses staff for business mileage claims. This excludes where a transportation service is procured that includes an indirect payment for the fuel consumption e.g. train/plane/taxi or similar where Family Action does not operate the transport.

	2022/2023 tC02e	2023/2024 tC02e	2024/2025 tC02e
Gas combustion (Scope 1)	92.69	31.73	219.47
Electricity consumption (Scope 2)	43.41	35.58	12.635
Transport (Scope 3)	176.77	169.89	174
Total	312.87	237.2	406.105
Carbon footprint per FTE	0.5	0.2489	0.4057
Percentage Increase / Decrease	18.5% ↑	50.2% ↓	63.0% ↑

Family Action has had a target set out in our business assurance system processes to ensure that a carbon footprint decreases by 5% per annum per FTE from a baseline of 0.75 per FTE set in 2019/20.

Compared with last year, there is a significant increase in carbon emissions, this is mainly down to the following reasons:

1.) From 1st January we acquire Relate business with additional Scope 1, 2 and 3 carbon emissions from Relate retail shops.
2.) Accurate meter readings are now provided for many of our gas supplies, previously these were estimated and those with underestimations rolled over into the 2024/2025 year.
3.) There has been a general increase in Scope 1 (gas) consumption across all Family Action sites, most notably at Hollyshaw House.

Due to the nature of our contracts, we would see significant swings in FTE numbers as well as responsible properties therefore we are using the floor area of those "responsible" properties as the intensity ratio for Scope 1 and 2, and use FTE for Scope 3, that way any changes throughout the year do not distort the overall percentage figures.
We have seen a reduction in our Scope 2 due to the purchasing of green energy, but Relate properties are not on a green tariff, in just three months the retail shops used over a third of the emissions that Family Action emitted in the previous 12 months, therefore there will be an increase in Scope 2 emissions in the next report.

The percentage difference is compared year on year but the reduction target per FTE should be from the base level in 2019/2020 which was 0.75 per FTE. If we take a 5% reduction each year from 2019/20 then our target would be at 0.58 per FTE, so we have exceeded our reduction target by achieving 0.41 per FTE in 24/25.

Section 172 Companies Act 2006

Acting in accordance with Section 172 of The Companies Act 2006 ("Duty to promote the success of a company") Family Action's Trustees consider that they have complied with their duties by promoting the Charity's success in achieving its charitable purpose to build stronger families.

Specifically, Trustees, working closely with the Executive Group, have supported the Charity to implement its new 5 year (2024-2029) corporate strategy - *Family can shape the future* - and to navigate the continuing cost of living crisis pressures (for more detail see the Trustees Report above).

Long-term consequences of decisions

A key decision taken during the year was to acquire Relate's business and some 184 staff out of Administration with effect from 1 January 2025. Family Action has designated £2.5m of its unrestricted reserves to support the stabilisation and development of Relate at Family Action over the next two years with the expectation that this money will be paid back over time

Interests of Employees

Trustees as well as the Executive Group have been actively involved in decisions affecting employees, such as the approval of the 1% cost of living pay increase to all staff in October 2024 to reflect continuing cost of living pressures. Trustees have received regular updates on the progress of Family Action's ongoing Pay and Reward project and the Board's Governance and Quality & Performance Committees take a particular interest in strategic issues relating to employees and volunteers.

The Board of Trustees annually reviews Family Action's Gender Pay Gap data and Report. Trustees continue to take a close interest in the organisation's EDI action plan which is being led by our EDI Manager and our EDI Steering Group. As also mentioned above, Family Action has continued to take an active role in ensuring an enhanced wellbeing support offer to all staff.

Business Relationships with suppliers, customers and others; and reputation for high standards of business conduct

During the year, Trustees and the Executive Group have overseen relationships with all our key commissioners and suppliers to ensure we maintain positive and effective relationships. The quality of these relationships has continued to be tested by cost of living pressures but the Charity's longstanding efforts to maintain good relationships with commissioners and suppliers has ensured that these relationships remained strong.

Fundraising

Family Action has a wide range of fundraising activities to generate voluntary donations towards our vital services for children, families and adults. Our Board of Trustees and Executive Group are committed to building relationships and trust with our supporters. The Board works closely with the Executive Group to ensure that the Charity remains compliant at all times with

Fundraising regulations and best practice. We are registered with the Fundraising Regulator.

Impact in the Community and Environment

Trustees and the Executive Group are committed to acting in accordance with our Environmental Policy and to identifying and seeking to minimise negative environmental impact. Family Action holds ISO 14001 (Environmental Management) certification. Please also see our Carbon Performance above.

Acting fairly between members

Family Action is committed to ensuring all colleagues are treated fairly. To help achieve this we have a small EDI team and an ambitious programme of EDI development work. We also have an active approach to staff wellbeing and maintain very positive relationships with our recognised trade unions. Family Action's status as an employer of choice was reflected in us being recognised as UK Charity of the Year in the Third Sector Awards 2021.

Appointment of Auditors

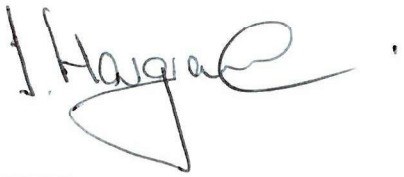
A resolution proposing the appointment of our auditors will be submitted at our AGM in 2025.

Our Thanks

2024/2025 has been an exciting and challenging year for Family Action and we have continued to deliver all our services to a very high standard whilst also managing considerable change. Trustees recognise the exceptional leadership of Family Action's Chief Executive, Sir David Holmes CBE, and the huge contribution of the Executive Group, Senior Leadership Group and all our excellent staff, volunteers and supporters. I thank them all.

In approving this Trustees' Report, the Board is also approving the Strategic Report included herein in their capacity as Company Directors.

On behalf of the Board.



Ian Hargrave
Chair of Trustees
18 September 2025

Family Action Trustees, Officers and Advisers

Patron
HRH The Princess of Wales

Vice Patrons
Dame Christine Davies DBE CBE
Dr Andrew McCulloch
Dame Denise Platt DBE
Katie Vanneck-Smith
Professor Harriet Ward CBE

Trustees
Ian Hargrave***(Chair)
Paul Hayes (Vice Chair)
Louise Posocco (Honorary Treasurer)
Sophy Doyle (to 5 December 2024)
Robert Tapsfield*
George Dunnett (to 2 May 2024)
Dez Holmes
Philippe Broadhead****
Barin Brian Roy** (to 5 December 2024)
Ayodele Arogundade
Melanie Williams Browne
Caroline Walsh
Charlotte Heiss**
Jennifer Holly
Katherine Prince
Philippa Kramer (from 13 February 2025)

Chief Executive (and Company Secretary)
Sir David Holmes CBE

Director of Finance
Funke Fatunla

General Counsel & Director of Systems
Ricardo Gomes da Silva

Director of Services & Innovation
Helen Cantrell

Director of Development & External Affairs
Anja Bailey

**** Chair of Investment Committee
*** Chair of Governance Committee
** Chair of Audit Committee
* Chair of Quality & Performance Committee

Family Action
Registered Office
34 Wharf Road
London N1 7GR
Tel: 020 7254 6251
info@family-action.org.uk www.family-action.org.uk

Family Action is governed by its Articles of Association. It is a registered Charity (No 264713) and Company limited by guarantee not having a share capital (No 01068186) in England and Wales. Registered as a Foreign Company (No 6009F) and Charity (No 1206) in the Isle of Man.

Principal Advisers to Family Action
Bank
Coutts & Co Commercial Banking
440 Strand
London WC2R 0QS

Independent Auditor
HaysMac LLP
10 Queen Street Place
London EC4R 1AG

Investment Advisors
Brewin Dolphin Ltd
12 Smithfield Street,
London EC1A 9LA

Ruffer
80 Victoria Street
London SW1E 5JL

Waverton
16 Babmaes Street
London SW1Y 6AH

Lawyers
Foot Anstey LLP, Salt Quay House
4 North East Quay, Sutton Harbour
Plymouth, PL4 0BN

Stone King LLP, Boundary House
91 Charterhouse Street
London, EC1M 6HR

Opinion

We have audited the financial statements of Family Action for the year ended 31 March 2025, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of the charitable company's net movement in funds, 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.

Basis for opinion

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

Conclusions relating to going concern

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 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year, posting in areas subject to significant judgements or estimates, postings in accounts that are considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located 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. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

K E Burton

Kathryn Burton (Senior Statutory Auditor)
for and on behalf of HaysMac LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 23rd September 2025

FAMILY ACTION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2025 £'000	Total 2024 £'000
Income and Endowments from:						
Donations and legacies	3	1,050	2,125	-	3,175	3,315
Investment	4	477	267	-	744	610
Charitable activities	5	2,203	38,160	-	40,363	36,436
Total		**3,730**	**40,552**	-	**44,282**	**40,361**
Expenditure on:						
Raising funds		630	-	93	723	753
Charitable activities		3,222	38,726	-	41,948	38,570
		3,852	**38,726**	**93**	**42,671**	**39,323**
Net (expenditure)/income before Transfer between Funds		**(122)**	**1,826**	**(93)**	**1,611**	**1,038**
Transfer between Funds		3,267	(3,267)	-	-	-
Net income/ (expenditure) before investments gains		**3,145**	**(1,441)**	**(93)**	**1,611**	**1,038**
Gains on investments		-	3	185	188	340
Net income /(expenditure) before other recognized gains and losses		**3,145**	**(1,438)**	**92**	**1,799**	**1,378**
Remeasurement of defined benefit pension liability	9	-	1,730	-	1,730	(1,242)
Net movements in funds		**3,145**	**292**	**92**	**3,529**	**136**
Fund balance brought forward at 1 April 2024		**6,729**	**4,215**	**9,865**	**20,809**	**20,673**
Fund balances carried forward At 31 March 2025		**9,874**	**4,507**	**9,957**	**24,338**	**20,809**

All amounts relate to continuing activities. Conduit activities are not included above but are set out in **Note 20.**

The attached notes form part of the financial statements.

FAMILY ACTION
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £'000	2024 £'000
Total income	44,282	40,361
Total expenditure excluding endowment funds charges	(42,578)	(39,153)
Net income before investments gains (excluding endowment funds charges)	1,704	1,208
Gains on investments (excluding endowment funds)	3	6
Net income for the year	**1,707**	**1,214**

Total income comprises £3,730k (2024: £2,004k) unrestricted funds and £40,552k (2024: £38,357k) restricted funds. A detailed analysis of expenditure is available in the Statement of Financial Activities and Note 6.

The Summary Income and Expenditure Accounts are derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with Company Law. All income and expenditure are derived from continuing activities.

The Statement of Financial Activities, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the charitable company.

The attached notes form part of the financial statements.

FAMILY ACTION
BALANCE SHEET
AT 31 MARCH 2025

COMPANY NUMBER: 01068186

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
FIXED ASSETS					
Tangible assets	10		4,425		4,497
Trust and Investments	11		10,342		10,247
CURRENT ASSETS					
Debtors	13	5,844		5,980	
Cash		16,834		13,942	
		22,678		19,922	
CREDITORS: amounts falling due within one year	14	(4,085)		(2,995)	
NET CURRENT ASSETS			18,593		16,927
TOTAL ASSETS LESS CURRENT					
Pension scheme deficit	9		(9,022)		(10,862)
NET ASSETS	18		**24,338**		**20,809**
FUNDS					
Unrestricted funds:					
General funds	15		3,722		4,952
Designated reserve	15		6,152		1,777
			9,874		6,729
Restricted funds					
Income funds – including revaluation reserve of (£33k) (2024: (£29k))	16		13,529		15,077
Pension Reserves	9		(9,022)		(10,862)
Endowment Funds – including revaluation reserve of £(884k) (2024: (£736k))	17		9,957		9,865
			24,338		**20,809**

The Financial Statements on pages 35 to 70 were approved and authorised for issue by the Board of Trustees, and signed on its behalf on 18th September 2025 by:

Ian Hargrave
Chairman of Trustee Board

Louise Posocco
Honorary Treasurer

The attached notes form part of the financial statements.

FAMILY ACTION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	£'000	2025 £'000	£'000	2024 £'000
Net cash provided in operating activities		2,218		979
Cash flow from investing activities:				
Dividends and interest received	744		610	
Purchase of tangible assets	(70)		(27)	
Proceeds from sale of investments	369		9,892	
Purchase of investments	(2,926)		(10,581)	
Net movement in cash held not yet invested	2,557		689	
Net cash provided by investing activities		674		583
Change in cash and cash equivalents in the year		**2,892**		**1,562**
Cash and cash equivalents at the beginning of the year		13,942		12,380
Cash and cash equivalents at the end of the year		**16,834**		**13,942**

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £'000	2024 £'000
Net income for the year before investment gains/ (losses)	1,611	1,038
Depreciation	140	122
Decrease/(Increase) in debtors	136	(345)
Increase in creditors	1,092	665
Decrease in pension scheme deficit, net of gains/losses	(110)	(61)
Net investment income	(744)	(610)
Investment manager fees	93	170
Net cash provided/(used in) by operating activities	2,218	979

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025	2024
	£'000	£'000
Cash in hand	16,834	13,942
	16,834	13,942

ANALYSIS OF CHANGES IN NET FUNDS

	At start of year	Cash flows	Other non-cash changes	At end of year
	£'000	£'000	£'000	£'000
Cash	13,942	2,892	-	16,834
TOTAL	**13,942**	**2,892**	**-**	**16,834**

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

1. ACCOUNTING POLICIES

(a) General information

Family Action is a charitable private company limited by guarantee incorporated in England and Wales (co. number 01068186) and registered with the Charity Commission (Charity Registration no. 264713). The Charity's registered office address is 34 Wharf Road, London N1 7GR. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, which are carried at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, applicable accounting standards (FRS 102) and the Companies Act 2006. Family Action is a public benefit entity as set out in section 3 of FRS 102.

(c) Going concern

Following a thorough review of projections, including consideration of the delivery costs of existing contracts, a two year projected cash flow forecast and the company's operations, the Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

(d) Entity combinations

Entity combinations are the effect on the accounts of Family Action of changes to the structure of the Charity and the group that may arise from the acquisition of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Family Action applies the requirements of Sections 19 and PBE34.75 – PBE34.86 of FRS 102 and the guidance set out in the Charity SORP.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company. The assets and liabilities of the entity joining the group at the date of combination or being transferred to the parent charitable company are initially recognised in Family Action's accounts at their fair values. After that date, the accounting policies of Family Action are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, the fair value of the net assets and liabilities acquired is recognised as a gain or loss within the Statement of Financial Activities.

(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 the amount can be measured reliably.

Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are recognised as income as the charity earns the right to the consideration by its delivery of those services. Income received in advance of the provision of a specified service is deferred until the service is delivered.

Legacies are recognised on notification of an impending distribution or on receipt. For the purposes of entitlement this is considered to be the earlier of the date on which with the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from an estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities are included as 'income from donations and legacies' at their estimated value to the Charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. No amounts are included in the financial statements for services donated by volunteers.

(f) Expenditure

All expenditure is accounted for on accruals and has been classified under headings that aggregate all costs related to the category.

Fundraising and publicity costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Direct expenditure on charitable activities includes all costs directly relating to delivering the Charity's principal activities of providing services and financial support to families, individuals and groups within the community. Grant expenditure includes those grants awarded to individuals under the charity's grant programme and those direct and allocated support costs incurred in relation to the award and monitoring of grants. Grant expenditure is recognised once an offer has been awarded and communicated to the recipient.

Support costs are those costs incurred directly in support of the expenditure on the objects of the Charity and governance costs and have been allocated, together with overheads, based on the head count. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements of the Charity.

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at purchase cost and any incidental expenses of acquisition or deemed cost less accumulated depreciation and accumulated impairment losses. Amounts financed by unrestricted funds and costing more than £500 are capitalised.

Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold and Leasehold property – 75 years
Leasehold Property Improvements – 20 years
Leasehold Improvements – term of the Lease
Equipment – 4 years
Computers – 3 years
Furniture – 10 years
IT infrastructure – 5 years

(h) Fixed asset investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in unlisted investments and subsidiary undertakings are stated at cost, less provision for diminution in value.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

(j) Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans obtained by the Charity to further its charitable purposes at rates below prevailing market rates are classified as concessionary loans and accounted for in accordance with Section 34 of FRS 102. Such loans are initially recognised and measured at the amount received and subsequently adjusted to reflect any repayments, accrued interest and any subsequent impairment.

(k) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination costs

All costs included in terminating an employee contract are accounted for on an accruals basis and disclosed in aggregate in staff costs. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Defined contribution pension plans

The Charity contributes to a Group Personal Pension arrangement administered by Aviva (merged with Friends Life). New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out. The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the Council in independently administered funds.

Defined benefit pension scheme
Family Action operates a defined benefit pension scheme, which closed, to future accruals in May 2012, the assets of which are administered by Trustees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the scheme assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Charity engages an independent actuary to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future periods ("discount rate").

The fair value of the scheme's assets are measured in accordance with the FRS 102 fair value hierarchy, and include the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "re-measurement of net defined benefit pension liability".

The cost of the defined benefit plan is recognised in the SOFA as employee costs and comprises:

- The increase in the pension benefit liability arising from employee service during the year; and
- The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. The cost is recognised in the SOFA within "expenditure on charitable activities".

Details of the scheme assets and liabilities and major assumptions are shown in Note 9.

(l) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are the unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

Restricted funds are funds that are used in accordance with the specific instructions imposed by the donors, or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the appropriate fund.

(m) Leasing

Rentals in respect of operating leases are charged on a straight-line basis over the lease term.

Incentives received to enter an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Defined benefit pension scheme
The Charity has obligations to pay pension benefits under a defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Trustees, in consultation with the scheme's actuary, agree the key factors and estimates that determine the net pension obligation in the balance sheet on the basis of historical experience and current trends.

3. DONATIONS AND LEGACIES

	2025 £'000	2024 £'000
Individuals	714	609
Charitable trusts	326	599
Companies	2,135	2,107
	3,175	**3,315**

4. INVESTMENT INCOME

	2025 £'000	2024 £'000
Interest received	478	255
Dividends received from Kottegen investments	10	3
Dividends received from other investments	256	352
	744	**610**

5. INCOME FROM CHARITABLE ACTIVITIES

	Notes	Funds £'000	Funds £'000	2025 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	175	35,514	35,689
Fees and Retail Income		1,017	2,415	3,432
Other Income		1,011	231	1,242
		2,203	**38,160**	**40,363**

INCOME FROM CHARITABLE ACTIVITIES BY SERVICE TYPE

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000
Income				
Early Years Work		-	4,750	4,750
Children and Families Work		175	16,953	17,128
Adult Mental Health & Wellbeing		-	3,727	3,727
National Services		2,028	12,730	14,758
		2,203	**38,160**	**40,363**

INCOME FROM CHARITABLE ACTIVITIES

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	-	32,834	32,834
Fees and Retail Income		91	2,377	2,468
Other income		831	303	1,134
		922	**35,514**	**36,436**

INCOME FROM CHARITABLE ACTIVITIES BY SERVICE TYPE

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Income				
Early Years Work		-	3,624	3,624
Children and Families Work		76	16,518	16,594
Adult Mental Health & Wellbeing		-	3,177	3,177
National Services		846	12,195	13,041
Total		922	35,514	36,436

5a. LOTTERY FUND, TRUSTS & GRANTS

This is a list of funding where the funders required disclosure. It is not a complete list of statutory, lottery and trusts funding.

			Movement in Funds		
These funds are part of statutory funding in restricted funds	**Project Ref. Number**	**Balance 01-Apr 2024**	**Incoming Resources**	**Outgoing Resources**	**Balance 31-Mar 2025**
		£	£	£	£
National Lottery Community Fund - BAND buddying project	20159294	20,201	61,774	(54,732)	27,243
National Lottery Community Fund - Project Indigo	20224661	-	59,850	(28,204)	31,646
National Lottery Community Fund - Peterborough Charteris Centre	20226265	-	50,286	(32,379)	17,907
National Lottery Community Fund - Young Carers	20104822	9,812	104,907	(95,004)	19,715
National Lottery Community Fund - PARCS	C40608	-	63,119	(63,119)	-
National Lottery Community Fund - Medway Perinatal Project - Covid Recovery Service	20169038	26,342	153,396	(135,967)	43,771
National Lottery Community Fund - Community Organisations Cost of Living	20279157	-	19,616	(19,616)	-
National Lottery Community Fund - RC Yorkshire and Humber Region	20186907	15,084	108,403	(113,648)	9,839
Department of Health - CYP MH Early Intervention Hubs		-	307,883	(267,386)	40,497
Feeding Bristol HSF		-	9,946	(9,946)	-
DHSC - Bridging the Gap - Weekends and Co-occurring Conditions	2023_009V	(8,782)	100,233	(164,276)	(72,825)
WCVA Volunteering Wales Main Grant	VMGG - Rd3_64	11,241	11,241	(22,482)	-
Pathways		-	9,800	-	9,800
City Bridge Trust	20231	-	24,301	(24,301)	-
City of London Combined Relief of Poverty Charity	20114	20,739	29,753	(40,756)	9,736
City of London HSF Grant		-	9,300	(9,300)	-
Birmingham City Council Emergency Food Aid Fund		23	-	(23)	-
Mansfield District Council - Food Club Programme		-	7,800	(7,800)	-
Mansfield District Council - Mansfield Community Grant	UKSPF	-	10,631	(10,631)	-
Hampshire & IOW OPCC DVA Grant	DASV22025	-	53,995	(53,995)	-
MoJ - Victim Support, Bradford	CLVSGG-22/23-24/25-041	-	43,015	(43,015)	-
North Northamptonshire Council Flourishing Babies	20161	8,439	87,780	(80,703)	15,516
Cadent Centres for Warmth Grant	Fuel Your Finances	-	81,806	(54,033)	27,773
Southend UKSPF		-	61,464	(57,465)	3,999
National Lottery Community Fund Awards for All England - Hollinwood FOOD Club		-	19,616	(19,616)	-
		---	---	---	---
		103,099	**1,489,915**	**(1,408,397)**	**184,617**
		========	========	==========	========

5b. LOCAL AUTHORITY, GOVERNMENT DEPARTMENT / AGENCIES FUNDERS

Adoption Support Fund	Hertfordshire County Council	Norfolk County Council
Barnsley Metropolitan Borough	Hull City Council	Norfolk Community Health & Care NHS Trust ICB
Bedford Borough Council	Isle of Man Government	North East Lincolnshire Council
Birmingham City Council	Isle of Wight Council	North East London ICB
Black Country Healthcare NHS Foundation Trust	Kent County Council	North Lincolnshire Council
Bolton Metropolitan Borough Council	Leeds City Council	North Yorkshire County Council
Borough Council of Kings Lynn	Leicester, Leicestershire and Rutland Integrated Care Board	Northern Care Alliance NHS Foundation
Bradford District and Craven CCG	Leicestershire County Council	Office of Police & Crime Commissioner Hampshire
Bradford Metropolitan District Council	Lincolnshire County Council	Peterborough City Council
Bradford Trident	London Borough of Barnet	Portsmouth City Council
Buckinghamshire Council	London Borough of Camden	Redcar & Cleveland Borough Council
CAMHS Alliance NELDN ICB	London Borough of Ealing	Royal Borough of Kensignton & Chelsea
Children & Family Court Advisory & Support Service (CAFCASS)	London Borough of Hackney	Royal Borough of Windsor & Maidenhead
City and Hackney GP Confederation	London Borough of Harrow	Sandwell Metropolitan Borough Council
City of Bradford Metropolitan District Council	London Borough of Islington	Salford Royal NHS Foundation Trust
City of Doncaster Council	London Borough of Lambeth	Sefton Council
City of London Corporation	London Borough of Waltham Forest	Sheffield City Council
City of Westminster Council	London Borough of Wandsworth	Solihull Metropolitan Borough Council
City of York Council	Manchester City Council	Staffordshire Council
Conwy County Borough Council	Manchester University NHS Foundation Trust	Stockton-On-Tees Borough Council
Cumberland Council	Mansfield District Council	Suffolk and North East Essex Integrated Care Board
Darlington Borough Council	Medway Council	Suffolk County Council
Department for Education	Middlesbrough Council	Swaffham and Downham PCN
Department of Health and Social Care	NHS Bolton ICB	Wakefield Council
Dorset Council	NHS Greater Manchester ICB	Walsall Council
Durham County Council	NHS Leicester, Leicestershire and Rutland ICB	Wandsworth Council
East London NHS Foundation Trust	NHS Norfolk and Waveney ICB	West Yorkshire Integrated Care Board
Essex County Council	NHS North East London ICB	Westminster City Council
Gloucestershire County Council	NHS North West London ICB	Westmorland and Furness Council
Greater Manchester Mental Health NHS Foundation Trust	NHS South West London ICB	Wigan Council
Havering Health GP Federation	Norfolk & Suffolk NHS Foundation	Wiltshire Council

5c. Income & Expenditure for Isle of Man Government Funding
(Family Action registered Charity No 1206
Family Action Foreign Company No: 6009F):

	2025 £'000	2024 £'000
Income	887	868
Expenditure	(946)	(850)
Deficit	**(59)**	**18**

6a. EDUCATIONAL & ALLEVIATION OF NEED

The Charity made 1,878 (2024: 2,140) grants to individuals and families in the year that totaled £856k (2024: £855k). The Charity has opted to take the exemption available under Charity Law not to disclose the names of grants recipients in these financial statements. The grants are funded by Investment income and Corporate Donations. (Notes 3 & 4 above).

6b. ANALYSIS OF TOTAL EXPENDITURE - 2025

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2025 £'000	2024 £'000
Raising funds					
Fundraising and publicity costs	630	93	-	723	753
Cost of charitable activities					
Early Years work	4,040	-	200	4,240	3,273
Children and Families work	15,279	-	755	16,034	17,109
Adult Mental Health & Wellbeing	3,920	-	194	4,114	3,305
Educational & Alleviation of need	900	947	44	1,891	894
National Services*	14,931	-	738	15,669	13,989
	39,070	947	1,931	41,948	38,570
	39,700	**1,040**	**1,931**	**42,671**	**39,323**

*National services include Food Clubs and the National School Breakfast Programme etc.

ANALYSIS OF TOTAL EXPENDITURE – 2024

	Activities Undertaken Directly	Grant Funding Activities	Support Costs	2024
	£'000	£'000	£'000	£'000
Raising funds				
Fundraising and publicity costs	583	170	–	753
Cost of charitable activities				
Early Years work	3,126	–	147	3,273
Children and Families work	16,342	–	767	17,109
Adult Mental Health & Wellbeing	3,157	–	148	3,305
Educational & Alleviation of need	–	855	39	894
National Services*	13,362	–	627	13,989
	35,987	855	1,728	38,570
2024	**36,570**	**1,025**	**1,728**	**39,323**

6b. ANALYSIS OF TOTAL EXPENDITURE

Support costs include:	**2025 £'000**	**2024 £'000**
Staff Costs	1,283	1,228
Office Premises	32	30
Rates	18	24
Cleaning & materials	38	42
Office Equipment	6	18
Telephone	47	52
Depreciation	140	122
Governance	46	40
Others	321	172
	1,931	1,728

The above expenditure includes the following charges:

	£'000 2025	£'000 2024
Auditor's remuneration – Statutory audit	44	37
Depreciation	140	122
Operating lease rentals:		
- Buildings	833	854
- Other	2	6

7. STAFF COSTS

	2025	2024
Staff costs consist of:	**£'000**	**£'000**
Wages and salaries	23,308	21,339
Redundancy	63	49
Social security costs	2,013	1,813
Employer's Pension costs	1,847	1,691
	27,231	24,892
Agency costs	282	452
	27,513	**25,344**
The monthly average number of employees was	**1,018**	**920**

The numbers of employees with emoluments over £60,000 were as follows:

	2025	2024
	No	**No**
£60,000 - £70,000	11	6
£70,000 - £80,000	3	2
£80,000 - £90,000	5	1
£90,000 - £100,000	-	3
£100,000 - £110,000	2	1
£110,000 - £120,000	3	-
£170,000 - £180,000	-	1
£200,000 - £210,000	1	-

In the bandings above, where these staff are also included, the required definition of emoluments is total gross pay.

The Directors consider the Board of Directors, who are the Trustees, and the Senior Management Team as comprising the key management personnel of the Charity.

The Senior Management Team of the group comprises the Chief Executive Officer, Director of Services & Innovation, General Counsel & Director of Systems, Director of Finance and Director of Development & External Affairs. The total compensation of the Senior Management Team was £685,824 (2024: £660,631).

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity's Trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2024: £nil), and reimbursed expenses during the year of £70 (2024: £129). No Charity Trustee received payment for professional or other services supplied to the Charity (2024: £nil).

9. PENSION COSTS
Pension Arrangements

The group has two pension arrangements, a defined contribution and a defined benefits scheme.

The defined contribution scheme is a Group Personal Pension (GPP) arrangement administered by Friends Life, now Aviva. New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out.

The total defined contribution payable and recognised as an expense in the SOFA was £1,079,162 (2024: £994,646).

The administration of the closed defined benefits is with Cartwright Group. The scheme closed to future accruals on 31 May 2012 except for payments due under a Recovery Plan agreed with the pension Trustees. There is an obligation to fund the ongoing administration costs of the pension scheme.

The disclosures, set out below, are based on calculations carried out as at 31 March 2025 by a qualified independent actuary.

The Scheme's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the Projected Unit Method, which is a method suitable for a scheme that was closed to new entrants. The liabilities set out in this note have been calculated based on the full valuation as at 1 January 2024, updated to 31 March 2025. The results of the calculations and the assumptions adopted are shown below.

The Charity's contributions expected to be made in the year commencing 1 April 2025 are approximately £845k based on the revised schedule of contributions agreed at the 1 January 2024 valuation.The Trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members to the Trustee Board is determined by the trust documentation. Trustees have received actuarial advice and the overall expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Changes in Defined Benefits Obligation:	**2025**	**2024**
	£'000	**£'000**
Benefits obligation, beginning of the year	27,396	26,376
Interest cost	1,303	1,225
Benefits payments	(1,086)	(1,197)
Actuarial (gains) on demographic assumptions	(484)	(524)
Actuarial (gains) on financial assumptions	(3,255)	(7)
Actuarial losses on experience adjustments	108	1,523
Benefits obligation, end of year	**23,982**	**27,396**

Assumptions used to determine defined benefit obligation at end of year:

	2025	2024
Discount rate	5.73%	4.85%
Rate of retail price inflation (non-pensioner)	3.22%	3.25%
Rate of consumer price inflation (non-pensioner)	n/a	n/a
Nominal rate of increase in pension payments (pensioners)		
- RPI 5% pa	3.01%	3.05%
- RPI 3% pa	2.28%	2.25%

	2025	2024
Post-retirement mortality assumption:		
- Base table	100% S3PXA	100% S3PXA
- Projections for future improvements	CMI 2024 projections, with a long term improvement rate of 0.5% p.a.	CMI 2024 projections, with a long term improvement rate of 0.5% p.a.
Commutation allowance	80% of maximum cash at retirement	80% of maximum cash at retirement

	Years	Years
Life expectancy from 65 for a male currently aged 45	21.0	21.0
Life expectancy from 65 for a male currently aged 65	20.7	20.7
Life expectancy from 65 for a female currently aged 45	23.8	23.7
Life expectancy from 65 for a female currently aged 65	23.2	23.2

Changes in Scheme assets are as follows:	2025 £'000	2024 £'000
Fair value of Scheme assets, beginning of the year	16,534	16,695
Interest Income	791	777
Employers' Contributions	822	737
Benefits payments	(1,086)	(1,197)
Administration Expenses	(200)	(228)
Return on plan assets in excess of interest income	(1,901)	(250)
Fair value of Scheme assets, end of year	**14,960**	**16,534**

Scheme Assets Allocation, End of Year	31 March 2025 £'000	31 March 2024 £'000
Diversified Growth Funds	4,103	3,990
Absolute Return Bonds	4,287	3,796
Liability Driven Investment	6,341	8,543
Cash	229	205
Total	**14,960**	**16,534**

9. PENSION COSTS (cont)

Amount recognised in the balance sheet

	31 March 2025	31 March 2024
	£'000	£'000
Fair value of Scheme assets	14,960	16,534
Present value of funded defined benefit obligation	(23,982)	(27,396)
Deficit recognised in scheme	(9,022)	(10,862)

Components of benefit cost recognised in Income & Expenditure	31 March 2025	31 March 2024
	£'000	£'000
Net interest cost on net defined liability	512	448
Administration Expenses	200	228
Net benefit cost in SOFA before other recognised gains and losses	712	676

Amount recognised in other recognised gains and losses:	2025	2024
	£'000	£'000
Return on plan assets in excess of interest income	1,901	250
Actuarial gains arising from changes in demographic assumptions	(484)	(524)
Actuarial gains arising from changes in financial assumptions	(3,255)	(7)
Actuarial losses on experience adjustments	108	1,523
(Gains)/Loss recognised in other recognised gains and losses	**(1,730)**	**1,242**

10. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Leasehold Improvements	Computers Equipment & Furniture	Total
	£'000	£'000	£'000	£'000	£'000
At 1 April 2024	312	3,900	745	210	5,167
Additions	-	-	-	70	70
At 31 March 2025	**312**	**3,900**	**745**	**280**	**5,237**
At 1 April 2024	**13**	**260**	**243**	**156**	**672**
Charge for the year	4	52	31	53	140
At 31 March 2025	**17**	**312**	**274**	**209**	**812**
Net Book Value at 31 March 2025	**295**	**3,588**	**471**	**71**	**4,425**
Net Book Value at 1 April 2024	**300**	**3,640**	**503**	**54**	**4,497**

11. FIXED ASSETS & INVESTMENTS

All trust fund investments were revalued to the quoted price on 31 March 2024.

The investments of the Endowed Trusts and administered funds are held in a broadly diversified multi-manager portfolio devised and run by Waverton and Ruffer.

	2025 £'000	2024 £'000
Market value at 1 April	10,247	10,077
Disposal in year	(369)	(9,892)
Acquisitions in year	2,926	10,581
Net cash movement in year not yet invested	(2,557)	(689)
Investment management fees	(93)	(170)
Gains on revaluation in year	188	340
Market value at 31 March	**10,342**	**10,247**
Historical cost at 31 March	**9,426**	**9,482**

Splits:	2025 £'000	2024 £'000
Listed Investment	10,155	10,027
Investment cash	187	220
	10,342	10,247

12. SUBSIDIARY UNDERTAKINGS

Friendship Works:
Friendship Works is a dormant charitable company incorporated in England and Wales (Charity no: 1017460, Company no: 2754587) controlled by Family Action by virtue of being its sole member.

Building A New Direction (BAND):
BAND is a dormant charitable company incorporated in England and Wales (Charity no: 1060822, Company no: 03284504) controlled by Family Action by virtue of being its sole member.

PAC-UK Ltd:
PAC-UK is a dormant charitable company incorporated in England and Wales (Charity no: 294998, Company no: 2040322) controlled by Family Action by virtue of being its sole member.
Portsmouth Abuse & Rape Counselling Service (PARCS)
PARCS is a dormant charitable company incorporated in England and Wales (Charity no: 1079950, Company no: 3643599) controlled by Family Action by virtue of being its sole member.

The registered office address of each subsidiary undertaking is 34 Wharf Road, London N1 7GR.

13. DEBTORS

	2025 £'000	2024 £'000
Amounts invoiced to funders	5,122	5,631
Prepayments and accrued income	715	340
Other Debtors	7	9
	5,844	**5,980**

14. CREDITORS: amounts falling due within one year

	2025 £'000	2024 £'000
Trade Creditors	1,120	834
Payment received on account for contracts	456	606
Deferred Income	376	222
Tax and social security	1,007	938
Other creditors	1,126	395
	4,085	**2,995**

Deferred income represents funding received in advance of the provision of the related services. All deferred income held at the end of the previous financial year has been recognised within the current financial year.

15. UNRESTRICTED FUNDS AS AT MARCH 2025

	Balance	Movement in Funds			Balance
	31 March 2024	Incoming Resources	Gains and transfers	Expenditure	31 March 2025
	£'000	£'000	£'000	£'000	£'000
General funds	4,952	3,730	(4,942)	(18)	3,722
Fixed Assets fund	530	-	6	(50)	486
Property Improvement fund	150	-	-	-	150
Service Development Fund	48	-	-	-	48
Staff Contingency	875		249	(57)	1,067
Digital development	57	-	-	(57)	-
Brand Development	65	-	-	(65)	-
Service & Innovation	52	-	4	(56)	-
Relate Designated Fund	-	-	2,584	(282)	2,302
Continuous Imp. & Org. Dev.	-	-	2,099	-	2,099
	6,729	**3,730**	**-**	**(585)**	**9,874**

The general funds represent the free funds of the Charity, which are not designated for any particular purpose. The balance as at 31 March 2025 is: £3,722k (2024: £4,952k).

The fixed assets fund represents leasehold improvements of the Charity's offices used for charitable activities. The balance as at 31 March 2025 is £486k (2024: £530k).

Property improvements fund is a designated fund set aside for the cyclical repairs and maintenance of the Head Office property. The balance as at 31 March 2025 is £150k (2024: £150k).

A Service development fund has been set up to enable the Charity to manage planned payment of liabilities and budget deficits. This is essential for the future of the Charity and is designated, so excluded from free reserves. The balance as at 31 March 2025 is £48k (2024: £48k).

The staff contingency fund has been set up to enable the Charity to meet its contracted obligations where services experience staff absences due to sickness, redundancy or maternity for which additional funding is not available. The balance as at March 2025 is £1,067k (2024: £875k).

During the year, the Board designated £2.5m to support the stabilisation and development of Relate at Family Action until it reaches break even position. The loss of £282k up until March 2025 was charged to this fund. The balance as at March 2025 is £2,302k (2024: Nil).

Designation of £2m as investment in our Quality and Continuous Improvement team to enable Family Action to implement key aspects of its 2024-2029 five year organisational strategy and to help us address some current challenges in managing risk within our service delivery. The balance as at March 2025 is £2,099k (2024: Nil).

We see the conclusion of the Board approved spend on some key developmental projects namely:

Digital & Website Development, to redevelop the Family Action website to ensure it is fit for purpose and accurately represents the charity. The balance as at March 2025 is Nil (2024: £57k).

Brand Development, to review and refresh the Family Action brand and positioning to improve recognition and engagement, and drive unrestricted income generation. The balance as at March 2025 is Nil (2024: £65k).

Service & Innovation Development, to fund a development role which will ensure that Family Action remains at the cutting edge of new service design and innovations. The balance as at March 2025 is Nil (2024: £52k).

15. UNRESTRICTED FUNDS AS AT MARCH 2024

	Balance	Movement in Funds			Balance
	31 March 2023	Incoming Resources	Gains and transfers	Expenditure	31 March 2024
	£'000	£'000	£'000	£'000	£'000
General funds	5,281	2,004	251	(2,584)	4,952
Fixed Assets fund	574	-	-	(44)	530
Property Improvement fund	150	-	-	-	150
Service Development Funds	548	-	(500)	-	48
Staff Contingency	703	-	249	(77)	875
Digital development	112	-	-	(55)	57
Brand Development	160	-	-	(95)	65
Service & Innovation	111	-	-	(59)	52
	7,639	**2,004**	**-**	**(2,914)**	**6,729**

16. RESTRICTED FUNDS AS AT March 2025

	Balance		Movement in Funds		Balance
	31 March 2024	Incoming Resources	Gains/(losses) and transfers	Expenditure	31 March 2025
	£'000	£'000	£'000	£'000	£'000
Operational services	13,212	39,666	-	(41,256)	11,622
Other restricted funds:					
New Day	156	156	-	(152)	160
Other Restricted funds	962	515	-	(506)	971
Nora Henry Trust	37	36	-	(46)	27
E & W Morgan Trust	336	-	-	-	336
Other Endowment funds	374	179	3	(143)	413
Total other restricted funds	**1,865**	**886**	**3**	**(847)**	**1,907**
Restricted income funds	**15,077**	**40,552**	**3**	**(42,103)**	**13,529**
Pension scheme reserve	**(10,862)**	**-**	**1,730**	**110**	**(9,022)**
Total restricted funds including pension scheme reserve	**4,215**	**40,552**	**1,733**	**(41,993)**	**4,507**

Restricted funds comprise two main elements:

1. The unexpended income from Operational Services of £11,622k as at 31 March 2025 (2024: £13,212k). These restricted funds represent funded projects and services run by Family Action. The balance consists mainly of start-up funding on new projects not yet spent and funding to be carried forward as agreed with individual funders.

2. Family Action administers endowed and non-endowed trust funds. It distributes this income in the form of grants to individuals. The unexpended income from the funds is carried forward under its restricted purpose. This amounts to £1,907k as at March 2025 (of which £413k is held as investment in our portfolio) compared with £1,865k in 2024 (of which £374k is held as investment in our portfolio). Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

16. RESTRICTED FUNDS AS AT March 2024

	Balance	Movement in Funds			Balance
	31 March 2023	Incoming Resources	Gains/(losses) and transfers	Expenditure	31 March 2024
	£'000	£'000	£'000	£'000	£'000
Operational services	11,280	37,380	–	(35,448)	13,212
Other restricted funds:					
New Day	115	174	–	(133)	156
Other Restricted funds	903	515	–	(456)	962
Nora Henry Trust	4	50	–	(17)	37
E & W Morgan Trust	330	–	6	–	336
Other Endowment funds	383	238	–	(247)	374
Total other restricted funds	1,735	977	6	(853)	1,865
Restricted income funds	**13,015**	**38,357**	**6**	**(36,301)**	**15,077**
Pension scheme reserve	**(9,681)**	**–**	**(1,242)**	**61**	**(10,862)**
Total restricted funds including pension scheme reserve	**3,334**	**38,357**	**(1,236)**	**(36,240)**	**4,215**

17.

	Charity Reg. Number	Balance 31 March 2024	Expenditure and Unrealised Gains/(losses)	Balance 31 March 2025
Permanent Endowments		£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	725	6	731
Eleanor Ponsonby Trust	275060	1,161	10	1,171
FWA Greater London Relief in Need Charity	1006487	880	10	890
FWA National Relief in Need	231205	803	8	811
FWA Relief in Need Charity for the Aged	237118	970	11	981
FWA Relief in Sickness Charity	264713	681	6	687
Women's Holiday Fund	207455	931	9	940
Metropolitan Visiting and Relief Association	251586	368	3	371
Queen Adelaide Fund	207228	262	4	266
Bishop Andrews Charity	205288	122	-	122
Other funds (balances < £100,000)		292	-	292
		7,195	67	7,262
Expendable endowments				
Nora Henry Trust	313949	1,732	15	1,747
Fenton Trust	247552	96	1	97
Lamming Will Trust	216257	125	2	127
Other funds (balances < £100,000)		717	7	724
		2,670	25	2,695
Total endowment funds		9,865	92	9,957

Family Action manages trust funds with or without endowments. There are permanent and expendable endowments in addition to restricted trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including the above endowments funds) as at March 2025 is £10,342k compared with £10,247k in 2024. An increase in market value, which are unrealised gains, amounts to £188k compared with a reduction in value in 2024 of £170k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

17.

	Charity Reg. Number	Balance 31 March 2023	Expenditure and Unrealised Gains/(losses)	Balance 31 March 2024
Permanent Endowments		**£'000**	**£'000**	**£'000**
Caterham Whyteleafe Trust	272724	713	12	725
Eleanor Ponsonby Trust	275060	1,142	19	1,161
FWA Greater London Relief in Need Charity	1006487	865	15	880
FWA National Relief in Need	231205	790	13	803
FWA Relief in Need Charity for the Aged	237118	954	16	970
FWA Relief in Sickness Charity	264713	670	11	681
Women's Holiday Fund	207455	916	15	931
Metropolitan Visiting and Relief Association	251586	362	6	368
Queen Adelaide Fund	207228	258	4	262
Bishop Andrews Charity	205288	120	2	122
Other funds (balances < £100,000)		285	7	292
		7,075	**120**	**7195**
Expendable endowments				
Nora Henry Trust	313949	1,703	29	1,732
Fenton Trust	247552	94	2	96
Lamming Will Trust	216257	123	2	125
Alfred de Rothschild Trust	202225	705	12	717
Other funds (balances < £100,000)				
		2,625	**45**	**2,670**
Total endowment funds		**9,700**	**165**	**9,865**

Family Action manages trust funds with or without endowments. There are permanent and expendable endowment in addition to restricted trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including the above endowments funds) as at March 2024 is £10,247k compared with £10,077k in 2023. An increase in market value, which are unrealised gains, amounts to £170k compared with a reduction in value in 2023 of £1,130k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.
Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 March 2025

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2025				
Are represented by:				
Tangible fixed assets	4,427	-	-	4,427
Investments	-	385	9,957	10,342
Current assets	6,266	16,412	-	22,678
Current liabilities	(819)	(3,268)	-	(4,087)
Pension scheme deficit	-	(9,022)	-	(9,022)
Total net assets	**9,874**	**4,507**	**9,957**	**24,338**
Unrealised gains included above:				
Total unrealised gains at 31 March 2025		(33)	(884)	(917)

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 March 2024

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2024				
Are represented by:				
Tangible fixed assets	4,497	-	-	4,497
Investments	-	382	9,865	10,247
Current assets	2,832	17,090	-	19,922
Current liabilities	(600)	(2,395)	-	(2,995)
Pension scheme deficit	-	(10,862)	-	(10,862)
Total net assets	**6,729**	**4,215**	**9,865**	**20,809**
Unrealised gains included above:				
Total unrealised gains at 31 March 2024		(29)	(736)	(765)

19. LEASING COMMITMENTS

At 31 March 2024 the charitable company had future minimum rentals payable under non-cancellable operating leases as detailed below:

	2025 Property £'000	2025 Other £'000	2024 Property £'000	2024 Other £'000
Minimum lease payments due within:				
- one year	506	1	451	6
- within two to five years	183	1	229	-
- over five years	144	-	174	-
	833	**2**	**854**	**6**

The Charity carefully manages its lease obligations to ensure that the lease terms closely match the length of service contracts and for non-service-related properties that appropriate break clauses are in place to safeguard the Charity's resources.

20. CONDUIT FUNDS

	Balance 31 March 2024	Outgoing Funds	Balance 31 March 2025
	£'000	£'000	£'000
Motor Insurance Bureau	27	(14)	13
Deputy and Trustee Services	36	-	36
CAMHS Alliance Fundholder	392	(287)	105
	455	**(301)**	**154**

Motor Insurance Bureau: Family Action acts as custodian trustee for minors in respect of awards made by the Motor Insurance Bureau. These funds are paid out to the individual benefactors on reaching the age of maturity.

Deputy and Trustee Services: The Head of Deputy and Trustee Services acts as deputy for people who do not have the capacity to manage their own financial affairs and undertakes the day-to-day management of their financial affairs in line with guidelines provided by the Office of the Public Guardian. During the year a majority of the clients were moved with orders from the court to firms of solicitors with only the accounts of deceased clients left. These will be resolved by the courts with balance on the accounts paid out accordingly.

CAMHS Alliance Fund Holder: Family Action are the Fund holder for City & Hackney Child and Adolescent Mental Health Service (CAMHS) Alliance. Family Action is responsible for payment of invoices on behalf of the alliance to various service providers commissioned by the NHS City & Hackney CCG.

21. RELATED PARTY TRANSACTIONS

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of Research in Practice (RiP) (now part of the National Children's Bureau), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. A valuable professional online resource for all of Family Action staff. During the year, Family Action has an active membership subscription at a cost of £25,500 (2024: £24,750) per annum. This transaction was carried out at an arm's length basis.

Donations made by Trustees totalled £9,181 as of 31 March 2025 (2024: £5,400). There are no other related party transactions to report.

Annual Report and Accounts of the service delivery activities on the Isle of Man for the year ended 31 March 2025.

1. Family Support Service Overview:

The primary purpose of the Family Support Service is to provide timely, time limited, effective and targeted support to children with complex needs (CwCN) and additional needs (CwAN). The focus of the service is early help and support (EHaS) for children and families on the Isle of Man (IoM). All interventions are evidence-based and consist of a variety of support programmes that include 1:1 support for children, young people and their families, 1:1 parenting support in the family home and tailored emotional and practical support for families in need of hands-on support. Family Support Workers deliver support in the family home, which enables them to see children's true lived experiences and gain a better understanding of how best to drive positive outcomes for the children and families on the IoM.

Table 1

Quarter	Period	EHaS referrals received	CwCN referrals received
Q1	April – June 2024	15	17
Q2	July – September 2024	21	12
Q3	October – December 2024	30	18
Q4	January – March 2025	38	20

Table 1 demonstrates that referrals are received on a regular basis for both EHaS and CwCN support. Family Action accepted all referrals received. All families were contacted within 48 hours after the initial EHaS/ CwCN meeting. On average, EHaS cases were supported over a period of 11.2 weeks.

Family Action prides itself on delivering evidence-based parenting programmes and interventions that include:

- Incredible Years Parenting Programme,
- Solihull Parenting Programme,
- Triple P Parenting Programme,
- ACE's Adult ACE Recovery Toolkit
- The Salford Graded Profile

Outcomes:

The Family Star tool is used to measure the distance-travelled outcomes for each of the referred families and their children. Families are asked to score 7 of the Family Star domains that include Home and Money; Boundaries & Behaviour; Family Routines; Physical Health; Emotional Wellbeing; Keeping Children Safe; and Education and Learning. Families are encouraged to be open and honest during the Family Star session, so that the right support can be offered to them during the 12-week intervention. Families are encouraged to review their Family Star scores at the 6-week and 12-point to help them see how far they have come and the positive changes they have achieved.

In relation to CwCN cases, families received interventions with an average of 8.5 weeks. Families and children were supported by more experienced Family Support Workers who worked closely with the Social Workers and many other agencies such as health, CAMHS, DAT or Motiv8. All families and children received minimum one visit per week; however, where crisis was recorded, sessions were increased adequately. Family Support Workers attended strategy, network and professional meetings as required. Step-up processes were applied when safeguarding concerns were recognised by Family Action workers.

Feedback:
Family Action seeks feedback on a regular basis. Families are contacted 12 weeks after the end of the intervention. This helps to determine if our interventions are successful, and if families are able to sustain changes.

Examples of feedback received include:

- *Sessions helped to align my husband's and my parenting style and approaches. Support helped us to reduce the amount of bickering between us. It was good to have someone to look at our situation from the outside and give us feedback and guidance on how to do better.*
- *She met my daughter and listened to her; she gave us strategies to help with school attendance. She is attending every day now and we have no issues at present.*
- *We have 3 young children and our support worker understood that things can be very challenging. She was also very supportive to me when I experienced a mental health dip, she advocated for my needs.*
- *I am feeling more confident as a mum. I am going out more with the children and by myself (walks, shops). I felt confident to look at research about medication for ADHD, I would have never done that before, I would have sat and worried.*
- *We are in a very good place and still use strategies that we learnt, but not as often as we needed to because her behaviour is so much better.*
- *Things are positive and much better to where we were when we started. There are still challenges but I can respond better.*
- *Before Family Action I was a sinking ship and hopeless but now I feel confident in my parenting skills and how to respond to my child.*
- *The support was great; really helpful, it helped me and my husband to honestly look at our parenting and approaches; very supportive, comfortable, realistic and reassuring.*
- *I used to feel nervous as a mum but now I feel confident.*
- *I really enjoyed the support. It was like a weekly therapy session, but with feedback and reflection on what I could do differently, or how to change things for the better. The support was non-judgmental.*

2. Supervised Contact Centre:
The purpose of the service is to provide the looked after children with a safe environment where their emotional and physical safety needs are met during contact with their birth families. SCC will help parents to maintain positive relationships with their children whilst they reside with family members, foster carers or in residential care. Any harmful and abusive contact is to be recognised, reported and steps are to be taken to reduce or remove such harm or abuse.

The Supervised Contact Centre is required to deliver up to 90 hours of face-to-face contact sessions per week. All referrals to the contact centre are issued by the Local Authority, Manx Care. Referrals for private contacts are not authorised.

Table 2 demonstrates the volume of contacts between Q1 and Q4 2024-25. Referrals to the service continue to reduce, a trend seen since 2016. Regular monthly meetings are held with the Children and Families team in Manx Care to manage contact hours and prepare for any new referrals. SCC delivers sessions across 6-days, including Saturdays.

Table 2

Quarter	Period	Average hours delivered (per week)
Q1	April – June 2024	46
Q2	July – September 2024	29.9
Q3	October – December 2024	45.7
Q4	January – March 2025	33.6

Feedback:

- *I cannot thank you enough for the time, help and support that you have offered to both my son and I over the last 15 months.*
- *The rooms that have been provided for contact have been overhauled and transformed during my period as a user, and it's such a welcoming, well quipped environment, there is plenty of activities, games and equipment to use, which is kept very clean and tidy.*
- *.SCC Coordinator has been very efficient in responding and keeping me informed about contact sessions. She has an excellent manner in keeping things professional, yet always very personable, friendly, warm and inviting.*
- *I just want to take the opportunity to thank you for your time, support of F during sessions (a great help for his feelings of security) and your consideration and understanding throughout an emotionally difficult time for F.*

ISLE OF MAN INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 March 2025

	Notes	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
Income from:				
Charitable activities	1	887	887	868
Total		**887**	**887**	**868**
Expenditure on:				
Raising funds:		2	2	2
Charitable activities	2	944	944	848
Total		**946**	**946**	**850**
Net income		**(59)**	**(59)**	**18**

NOTES:

		2025 £'000	2024 £'000
1	**Income from Isle of Man Government**	**887**	**868**

2 Expenditure

	Activities Undertaken Directly	Grant Funding of activities	Support costs	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000
Children & Families work	910		36	**946**	**850**

FAMILY ACTION

England & Wales - Charity number 264713

Accounts

FAMILY ACTION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Charity number: 264713
Company number: 01068186
Isle of Man Company number: 6009F
Isle of Man Charity Number: 1206

FAMILY ACTION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

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Welcome from Ian Hargrave, Chair of Family Action

This has been another challenging year for Family Action as we have continued to manage the considerable hardships caused by cost of living pressures on our service users, volunteers and staff.

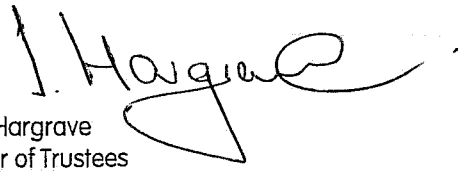
I am glad to report that once again the Charity, through excellent planning and management, has continued to provide our essential services without interruption and I am proud of the leadership, drive and determination that Family Action shows every day.

At all times Family Action's work is driven by its values – Can Do, Excellence, People Focus and Mutual Respect.

Key achievements during the year included:

- Providing over 170 community-based and national services that together reach hundreds of thousands of children, adults and families;
- Providing a nutritious breakfast to over 350,000 children a day in disadvantaged areas through the National School Breakfast Programme and achieving an extension to the contract to continue to deliver the NSBP until July 2025;
- Managing some 9,000 contacts to our FamilyLine service (a free telephone, text, webchat and email service for parents and carers) over the year;
- Creating a new partnership with the Poundland Foundation to support our FamilyLine service and to develop FamilyLine's digital offer;
- Making 2,140 financial grants to the beneficiaries under our various grants schemes with a total value of £860,538;
- Maintaining our large network of FOOD Clubs in direct response to the continuing food insecurity resulting from the cost of living pressures; and
- Winning £2.9m in new and retendered work over the year across England and Wales, including a large new contract to deliver Children and Family Centres with Gloucestershire County Council.

Family Action celebrates its 155th birthday this year. Please support this fantastic charity to do even more.



Ian Hargrave
Chair of Trustees
19th September 2024

Our Objectives

To preserve and protect the good health (in particular mental health) and advance the education of families, individuals and groups within the community, the relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in such ways as the Trustees see fit.

Our Purpose and Activities

At Family Action, our vision is of a society that understands the importance and power of family as a foundation for individual futures and connected, resilient communities.

We support people through change, challenge or crisis. It's what we've done for over 150 years. We protect children, support young people and adults and offer direct, practical help to families and communities.

We see first-hand the power of family to shape lives, for better or worse, so we speak up for the importance of family in national and local policymaking, amplify family voices and represent the changing needs of families in the UK today.

We care deeply about the children of today, the adults of tomorrow and all of us here now; the children we were and the people we could be in the future, with the right support. And that's what we strive to offer: the right support at the right time - for every family in need and anyone who is, or ever has been, without the support of a family or familial networks.

Through every age and stage of life, we have specialist and practical support for those in need. Community FOOD Clubs help with food and essentials; perinatal, parenting and post-adoption support gives families the best start in life, while our family support, wellbeing, helpline and counselling services help people shape - or reshape - their futures for themselves.

Across all our services, we focus on:

- Creating opportunity and life chances
- Promoting health, wellbeing and connectedness
- Supporting families through all life stages and major changes
- Helping to build and sustain safe, supportive relationships
- Amplifying family stories and the voices of families today

Family Action supports hundreds of thousands of families, adults and children a year through some 170 community-based services across England, Wales and the Isle of Man and a significant portfolio of national services. We help many more every year with financial assistance through our UK wide education and welfare grant programmes and through our FamilyLine and via the National School Breakfast Programme.

Our services transform lives and are grouped under the following nine themes:

Early Years and Perinatal

Services that specialise in supporting pregnant people, and parents and carers with children from birth to 5 years, at home, in family centres and in education settings.

Children and Families

Services that provide support for children, young people and families where a whole family approach to support is available. Services provided include:

- Short term targeted interventions, support with specific issues and intensive support for families with complex and enduring needs;
- Evidence-based parenting programmes to support children's emotional and social development;
- Emotional health and wellbeing services including counselling and therapeutic work for children who have suffered trauma, bereavement or abuse and other specialist services for children and families;
- Young Carers services including working with schools to identify and support young carers and their families;
- Relationship Support including supervised contact and working with separated parents;
- Maintaining high quality Children's Centres particularly in disadvantaged areas; and
- Welfare benefits, debt and housing advice.

Domestic and Sexual Violence
Services supporting and advocating for people with lived experience of domestic and sexual violence and abuse.

Specialist Educational Needs and Disability (SEND)
Services providing support, information and guidance to children, young people, families and adults who are living with a Special Educational Need or Disability. Family Action is a leading provider nationally of:

- SEND information, advice and guidance, and support to families of neurodiverse children and young people; and
- Behaviour outreach support and emotional wellbeing services in schools.

Adult Mental Health and Wellbeing
Support for adults with a focus on health, mental health and wellbeing. Our services under this theme include:

- WellFamily services in GP surgeries offering advice, support and counselling for patients with non-medical issues;
- Social Prescribing services; and
- Mentoring and befriending services.

Young People
Services that provide support, information and guidance for young people between the ages of 16-24 years including:

- Mentoring services for disadvantaged young people and care leavers;
- Specialist therapeutic support for young people and young adults; and
- Supporting young people with work experience and into employment through the HeadStart programme.

Financial Support
Short term financial relief provided to individuals and families who have an immediate need for economic stability including:

- Programmes themed around welfare, education and multiple complex needs (Open Doors).

Adoption and Looked After Children
Services that provide support for children and young people who have been or who are currently under the care of the local authority and all parties affected by permanence. Services include:

- Specialist adoption support for adopted children and young people, adopted adults and adoptive families;
- Specialist support for birth families;
- Specialist support for families affected by special guardianship including the National Special Guardianship Support Service;
- Contact services; and
- FamilyConnect (www.familyconnect.org.uk)

Food Services
Services that provide access to healthy and affordable food, recipes and tips, and activities for communities with high levels of food insecurity. Services include:

- The National School Breakfast Programme which feeds over 350,000 children every school day who would otherwise be too hungry to learn;
- Provision of a national network of FOOD Clubs to alleviate family hunger; and
- A range of food and wellbeing related wraparound support work

Our Staff

Family Action is committed to encouraging diversity, promoting equal opportunities, and providing fair treatment in all that we do. We strive for a working environment that is inclusive, free from discrimination and where everyone is treated with dignity and respect.

We believe that people with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives to the workplace. We seek to encourage and harness these differences in order to meet the changing needs and requirements of our staff, volunteers, service users, governance, partners, funders and supporters. We have appeared regularly in the Best 100 List of Not for Profits to work for (17th in 2023) and in the Best 100 List of Large Companies.

We are a signatory to the Race at Work Charter and a member of the Stonewall Workplace Equality Index (WEI) and a holder of the Stonewall WEI Silver Award. We also hold the Level 2 – Disability Confident Employer status which confirms that Family Action is committed to the recruitment and retention of disabled people, and that we do the following to enable this:

- Interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. We operate a guaranteed interview process for any candidate who meets the essential criteria for a role and ensure that where candidates require reasonable adjustments in the selection process, that these are implemented. All recruiting managers receive training in our recruitment processes.

- Ensure there is a mechanism in place to discuss, at any time, but at least once a year, with disabled employees what can be done to make sure they can develop their abilities. We do this through monthly supervision with all staff and an annual appraisal review where career development is discussed with every employee at Family Action. There are many opportunities for staff to get involved in exciting projects, and all staff are encouraged to do this.

- Make every effort when employees become disabled to make sure they stay in employment. We discuss with employees any reasonable adjustments needed to support them during the course of their employment, and ensure appropriate support is put in place to accommodate these requirements where feasible.

- Take action to ensure all employees develop the appropriate awareness needed to make these commitments work. We promote this through our organisational policies and through the work of the Equality, Diversity and Inclusion (EDI) Steering Group.

We have a dedicated EDI Manager role within our Senior Leadership Group. Our small EDI team lead all of our organisation-wide EDI work in close collaboration with a range of staff diversity networks (see more about our staff networks and EDI work below).

Good communication is integral to all that we do at Family Action. There are a number of ways in which staff and managers are kept informed:

- Our user-friendly staff intranet is regularly updated to ensure that all employees are kept informed about important news, strategic developments, training opportunities, feedback received or key organisational initiatives such as our regular staff engagement surveys and recognition awards.
- We provide weekly updates on the intranet about issues discussed at our weekly Senior Leadership Group meeting so that staff across the organisation are kept up to date with key organisational challenges and opportunities. Each member of the SLG takes it in turn to blog about these meetings using this opportunity to communicate with the whole organisation about their lives, families and interests and what inspires and motivates them as well as the content of the weekly meeting.
- Our monthly Family Action Bulletin (FAB) keeps everyone up to date with key news about what is happening across the organisation.
- Our Executive Group also holds a virtual open meeting once a month to which the whole organisation is invited so that people can pose questions live to members of the Executive Group and hear updates on key organisational priorities.
- Information on progress against our strategic objectives is reported to, discussed with and communicated up and down the organisation through a range of fora including monthly Open Executive Group meetings, weekly Senior Leadership Group meetings, regional and team meetings, and individual supervisions, so everyone in the organisation is kept informed.
- Our Chief Executive regularly communicates with the entire staff group on important organisational matters. Every month, he personally inducts all new staff joining the organisation that month and keeps a highly visible profile within the organisation through regular communication, through celebrating successes and keeping everyone informed on key news, opportunities and challenges.
- Our Executive Group also provides regular updates on progress towards our strategic objectives whenever there is an opportunity, through attendance at service level, thematic or regional meetings or during their many visits to services.
- We have communicated directly and frequently with the whole staff group about cost-of-living pressures to help people feel more reassured and to provide clear information about the help we have been able to offer such as a 3% pay increase for all staff (awarded in October 2023), and £150 supermarket vouchers for our lower paid staff (December 2023)].
- We hold quarterly Joint Negotiating Committee meetings with our recognised unions (Unite and Unison) and staff representatives to discuss issues that impact upon staff including policies and procedures, organisational changes, and health and safety issues.

We provide an extensive wellbeing and staying connected programme with a focus on supporting the physical, emotional and financial wellbeing of our staff whilst also keeping the whole organisation together at all times.

Our Volunteers

Family Action is fortunate to have some 330 volunteers across our range of services. Our volunteers support our work in so many different ways, for example:

- helping to run our FOOD Club services in locations across England and Wales;
- as befrienders in our Perinatal Services;
- in parent support roles in our Children's Centres;
- as advisers, counsellors and befrienders in our FamilyLine Service;
- as mentors to disadvantaged children, young people and care leavers accessing our Friendship Works service;
- through the provision of practical support in our Emotional Health and Wellbeing services for adults; and
- as fundraisers for us.

During the year we were delighted to be achieve the Investing in Volunteers (IiV) Award. This is the UK quality standard for good practice in volunteer management. The award demonstrates our commitment to all our amazing volunteers and provides objective external evidence of our ability to provide an outstanding volunteer experience.

"I'm 20 years old and I suffer with anxiety and have autism. I have been volunteering at the FOOD Club for about a year now. Back then I was in a place where I didn't have a job and I was stuck inside, I needed to get out, try something new, and challenge myself. I think I've become more confident talking to people. I'm not very good at talking to people, and volunteering has made me get better at socialising with new people. I love talking to all the kids and all the people coming into the Club, especially once you have got to know them. You can help people and also get out of your shell and meet new people. I recently started dog walking for my new job and volunteering has helped me become better at talking to the dog owners, because I have been talking to new people at FOOD Clubs every week."
FOOD Club Volunteer

Our Values

Our Values and Behaviours underpin all that we do. Family Action staff demonstrate our values and behaviours in their work and in their professional relationships with colleagues, volunteers, partners and service users.

We have a **Can Do** attitude;
We strive for **Excellence** in everything we do;
We are **People Focused**; and
We have **Mutual Respect** for colleagues, volunteers, partners and service users

Our Impact

Family Action is committed to measuring the impact of our work. We seek to triangulate the impact of our services through service user feedback, robust data collection and analysis, compliance with contractually agreed outcomes, and independent evaluation of the effectiveness of our service models.

We have an organisational Theory of Change. This has five key pillars where we consider that we have a genuine role to play in changing families' lives – reducing poverty, supporting relationships and safety, improving society's understanding and support of families' needs, supporting family and community wellbeing and connectedness, and supporting families through change. We know that these areas are complex, overlapping, and require integrated support from a variety of organisations but our organisational Theory of Change helps us to focus harder on how we can both achieve and evidence our own impact in these areas; on what we have learnt; and on how we will build our impact in the future.

Across our different services in Family Action, we use bespoke Theories of Change or Logic Models to express how our activities contribute to outcomes which, in turn, help us achieve our goals. Our new Communities of Practice and Learning & Development roadmap are also supporting us to share and develop our practice across the different themes of our work and to enhance our Learning & Development offer to our staff and volunteers.

Many of Family Action's services receive wonderful feedback. Here are just a few examples of the feedback received from our service users and partners for some of our service provision:

FOOD Clubs:
"We have been going to the FOOD Club for nearly 2 and a half years now. We love it there the staff are always welcoming and friendly. As XXX works from home and I am a stay at home dad, I often do the collections on my own or just me and the kids. We really enjoy the social interactions and the kids always look forward to seeing what we get. The children often take part in the colouring or crafts that are there and sometimes will eat a bit of fruit. I always feel that the staff listen and accommodate to our dietary needs as our smallest one has a severe milk allergy. They always give us plenty of options on the food available and keep the things they know he can have by for us. We quite often will buy the extras as they are such good value and a great addition to the box."

"You have made me feel supported, that I'm not alone in worrying about food. I love that you give me ideas on how to cook with the items I receive."

"The FOOD Club is in a corner of Erdington which has a transient population of short-term lets, longer-term rents, stepping stone accommodation, women's refuge, single people, elderly couples and families with many children...All these groups of people are attending FOOD Club."

"I have been attending FOOD Club for two years. At first the queue was quiet, with the odd "Looks like rain later". The conversations now range from; who to contact for fly tipping, where to hire a hall for a birthday party, online discount vouchers, local bus/walking/cycling routes, and emotional support following bereavements/illness/job losses. You don't hear "How are you? We missed you" in a supermarket queue! This social interaction is so important and feeds further connections; "Come along to the local art group". The ripples of conversations go out further than just Wednesdays!"

"The friendliness is definitely a strength of the FOOD Club, it's a club as opposed to a food bank, and we talk to each other, and we help each other out."

Durham Young Carers:
"I will always remember what you have done for me and my family and be forever grateful for giving me opportunities to progress in my future and me a lifeline to stay in contact with friends and family."

LifeSkills Open Offer:
"Thank you so much to the team at LifeSkills, I have really learnt so much here and improved my English. Everyone has made me feel so welcome and happy. I have identified what areas I need to work on to get work and feel much more positive about doing this. Thank you"

"I really enjoyed the Budgeting Skills training we had on Saturday. I found it really useful to have the template printed out so I can go away and think about all those hidden expenses and how to try and bring them down, and to hear suggestions and ideas from the rest of the group."

LifeSkills Plus:
"Our sessions are really helpful and create balance and order in my week as we get through quite a lot of things each week, including a review of the week and its goals."

"My confidence has grown as a result of our sessions, I'm motivated to achieve more and continue to aim high. The best part is that I don't feel alone or overwhelmed by all of the developments... I have achieved things in our months so far that I was trying to do for possibly too long. This has transferred to all areas of my life and things are getting progressively better; my attitude and response to things that aren't getting better has also changed. Thank you!"

Change4Life:
"Many thanks for offering the Change4Life Kids Club activities and sharing with us all the useful information. We really enjoyed all the activities in the club. Before we only have some vague idea about living a healthy life but your instructor at the club has made it all clear and feasible to us."

0-19 Children and Family Support Service, Copeland:
"I can't thank Family Action & Rachel enough for all the support they have given me. Rachel is so approachable and has been a fantastic support, helping me with pushing the Education Health Care Plan for L, empowering me to challenge professionals especially school. She would help with anything and always follow through with actions. She has tried everything to make the situation better with the neighbour. My confidence has grown massively over the period of time I have been working with Family Action. If I am honest I don't want her to leave, she has been absolutely fantastic, me and the children will miss her visits. If I ever had any issues in the future I would 100% contact Family Action for advice as you never feel judged. I would 100% recommend Family Action to everyone."

Staffordshire Family Support and Outreach Service
"Thank you for all your help I actually feel I have some support for the first time in the 3 years of having X living with us ... have a lovely weekend."

"This is just an email to say a massive thank you for all your help and support over the past few weeks but mainly thank you for listening. I've spoken to lots of professionals prior to coming to you and was told "no, he's fine at school so there's nothing wrong" and "he's too young for anything". We got refused from CAMHS and early help originally, school didn't believe me and I felt like I was going crazy. You were the first person to actually take the time to listen and to see X as his true self, to support and to make me feel a better understanding of what could possibly be wrong, help with ways to manage X but also advise on the right support to his brothers and just to check in to see if we were ok which I am so grateful for. As you know I suffer with anxiety but at no point did you make me feel uncomfortable, in fact quite the opposite I felt like I could actually speak to you without thinking I'm going mad or being judged or making it up. You always made X the focus which hasn't been the case with others I have spoken to even though I am asking for help with him, he's not always been the main focus. I am happy to be escalated but in turn I am quite uneasy as I already feel like we're not going to get far and that X isn't the focus."

"Thank you for your kind words of support, your encouragement not to give up and just for being a lovely yet professional person that actually cares about the children you see."

The Toy Appeal:
"The Toy Appeal means a lot to the families that haven't got a lot and especially to the kids that haven't got anything. Something so little can mean the world to them – it definitely means that to me."

Sheffield ADHD:
"These sessions are great, inclusive, friendly and non-threatening. Great to connect directly with professionals and others parents. I feel so supported and can now support my son and the rest of family so much better."

Planning Together for Children:
"Can I just say that the lady who did the course today, Karen, was amazing – honestly she was really good at adapting as we have a very different situation. It helped me to feel good about being a parent."

Open Doors Grants Programme
Sarah (name changed) is a seventeen year old girl who was made homeless due to the death of her father whom she lived with and cared for. Losing her only supporting parent to cancer and her home in quick succession has had a massive impact on her mental health. Sarah is in temporary accommodation and is supporting herself in a one bedroomed flat and actively looking for work. Sarah cannot afford essentials such as a warm winter coat and boots as her food and bills are priority to sustain her tenancy and not be made homeless again. Family Action awarded Sarah a grant of £220 for warm winter clothing.
The support worker said: "The grant completely lifted her spirits, being able to buy herself new coat and boots for the winter was 'unreal' in her words. This definitely made Sarah feel better emotionally."
Sarah said, "I'm so happy and warm, I'm glad there's still nice people in the world who want to help."

National School Breakfast Programme:
"It makes me feel happy and it helps my grown-ups." – Primary School Pupil
"My child is able to concentrate well at school due to having the school breakfast and has made new friends in the process" – Secondary School Parent.

"Family A were frequently absent from school and arrived late daily. If one child was poorly, all four children stayed at home. Alongside other support, the family were invited to attend the Breakfast Bistro – with the eldest sibling acting as a Bistro Leader. As a result, attendance and punctuality has greatly improved for this family over the last 18 months. The children are more settled, morning routines in the family home have improved and academic improvement has been seen."

Strategic Report

Achievements and Performance

The 2023/24 financial year was the final year of Family Action's five year strategy, *Building on 150 Years,* for the period 2019-2024. During the year the Trustee Board worked with the senior management of the organisation both to take forward the five agreed strategic objectives in Building on 150 Years and to develop a new five year strategy for the period 2024-2029.

Examples of our progress against the five agreed strategic objectives over the final year of the *Building on 150 Years* strategy to March 2024 are given below:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities

During the year, Family Action continued to **look ahead** by working actively to reduce the impact of continuing cost of living pressures on our service users, volunteers and staff. As we noted in our Report last year, in November 2022 we set up the Family Action Fund with an ambition to provide up to 2,500 individuals and families with £200 each in supermarket shopping vouchers to ease the impact of rapid increases in food prices. We had provided the core of this new fund by disinvesting £200k of our own investments and supplementing this with generous donations from a number of our corporate partners, individual supporters and other friends. By the time our Fund closed in June 2023, we had supported 2,008 individuals and families and disbursed £401,600 in supermarket vouchers. During the year, we also supported communities across the country to manage cost of living pressures through direct work in our network of some 170 services, by securing funding to maintain our national network of FOOD Clubs, through our FamilyLine helpline which received over 9,000 contacts during the year and through the National School Breakfast Programme which provided a healthy and nutritious breakfast to more than 350,000 pupils in disadvantaged areas every school day during the reporting year.

During the year, and in response to a Reward Review which had been commissioned from external consultants, the Board of Trustees also focused on how we could support our own staff in the context of continuing cost of living pressures. In order to mitigate at least some of those pressures, the Board made a significant decision in October 2023 to use some of Family Action's unrestricted reserves to enable us to make a 3% cost of living related increase to staff salaries. This increase was debated thoroughly by the Board and it was agreed that it was the most we could afford to do while balancing meaningful action with financial prudence. This decision was appreciated by Family Action's staff. We note that in making this increase we had no option but to use some of our unrestricted reserves as so few of our funders offered us inflation-linked increases to contracts or grants during the year despite the continuing high rates of inflation. In noting this fact, we recognise the financial pressures on all parts of the public sector and the assumption that the charity sector can just absorb these continuing financial pressures. It is to Family Action's credit that the charity remained agile enough to come through another challenging year. We further supported our lower paid staff in December 2023 with over 400 grants of £150 supermarket vouchers as an additional practical contribution to their household food budgets. This support recognised that many of Family Action's staff are in relatively low paid jobs and this is typical of the health and social care sector in which we operate.

We were delighted that two of our longest standing corporate partners NewDay and LV= General Insurance extended their partnerships with us during the year and our newer corporate partnerships which include an exciting education support grants and extended LifeSkills offer funded by Barclays and a significant grants scheme for single parents pursuing higher education funded by JP Morgan continued to thrive. Finally, we continued to seize opportunities, e.g. by winning a significant amount of new work during the year (highlights of which are summarised below), by achieving an extension to our contract to deliver the National School Breakfast Programme until July 2025 and by continuing to implement our ambitious Development Programme which includes a brand review, the development and launch of a new website and investment in additional service development and modelling capacity. Our Head of Brand Development has commenced a whole organisation brand review. This includes considering Family Action's positioning and articulating our vision, mission and ethos better, as well as a review of our visual identity to ensure it represents the organisation we are today. In parallel with the brand review, we have commenced a major website development project which has included significant consultation across the organisation. The new website will represent Family Action as it is today and will enable us to reach more people who need our support, and more people who want to support us.

2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives

Despite the cost of living crisis, Family Action continued to secure an encouraging level of income over the last 12 months. The charity retained the vast majority of its contracted services and we were delighted to see our largest contract, the National School Breakfast Programme, extended by the Department for Education for a further year to July 2025. During the financial year we secured an additional £2.9m in new wins and retendered contracts for the 2024/25 financial year. New wins included a large Children and Family Centres contract and a smaller Domestic Abuse service both in Gloucestershire, an exciting new area for us. New service wins also included: a Universal Parenting Programme in Medway; Empowering Parents, Empowering Communities in Manchester; a Perinatal Mental Health and Parent Infant Support service in Medway; a Special Guardianship Support Service in North London; Darlington Young Carers Service; Hertfordshire Birth Relative Counselling and an Early Parenting and Child Parent Relationship Pilot Service in North Northamptonshire. We were also delighted to receive funding from Adoption England to expand our FamilyConnect service. FamilyConnect is an online platform developed by Family Action which helps adults who have been adopted or in care to find out answers to questions about their origins.

We were also pleased to bid successfully for a wide range of Trusts and Grants funding during the year including multi-year National Lottery Community Fund Reaching Communities funding for our Charteris Community Centre in Peterborough and DHSC funding for a new Mental Health Hub for Children and Young People in Hackney. We were also delighted to secure a major new corporate partnership with the Poundland Foundation to develop our FamilyLine service including the development of FamilyLine's digital offer.

During the year we achieved our investment income target and preserved the capital value of our investments. This is particularly important for the charity as we use this investment income as the source of funding for many of the welfare and education related grants that we award every year.

Our fundraising team raised more than £4.3m during the year and this vital funding has supported our non-commissioned work such as FamilyLine, our annual Toy Appeal and many of our FOOD Clubs as well as significant enhancements to our work in local communities.

A key challenge during the year has been the negotiation of our deficit repayments following the triennial actuarial valuation of the Family Action Pension Scheme (FAPS) – a defined benefit pension scheme that has been closed since 2012 but which remains the charity's single largest liability. Following discussions with the FAPS Pensions Trustee we have agreed a new schedule of deficit repayments and this was submitted as required to the Office of the Pensions Regulator.

3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users

Our investment in our new Practice Development team has really paid dividends this year and we were delighted to launch and roll out Communities of Practice (CoPs) across all of our themed areas of work during the year. We continue to work hard to increase distributed leadership within Family Action, a goal that is important in an organisation that is so large and so widely dispersed geographically.

We made good progress again during the year on our quality improvement agenda. Our Quality Assurance Framework is enabling all tiers of the organisation to collect and analyse the right data, to understand the quality of practice and ultimately to improve outcomes for children and families. During the year all our services have again revised their Continuous Improvement Plans and it is good to see a culture of continuous improvement becoming firmly embedded within the organisation. During the year we also developed a new integrated Safeguarding Training pathway and this is now being rolled out at all levels of the organisation.

We have had a continuing focus during the reporting year on the development and application of data for service management and central organisational oversight. A revised organisational dashboard is being developed with key performance indicators to enable improved regional and central oversight of key metrics across services. All Family Action services which are on our internal InForm system now have their own bespoke Service Level Report which enables the local, regional and central management oversight of that service including capturing outcomes for children and families and we continue to offer that functionality to new services joining Family Action and to some other services where data was previously captured on other data recording systems,

We were also pleased to retain our three ISO accreditations during the year. On the IT side we were delighted to retain our Cyber Essentials Plus accreditation and our Systems team continues to offer bespoke systems development services across the organisation. We have taken steps during the year to gather and rank demands on the Systems team's time so we can allocate capacity as efficiently as possible.

A regulated Early Years setting that was inspected by Ofsted during the year was ranked as Good.

4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact

Over the last 12 months Family Action has again worked hard to shine a bright spotlight on contemporary family pressures. We have highlighted the continuing impact of cost of living pressures on individuals and families across the country and the disproportionate impact of rising energy and food prices on the poorest households.

Over the year we have also continued to develop and evolve our work to give all families a bold strong voice under the umbrella of 'Family Voices'.

In June 2023 Family Action's Chief Executive was invited to give Oral evidence to the Education Committee's Inquiry on Persistent Absence and Support for Disadvantaged Pupils. Also in June 2023 Family Action won the Social Value Award for Best Third Sector Project for Southend FOOD Clubs and were highly commended for Third Sector Leadership. In September 2023 we participated in and provided written and oral evidence to the APPG on Young Carers and Young Adult Carers Inquiry on the Impact on Life Opportunities of Young Carers. Three young carers from our Windsor and Maidenhead Young Carers Service acted as Youth Advisors on the final report, with one acting as Co-chair of the Inquiry.

In November 2023 we attended the Royal Foundation Centre for Early Childhood Shaping Us Symposium, after taking part in their related Delphi study Also in November 2023 we submitted evidence to the Commission on Young Lives and this led to an invitation to attend a roundtable with Helen Hayes MP, Labour Shadow Minister for Children and Families. In January 2024 we were invited to participate in the Labour Civil Society Summit. Throughout the year Family Action's Chief Executive has continued to be a member of the Cross Government Family Policy Group and in September 2023 our Chief Executive presented to this Group on issues faced by the sector.

We had a busy year in the media. Highlights included winning a year long partnership with Good Housekeeping magazine as their 2024 charity partner. Over six issues throughout the year, Good Housekeeping will showcase the work of Family Action, the support our volunteers provide, and the key issues facing families in the UK today.

Our annual Christmas Make Theirs Magic campaign was particularly successful. Key achievements included a whole page feature in the Daily Mirror, interviews about pressures on families on BBC Radio (39 local stations) and a piece on BBC News online. Our online reach (from 190m to 884m), print mentions (from 13 to 34) and broadcast reach (from 1.7m to 10.1m) all more than doubled in comparison with the previous year. Many of our services achieved coverage including our Cumbria, HeadStart (youth employability) and Behaviour Outreach Support Services which were featured in Children and Young People Now. We delivered two successful brand campaigns during the period. *'Creating Happy Memories'* in Summer 2023 and *'Make theirs Magic'* in December 2023. Our Christmas Toy Appeal was particularly successful and we distributed over 15,000 toys to families identified by our services.

5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

   By the end of the reporting year, Family Action's workforce numbered 964 staff and some 330 volunteers. We were delighted to obtain our Investing in Volunteering accreditation in July 2023 and we also worked very hard to introduce a new electronic HR/Payroll system (iTrent) by the end of the financial year.

   We were delighted to create and appoint a new Head of Learning and Development role to develop and lead a new Learning & Development strategy for the whole organisation and to ensure we are making full use of Apprenticeships within Family Action. This post has had an immediate impact and we are now making good progress in this area. A review of our Core Curriculum has been conducted and new courses have been introduced to enhance our L&D offer to our staff. The new focus on Apprenticeships has led to us making much better use of our Apprenticeship Levy and some 20 staff are now enrolled in Apprenticeship training at different levels from entry to Level 7 e.g. 10 of our managers have enrolled for a Level 5 Diploma in Leadership and Management.

   We have an Equality, Diversity and Inclusion (EDI) Manager to enhance our work and practice in EDI and during the year we were pleased to appoint to an EDI Assistant role to enhance our capacity in this area. Our range of staff diversity networks (Anti-Racism and People of Colour, AccessAbility, Gender Equality, LGBTQIA+, Parents and Carers Equality and Inter-faith) have continued to develop and 186 members of staff are now members of these networks. We also now have a network of 50 EDI Champions across the organisation. Over the year we held 12 EDI events and released 21 EDI news pieces. We also rolled out our new Menopause Cafés in October 2023 as part of World Menopause Day – this was a particularly important development for us as over 90% of our staff are female.

   We have already mentioned the Reward Review commissioned from external consultants earlier in this Report. The Reward Review examined all aspects of reward within Family Action and led to our decision to award a cost of living related 3% pay rise to all staff and additional support for our lowest paid staff, The Reward Review also recommended a pay and grading review which will introduce a new job evaluation scheme into Family Action for all of our different roles. We have appointed a Project Manager to lead this review and they will be assisted by external specialist consultants. Staff and volunteer wellbeing has continued to be a major focus for us all year and we have continued to provide a comprehensive wellbeing programme that has focused on emotional, physical and financial wellbeing.

Financial Review

Family Action's total income for the year was £40.4m (2023: £39m). 95% (2023:93%) of our income was restricted to funding specific services. Income for Operational Services came from Local Authorities, central government and NHS Trusts for the provision of specific services. These funders are listed in the accounts (Note 5a, b & c).

Overall, we employed a monthly average of 920 (2023: 856) staff in the year. Total expenditure amounted to £39.3m (2023: £36.9m), with £36.2m (2023: £35.3m) relating to restricted charitable activities.

Our net surplus position before gains/losses on investments for the year is £1m, included in this result is unrestricted deficit position of (£0.9m).

Total Funds at year-end were £20.8m (2023: £20.7m). There was an increase in the Pension deficit valuation at year-end from £9.7m to £10.8m (see pension fund statement for further details). We have also seen a slight increase in the value of the Endowment funds from £9.7m in 2023 to £9.9m. The net increase in total funds was £0.1m.

Fundraising approach and performance

The charity undertakes fundraising activity to its supporters via a range of methods, including but not exclusively, fundraising events, challenge events, corporate fundraising, Trusts and Grants fundraising and online fundraising, in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website to reassure supporters of our approach, outlines when you support us, you can be sure of the following:

- We will never sell your contact details to anyone
- If you are an individual supporter, we will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door-to-door or street fundraising. We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal.

All our fundraising staff have regular supervision and appraisals to ensure we are working to best practice standards and regularly reinforcing our fundraising ethics. We have an Ethical Fundraising Policy which is reviewed at least every two years.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice.

Over the course of this financial year, we have received no fundraising complaints. As such, no complaints were referred to the Fundraising Regulator. Our complaints procedure is available on our website with all relevant contact details.

Reserves Policy

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the Charity to continue its normal activities in the event of a significant drop in funding, or loss of projects, with contribution toward the closure costs, if the project cannot absorb its own closure costs. In considering the nature and diversity of our income, the Trustees believe the appropriate level of free reserves should be a minimum of £4.26m which is made up of 6 months running costs of the central operation, a contribution towards potential project closure costs and the total lease obligations payable.

Our freely available general funds as at 31 March 2024 were £4.95m (2023: £5.28m). This covers the required level of reserve of 6 months running costs of the Head Office. It also covers any potential project closure costs and continuing lease obligations.

General Funds form part of our Unrestricted Reserves which, totalled £6.73m at 31 March 2024 compared with £7.64m as at March 2023. Funds designated for specific purposes stood at £1.78m (2023: £2.36m).

Notes 15-17 of the accounts show the various funds or reserves by type and summarise the year's movements on each fund. Note 18 shows the assets and liabilities attributable to the various funds.

Going Concern

The Trustees have reviewed the projected operations and activities of the company, including consideration of the existing contracts and a two year projected cash flow forecast. Based on the available financial information, we are of the opinion that adequate resources will continue to be available to fund the activities and operations of the company, therefore Family Action is a going concern.

Pension Fund

In common with other Charities with historic final salary schemes, our pension scheme shows a deficit which stood at £10.86m on 31 March 2024 (2023: £9.68m) and under UK accounting standards, we are required to account for this deficit on the balance sheet (Note 9).

The net deficit on the defined benefit pension scheme increased by £1.18m in the year to 31 March 2024.

The main financial assumptions as of 31 March 2024 have changed since 31 March 2023. Discount rate increased from 4.75% to 4.85%. Inflation expectations remained the same at 3.25%. In combination, these gave rise to a very marginal gain of £7k (2023: £14.81m)

Changes in demographic assumptions on 31 March 2024 led to a gain of £0.52m (2023: £0.54m).

There was an experience loss of £1.52m (2023: £1.55m), in addition, there was a loss on assets in excess of interest income of £0.25m (2023: £11.07m).

The funding status of the Scheme over the period is as shown in the table below.

	31 March 2024 £'000	31 March 2023 £'000	Change £'000
Present value of liabilities	(27,396)	(26,376)	1,020
Market value of assets	16,534	16,695	161
Funding deficit	**(10,862)**	**(9,681)**	**1,181**

The triennial valuation due in January 2023 was completed with a new repayment plan agreed with the Pension Regulator. The Charity continues to make annual payments towards the deficit in line with the new agreed repayment plan made with the Pension Regulator from April 2024 and will do so until March 2027.

The Trustees are aware that the deficit on the scheme under FRS102 will fluctuate with changing market conditions and that their responsibility is to meet the required contributions. There are active options being considered with the Pension Scheme Trustees as we continue to manage the deficit. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds.

Investment Policy and Performance

The Trustees' primary aim is to achieve sufficient income and capital growth from the investments so as to permit without interruption the continued provision of the Charity's core services.

In 2019, there was a review of the Investment Strategy with a change to the objectives and a strategic decision to reduce portfolio risk to focus on capital preservation (ahead of the start of the pandemic).

More specifically the objectives were prioritised in the form of 'Primary' and 'Secondary':

Primary
- The target is that the value of the portfolio will be maintained at a minimum of £10m.

Secondary
- To generate £225,000 to £275,000 per annum of income available for distribution as grants
- Diversification
- Capital growth to keep pace with inflation (CPI).

The above objectives have continued to be relevant in recent years given the challenging market conditions.

The review of the investment strategy and managers was completed in the year by the Investment Committee. As a result of this review the Investment Committee retained the Wealth Management consultancy service of Epoch and appointed new Investment Managers – Waverton and Ruffers from December 2023.

The Investment Portfolio was managed by Brewin Dolphin and moved to the new investment managers in December 2023. The portfolio generated investment income during the year of £352k, compared with £305k for the year ending March 2023. With income at 3.44% (2023: 3.05%) of capital value, as the market conditions continues to improve during the year, we saw the majority of our portfolio paid dividends. The forecast income for 2024/25 is expected to be £281k at 2.75%.

We saw the portfolio value drop and then slowly recover to £10.25m as of March 2024 compared with £10.08m in 2023, an increase of £0.17m. The portfolio has not produced a real return, principally due to prevailing high inflation and market volatility.

The performance of this investment strategy continues to be reviewed by Trustees, the Investment Committee and Investment Managers on a quarterly basis, with a more in-depth review annually.

The Investment Committee continues to have oversight of the management of the endowment portfolio and relationship with the investment managers to provide assurance to the Board of Trustees in respect of the strategies and management of this portfolio, in accordance with the agreed Investment Strategy.

Plans for the Future

In 2024/25 Family Action will begin to work on the 5 strategic objectives in our new 5-year strategy, *Family can shape the future – an organisational strategy 2024-2029*. These objectives are underpinned by detailed rolling action plans which will be monitored regularly by the Board of Trustees and by the Senior Leadership Group.

These strategic objectives in our new strategy are as follows:

1. **Ensuring we maximise our positive impact on society**
   Family Action both wants and has a responsibility to support and promote a society that enables children, young people, adults and families to thrive. We recognise that we operate within a broader system and we must ensure we do all we can to leverage our unique position for the benefit of families in the UK. We will continue to develop a culture where the families we work with have a strong voice and influence.
2. **Ensuring the quality of our work**
   Family Action aims to provide sector leading, high quality, impactful services at the right time, in the right way and by the right people. We are committed to improving and sustaining outcomes for children, young people and families and adults through delivering high quality services. We aspire to always operate a high performance, high support and high challenge culture with safeguarding and continuous improvement central to our work
3. **Ensuring a strong culture that enables our people to thrive**
   Our people are the lifeblood of our organisation, passionate staff and volunteers working together to achieve the best outcomes possible for everyone we work with. We want and need an organisational culture that supports this and enables our people to thrive - to be supported, equipped and engaged to achieve our strategic objectives.
4. **Ensuring our organisation remains relevant and resilient**
   We will ensure that Family Action is a strong, resilient and sustainable organisation that is able to manage uncertainty in a very challenging economic context, so that we are able to continue to be there for the people who need us.
5. **Ensuring families in the UK are seen and heard**
   We want families to trust us as an organisation that shares and amplifies their voices, but importantly, we will also create spaces and platforms for families to share their stories themselves, as the experts in their own lives. Family Action recognises how important participation is within its many forms and the impact the voice

of the people we serve has on the individual, community and the organisation. By valuing and respecting their perspectives, Family Action aims to empower children, young people and families to have greater control and more power in their lives, using their voice to tell their stories and make services more relevant and impactful. We want the experience of family life in the UK to be accurately represented and shared - both positive and negative.

Unfortunately, we are expecting the 2024/25 financial year to be challenging again. The combined impact of more than a decade of austerity, the legacy of the pandemic and continuing cost of living pressures have widened inequalities, particularly for the most disadvantaged, and are fuelling demand for Family Action's services. As we said in our Trustees report last year, organisations like Family Action that bid for publicly tendered work for the majority of their income are locked into a market and a funding system that does not tolerate inflation-related annual contract increases. As a result, we are struggling to recruit and retain staff in some of our services and our flexibility
to cover increasing costs and to increase salaries within existing budgets is very limited. This is a systemic issue in the commissioning of public services that was more manageable during a period of low inflation, but which is now putting huge pressure on our staff and services. As we also said in our report last year, there is an assumption that the charity sector will always be there to provide a vital safety net but these systemic frailties are issues that politicians from all parties need to acknowledge, prioritise, confront and resolve. If anything, the situation has only got worse over the last 12 months, and this is why it was imperative for Trustees to act and use a portion of our unrestricted reserves to fund a 3% cost of living related pay increase for all staff to support us with recruitment and retention challenges. The challenge is that we cannot do that every year,

In the meantime, Family Action needs to keep looking ahead for new sources of income so that we can continue to deliver high quality services that provide the support that vulnerable families, children and adults need. We are acutely conscious that in the 2024/25 financial year there will be a General Election and we hope that this Election year will bring an increased resolve from politicians from all political parties to support and invest in services for families. The imperative for Family Action remains for us to continue to win new work in this difficult climate, whilst also retaining as many of our existing services as possible and providing our services to as high a standard as possible. We will continue to make the case for greater investment in high quality early intervention and preventative services such as those we provide across the country, and this is a message that we are giving clearly in all our public and private influencing work.

Particular objectives for Family Action in the year ahead will be to continue to seize opportunities to develop new services that meet emerging needs for vulnerable children, individuals and families. We will also drive forward the development of our Communities of Practice, service level Continuous Improvement Plans and our wider quality assurance programme, publish and implement our first People strategy, continue to take forward our Learning and Development roadmap, launch our new website following the completion of our brand review and implement the full functionality of our new electronic HR and Payroll system.

During the year ahead, we will also be taking forward our job evaluation review and considering what more we can do to improve Family Action's total reward package for our staff.

We will also use our campaigns and other engagement work with professional audiences, influencers and political decision makers to influence societal understanding of the diversity of contemporary family life, to drive forward positive change and to act as a platform for the voices of all those with whom we work.

Finally, we want to continue to build on our programme of EDI work to ensure that Family Action becomes an even better place to work and to ensure that all our staff, volunteers and service users are comfortable to be themselves both in the workplace and in every contact that they have with us.

Structure, Governance and Management

Governing Document and group structure

Family Action has its origins in the Charity Organisation Society, which was established in 1869. Today, Family Action is a Company Limited by Guarantee governed by its Articles of Association last amended on 25 April 2019. It is registered as a Charity with the Charity Commission and as a company with Companies House. Family Action subsidiaries are Friendship Works, BAND, PAC-UK and PARCS which are registered and charitable companies that are now dormant following their mergers and transfers of trade and assets to Family Action.

Appointment of Trustees

Our Articles of Association provide that Family Action may have up to 15 Trustees and the present members of the Board are listed in this report. The recruitment of Trustees is steered through the Governance Committee, chaired by the Chair of Trustees. We assess the strengths of the Board and the skills that we need for effective governance on an ongoing basis.

Trustee Induction and Training

All new Trustees receive a bespoke induction plan according to individual need. As a minimum, this includes meetings with the Chair, CEO, Director of Finance, other members of EG, other key staff, the opportunity to observe a Board meeting before joining the Board, the opportunity to learn more about Family Action's services and an offer to attend the monthly corporate induction session for new staff where the CEO presents in detail on the charity's history, strategy, services, finances and current operating environment. We also have a standard Trustee Induction Pack which we keep updated, that contains key information about Trustees' legal duties and responsibilities under Charity and Company Law, the Charity Commission guidance on public benefit, the Charity's Articles and detailed organisational information. New Trustees are offered a Trustee mentor and we provide training, including safeguarding training, as necessary to ensure that all Trustees are kept up to date with changing requirements. Trustees have also been kept aware of the changing landscape around the regulation of Charity fundraising and Charity law.

Organisation

The Board of Trustees administers the Charity. The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees under its Executive Limitations, for operational matters including finance, contracts, service provision and employment. The Board meets five times a year and there are four Board sub committees: Audit Committee, Quality & Performance Committee, Governance Committee and Investment Committee which can meet up to four times a year under their respective terms of reference.

Related Parties and Co-operation with other Organisations

Any interest between a Trustee or senior manager and the Charity must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

Sir David Holmes CBE, the CEO of Family Action, was the chair of Children England, a membership organisation to which Family Action is a member with £4,134 annual subscription. Children England closed its operations on the 31st December 2023.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of Research in Practice (RiP) (now part of the National Children's Bureau), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. During the year, Family Action had an active membership subscription to RiP at a cost of £24,750 excluding vat per annum, as this is a valuable professional resource for all Family Action staff. This transaction was carried out at an arm's length basis. There are no other related party transactions to report.

Trustee Indemnity Insurance

Family Action provides insurance to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity insurance remains in force as at the date of approving the Trustees' Report.

Key Management Personnel Remuneration

The Directors, who are the Trustees, consider the Board of Trustees, and the Executive Group as comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of the Executive Group is reviewed annually. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

Risk Management

The Trustees have a risk management strategy which comprises:

- a review of the principal risks and uncertainties faced by Family Action as a standing agenda item at every Audit Committee meeting, and by the Board of Trustees on an annual basis;
- regular review of the principal risks and uncertainties faced by Family Action and the group by the Executive Group, in line with the Building on 150 Years Strategy;
- well-established policies, controls, systems and procedures to mitigate any risks identified; and
- clear processes designed to minimise or manage any potential impact on Family Action and the group, should those risks materialise.

The main risks are identified within Family Action's Risk Register. At each Audit Committee meeting we review the Risk Register and also highlight the current highest risks that the Executive Group is concerned about (with commentary and controls). The following top risks were identified over the last year:

- Failure to retain contracted services or win replacement work
- Unstable external environment impacts on staff morale and engagement, and our ability to recruit and retain staff
- The organisation becomes too reliant on the management charge earned against one significant contract in funding central infrastructure
- Death of, or serious harm to, a service user, due to poor safeguarding practice
- Inability to manage the historic pension scheme deficit and meet ongoing deficit payments

Key factors in the management of these risks are also reflected in our Building on 150 Years strategy. The strategy had five underpinning objectives to help us prioritise and manage ongoing organisational risks and opportunities, especially in light of the external environment- these five strategic objectives are summarised elsewhere in this report, but we have now launched our new Strategy.

Further to the above, there remains ongoing mitigation of other key risks such as those relating to data protection, HR, quality, IT, and Health & Safety.

Slavery and Human Trafficking Statement

The Modern Slavery Act 2015 introduced new obligations in relation to slavery and human trafficking. Family Action is fully supportive of the legislation as it is in keeping with our values. Family Action is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities' employer, Family Action is committed to creating and ensuring a non-discriminatory and respectful working environment for its staff and volunteers. Family Action wants all its staff and volunteers to feel confident that they can expose wrongdoing without any risk to themselves.

The nature of our organisation and supply chains means Family Action has a low risk of being exposed to suppliers who utilise human trafficking or slavery. However, we are committed to improving our practices and processes to combat slavery and human trafficking, wherever we can.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk, our Procurement Policy and processes ensure we have in place systems to:

- identify and assess potential risk areas in our supply chains;
- mitigate the risk of slavery and human trafficking occurring in our supply chains; and
- monitor potential risk areas in our supply chains.

We have a zero tolerance to slavery and human trafficking, and we ensure all those in our supply chain and contractors, and our investments comply with these values. Family Action maintains the following policies which are accessible via the Family Action intranet:

- Employee Code of Conduct
- Anti-Bribery Policy
- Anti-Fraud Policy
- Ethical Fundraising Policy
- Health & Wellbeing Policy
- Whistleblowing Policy
- Anti-Bullying and Harassment Policy
- Equality, Diversity & Inclusion Policy
- Safeguarding Adults Policy
- Safer Recruitment Policy.

Family Action does not enter into business with any organisation, in the United Kingdom or abroad, which knowingly supports, or is found to be, involved in slavery, servitude and forced or compulsory labour.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ended 31 March 2024.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Family Action for the purpose of Company Law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources including the income and expenditure of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Charity will continue on that basis.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charitable Company to 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, hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Public Benefit Statement

The Charities Act 2011 requires all charities to have a purpose that is for the public benefit. The public benefit requirement has two aspects: the "benefit" aspect and the "public" aspect.

All Family Action services provide an identifiable benefit that is capable of being proved by evidence and are made available to the public or sufficient sections of the public. This is entirely in accordance with the two aspects of the public benefit requirement.

The Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Family Action's charitable purpose is enshrined in its vision of a society that understands the importance and power of family as a foundation for individual futures and connected, resilient communities. The Trustees ensure that this purpose is carried out for the public benefit by delivering services in accordance with our strategic aims. Many of our services are open to all and our awareness raising and campaigning work benefits everyone.

Carbon Performance 2023/24

Emissions are reported annually in June each year covering the previous financial year running April-March.
These are calculated in accordance with the Carbon Trust Corporate Reporting and Accounting Standard using GOV.UK carbon conversion factors. The calculation for scope 3 uses carbon conversion factors for an average UK car. Data includes all activities where we have operational control and specifically eliminates any energy that is procured by a third party. This will include any procured by a landlord and recharged to Family Action as part of a service charge (or similar). We have also adopted the 2015 WRI/ WBCSD Scope 2 Guidance on procured renewable energy and will work to maintain our ISO 45001:2018 certification.
For our efficiency index we use 'per FTE'.

- **Gas combustion** (Scope 1 requirements) – includes gas consumed for stationary or mobile activities for which Family Action is responsible. For all new sites and contracts, we look to use green and renewable energy, and work with our landlords to reduce carbon used in our premises. We are also installing Smart Meters at our sites to enable consumption reports to be analysed to ensure we are not consuming excess energy, and use more energy efficient appliances.

- **Electricity consumption** (Scope 2 requirements) – includes the purchase of electricity by Family Action for its own use, including for the purposes of transport. For all new sites and contracts, we use green and renewable electricity. We fit our buildings with smart and low carbon lighting systems, and we operate paper-light working and have significantly reduced levels of printing throughout the organisation. This also seen a reduction in paper (we only use FSC certified paper) and printing costs.

- **Transport** (Scope 3 requirements) – includes energy consumption from transport where Family Action is responsible for purchasing the fuel e.g. fuel used in leased vehicles for business use, fuel used in personal cars for business use, including where Family Action reimburses staff for business mileage claims. This excludes where a transportation service is procured that includes an indirect payment for the fuel consumption e.g. train/plane/taxi or similar where Family Action does not operate the transport. However, Family Action are preparing a base line so we can elect to report them separately in future years (including as part of Scope 3 emissions). We have seen a reduction in car travel, which has reduced mileage expenses and costs, as well as our carbon footprint.

	2019/2020 tC02e	*2020/2021 tC02e	*2021/2022 tC02e	2022/2023 tC02e	2023/2024 tC02e
Gas combustion (Scope 1)	156.19	116.19	74.93	92.69	31.73
Electricity consumption (Scope 2)	87.96	72.4	64.07	43.41	35.58
Transport (Scope 3)	241.93	56.39	118.08	176.77	169.89
Total	486.08	244.98	257.08	312.87	237.2
Carbon footprint per FTE	0.75	0.37	0.37	0.5	0.25
Percentage Increase / Decrease	**Base**	49.0% ⇩	**0.0%**	18.5% ⇧	50.2% ⇩

Family Action has had a target set out in our business assurance system processes to ensure that a carbon footprint decreases by 5% per annum per FTE year.
*Due to the effects of the COVID-19 pandemic, lower than expected carbon was produced.

Section 172 Companies Act 2006

Acting in accordance with Section 172 of The Companies Act 2006 ("Duty to promote the success of a company") Family Action's Trustees consider that they have complied with their duties by promoting the Charity's success in achieving its charitable purpose to build stronger families.

Specifically, Trustees, working closely with the Executive Group, have supported the Charity to continue to implement its 5 year (2019-2024) corporate strategy - Building on 150 Years - and to navigate continuing cost of living crisis pressures. The Trustees have also approved a new 5 year corporate strategy for the charity - *Family can shape the future – an organisational strategy 2024-2029* (for more detail see the Trustees Report above).

Long-term consequences of decisions

A key decision taken during the year was to use £750k of unrestricted reserves to take forward the recommendations of our Reward Review. This decision funded a 3% pay rise to all Family Action staff in October 2023 in acknowledgment of the impact of continuing cost of living pressures on all staff plus further targeted support to our lowest paid staff in December 2023 in the form of £150 supermarket vouchers. This investment from unrestricted reserves is also funding the development and introduction of a new system of job evaluation into Family Action which was the main recommendation of the Reward Review.

Interests of Employees

Trustees as well as the Executive Group have been actively involved in decisions affecting employees, such as the approval of the 3% pay increase to all staff in October 2023 to reflect continuing cost of living pressures, further targeted support to our lowest paid staff in the form of £150 supermarket vouchers and through the work of the Governance Committee.

The Board of Trustees annually reviews Family Action's Gender Pay Gap data and Report. Trustees continue to take a close interest in the organisation's EDI action plan which is being led by our EDI Manager and our EDI Steering Group. As also mentioned above, Family Action has continued to take a very active role in ensuring an enhanced wellbeing support offer to all staff.

Business Relationships with suppliers, customers and others; and reputation for high standards of business conduct

During the year, Trustees and the Executive Group have overseen relationships with all our key commissioners and suppliers to ensure we maintain positive and effective relationships. The quality of these relationships has continued to be tested by cost of living pressures but the Charity's longstanding efforts to maintain good relationships with commissioners and suppliers has ensured that these relationships remained strong.

Fundraising

Family Action has a wide range of fundraising activities to generate voluntary donations towards our vital services for children, families and adults. Our Board of Trustees and Executive Group are committed to building relationships and trust with our supporters. The Board works closely with the Executive Group to ensure that the Charity remains compliant at all times with Fundraising regulations and best practice. We are registered with the Fundraising Regulator.

Impact in the Community and Environment

Trustees and the Executive Group are committed to acting in accordance with our Environmental Policy and to identifying and seeking to minimise negative environmental impact. Family Action holds ISO 14001 (Environmental Management) certification. Please also see our Carbon Performance above.

Acting fairly between members

Family Action is committed to ensuring all colleagues are treated fairly. To help achieve this we have a small EDI team and an ambitious programme of EDI development work. We also have an active approach to staff wellbeing and maintain very positive relationships with our recognised trade unions. Family Action's status as an employer of choice was reflected in us being recognised as UK Charity of the Year in the Third Sector Awards 2021 and by our high ratings in recent years within the Sunday Times Top100 Best Not for Profits and Best Large Companies Lists. These high placings also recognised our very good levels of employee engagement.

Appointment of Auditors

A resolution proposing the appointment of our auditors will be submitted at our AGM in 2024.

Our Thanks

2023/2024 has been another challenging year for Family Action. Despite that, we have continued to deliver all our services to a very high standard and to respond actively to continuing cost of living pressures. Trustees recognise the exceptional leadership of Family Action's Chief Executive, Sir David Holmes CBE, and the huge contribution of the Executive Group, Senior Leadership Group and all our excellent staff, volunteers and supporters. I thank them all.

In approving this Trustees' Report, the Board is also approving the Strategic Report included herein in their capacity as Company Directors.

On behalf of the Board.

Ian Hargrave
Chair of Trustees
19th September 2024

Family Action Trustees, Officers and Advisers

Patron
HRH The Princess of Wales

Vice Patrons
Dame Christine Davies DBE CBE
Dr Andrew McCulloch
Dame Denise Platt DBE
Katie Vanneck-Smith
Professor Harriet Ward CBE

Trustees
Ian Hargrave***(Chair)
Paul Hayes (Vice Chair)
Krista McCluskey (Honorary Treasurer) (to 12 February 2024)
Louise Posocco (Honorary Treasurer) (from 15 February 2024)
Sophy Doyle
Robert Tapsfield*
George Dunnett
Dez Holmes
Philippe Broadhead****
Barin Brian Roy**
Ayodele Arogundade
Melanie Williams Browne
Caroline Walsh (from 4 May 2023)
Charlotte Heiss (from 4 May 2023)
Jennifer Holly (from 6 July 2023)
Katherine Prince (from 6 July 2023)

Chief Executive (and Company Secretary)
Sir David Holmes CBE

Director of Finance
Funke Fatunla

General Counsel & Director of Systems
Ricardo Gomes da Silva

Director of Services & Innovation
Helen Cantrell

Director of Development & External Affairs
Anja Bailey

**** Chair of Investment Committee
*** Chair of Governance Committee
** Chair of Audit Committee
* Chair of Quality & Performance Committee

Family Action
Registered Office
34 Wharf Road
London N1 7GR
Tel: 020 7254 6251
E-mail: info@family-action.org.uk
Web: www.family-action.org.uk

Family Action is governed by its Articles of Association. It is a registered Charity (No 264713) and Company limited by guarantee not having a share capital (No 01068186) in England and Wales. Registered as a Foreign Company (No 6009F) and Charity (No 1206) in the Isle of Man.

Principal Advisers to Family Action

Bank
Coutts & Co
Commercial Banking
440 Strand
London WC2R 0QS

Independent Auditor
Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

Investment Advisors:
Brewin Dolphin Ltd
12 Smithfield Street,
London EC1A 9LA

Ruffer
80 Victoria Street
London SW1E 5JL

Waverton
16 Babmaes Street
London SW1Y 6AH

Lawyers
Foot Anstey LLP, Salt Quay House
4 North East Quay,Sutton Harbour
Plymouth, PL4 0BN

Stone King LLP, Boundary House
91 Charterhouse Street
London, EC1M 6HR

Opinion

We have audited the financial statements of Family Action for the year ended 31 March 2024, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024, and of the charitable company's net movement in funds, 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.

Basis for opinion

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

Conclusions relating to going concern

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 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year, posting in areas subject to significant judgements or estimates, postings in accounts that are considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located 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. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kathryn Burton (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

Date: 24th September 2024

10 Queen Street Place
London
EC4R 1AG

FAMILY ACTION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 March 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2024 £'000	Total 2023 £'000
Income and Endowments from:						
Donations and legacies	3	833	2,482	-	3,315	5,109
Investment	4	249	361	-	610	369
Charitable activities	5	922	35,514	-	36,436	33,523
Total		**2,004**	**38,357**	**-**	**40,361**	**39,001**
Expenditure on:						
Raising funds		583	-	170	753	616
Charitable activities		2,330	36,240	-	38,570	36,297
Total	6	**2,913**	**36,240**	**170**	**39,323**	**36,913**
Net (expenditure)/income before investments gains/(losses)		(909)	2,117	(170)	1,038	2,088
Gains/(Losses) on investments		-	6	334	340	(1,036)
Net income before other recognised gains and losses		**(909)**	**2,123**	**164**	**1,378**	**1,052**
Remeasurement of defined benefit pension liability	9	-	(1,242)	-	(1,242)	2,735
Net movements in funds		**(909)**	**881**	**164**	**136**	**3,787**
Fund balance brought forward at 1 April 2023		**7,638**	**3,334**	**9,701**	**20,673**	**16,886**
Fund balances carried forward At 31 March 2024		**6,729**	**4,215**	**9,865**	**20,809**	**20,673**

All amounts relate to continuing activities. Conduit activities are not included above but are set out in Note 20.

The attached notes form part of the financial statements.

FAMILY ACTION

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 March 2024

	2024 £'000	2023 £'000
Total income	40,361	39,001
Total expenditure excluding endowment funds charges	(39,153)	(36,818)
Net income before investments gains	1,208	2,566
Gains/ (losses) on investments (excluding endowment funds)	6	(35)
Net income for the year	1,214	2,148

Total income comprises £2,004k (2023: 2,556k) unrestricted funds and £38,357k (2023: £36,445k) restricted funds.

A detailed analysis of expenditure is available in the Statement of Financial Activities and Note 6.

The Summary Income and Expenditure Accounts are derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with Company Law. All income and expenditure are derived from continuing activities.

The Statement of Financial Activities, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the charitable company.

The attached notes form part of the financial statements.

FAMILY ACTION

BALANCE SHEET

AT 31 March 2024 Company Number: 01068186

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
FIXED ASSETS					
Tangible assets	10		4,497		4,593
Trust and Investments	11		10,247		10,077
CURRENT ASSETS					
Debtors	13	5,980		5,634	
Cash		13,942		12,380	
		19,922		18,014	
CREDITORS: amounts falling due within one year	14	(2,995)		(2,330)	
NET CURRENT ASSETS			16,927		15,684
TOTAL ASSETS LESS CURRENT LIABILITIES			31,671		30,354
Pension scheme deficit	9		(10,862)		(9,681)
NET ASSETS	18		**20,809**		**20,673**
FUNDS					
Unrestricted funds:					
General funds	15		4,952		5,281
Designated reserve	15		1,777		2,357
			6,729		7,638
Restricted funds					
Income funds – including revaluation reserve of (£29k) (2023: (£166k))	16		15,077		13,015
Pension Reserves	9		(10,862)		(9,681)
Endowment Funds - including revaluation reserve of £(736k) (2023: (£117k))	17		9,865		9,701
			20,809		**20,673**

The Financial Statements on pages 30 to 65 were approved and authorised for issue by the Board of Trustees, and signed on its behalf on 19th September 2024 by:

Ian Hargrave
Chairman of Trustee Board

Louise Posocco
Honorary Treasurer

The attached notes form part of the financial statements.

FAMILY ACTION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2024

	£'000	2024 £'000	£'000	2023 £'000
Net cash provided/(used in) operating activities		979		(650)
Cash flow from investing activities:				
Dividends and interest received	610		369	
Purchase of tangible assets	(27)		(27)	
Proceeds from sale of investments	9,892		4,151	
Purchase of investments	(10,581)		(3,833)	
Net movement in cash held not yet invested	689		(319)	
Net cash provided by investing activities		583		341
Change in cash and cash equivalents in the year		**1,562**		**(309)**
Cash and cash equivalents at the beginning of the year		12,380		12,689
Cash and cash equivalents at the end of the year		**13,942**		**12,380**

FAMILY ACTION

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2024

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £'000	2023 £'000
Net income for the year before investment gains/ (losses)	1,038	2,088
Depreciation	122	188
(Increase) in debtors	(345)	(978)
Increase/(Decrease) in creditors	665	(1,615)
Decrease in pension scheme deficit, net of gains/losses	(61)	(59)
Net investment income	(610)	(369)
Investment manager fees	170	95
Net cash provided/(used in) by operating activities	979	(650)

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Cash in hand	13,942	12,380
	13,942	12,380

ANALYSIS OF CHANGES IN NET FUNDS

	At start of year	Cash flows	Other non-cash changes	At end of year
	£'000	£'000	£'000	£'000
Cash	12,380	1,562	-	13,942
TOTAL	12,380	1,562	-	13,942

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

1. ACCOUNTING POLICIES

(a) General information

Family Action is a charitable private company limited by guarantee incorporated in England and Wales (co. number 01068186) and registered with the Charity Commission (Charity Registration no. 264713). The Charity's registered office address is 34 Wharf Road, London N1 7GR. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, which are carried at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, applicable accounting standards (FRS 102) and the Companies Act 2006. Family Action is a public benefit entity as set out in section 3 of FRS 102.

(c) Going concern

Following a thorough review of projections, including consideration of the delivery costs of existing contracts, a two year projected cash flow forecast and the company's operations, the Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

(d) Entity combinations

Entity combinations are the effect on the accounts of Family Action of changes to the structure of the Charity and the group that may arise from the acquisition of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Family Action applies the requirements of Sections 19 and PBE34.75 – PBE34.86 of FRS 102 and the guidance set out in the Charity SORP.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company. The assets and liabilities of the entity joining the group at the date of combination or being transferred to the parent charitable company are initially recognised in Family Action's accounts at their fair values. After that date, the accounting policies of Family Action are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, the fair value of the net assets and liabilities acquired is recognised as a gain or loss within the Statement of Financial Activities.

(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 the amount can be measured reliably.

Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are recognised as income as the charity earns the right to the consideration by its delivery of those services. Income received in advance of the provision of a specified service is deferred until the service is delivered.

Legacies are recognised on notification of an impending distribution or on receipt. For the purposes of entitlement this is considered to be the earlier of the date on which with the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from an estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities are included as 'income from donations and legacies' at their estimated value to the Charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. No amounts are included in the financial statements for services donated by volunteers.

(f) Expenditure

All expenditure is accounted for on accruals and has been classified under headings that aggregate all costs related to the category.

Fundraising and publicity costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Direct expenditure on charitable activities includes all costs directly relating to delivering the Charity's principal activities of providing services and financial support to families, individuals and groups within the community. Grant expenditure includes those grants awarded to individuals under the charity's grant programme and those direct and allocated support costs incurred in relation to the award and monitoring of grants. Grant expenditure is recognised once an offer has been awarded and communicated to the recipient.

Support costs are those costs incurred directly in support of the expenditure on the objects of the Charity and governance costs and have been allocated, together with overheads, based on the head count. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements of the Charity.

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at purchase cost and any incidental expenses of acquisition or deemed cost less accumulated depreciation and accumulated impairment losses. Amounts financed by unrestricted funds and costing more than £500 are capitalised.

Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold and Leasehold property – 75 years;
Leasehold Property Improvements – 20 years
Leasehold Improvements – term of the Lease
Equipment – 4 years;
Computers – 3 years;
Furniture – 10 years
IT infrastructure – 5 years

(h) **Fixed asset investments**
Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in unlisted investments and subsidiary undertakings are stated at cost, less provision for diminution in value.

(i) **Cash and cash equivalents**
Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

(j) **Financial instruments**
Financial assets
Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

Financial liabilities
Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans obtained by the Charity to further its charitable purposes at rates below prevailing market rates are classified as concessionary loans and accounted for in accordance with Section 34 of FRS 102. Such loans are initially recognised and measured at the amount received and subsequently adjusted to reflect any repayments, accrued interest and any subsequent impairment.

(k) **Employee benefits**
The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits
Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination costs
All costs included in terminating an employee contract are accounted for on an accruals basis and disclosed in aggregate in staff costs. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Defined contribution pension plans
The Charity contributes to a Group Personal Pension arrangement administered by Aviva (merged with Friends Life). New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out. The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the Council in independently administered funds.

Defined benefit pension scheme

Family Action operates a defined benefit pension scheme, which closed, to future accruals in May 2012, the assets of which are administered by Trustees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the scheme assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Charity engages an independent actuary to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future periods ("discount rate").

The fair value of the scheme's assets are measured in accordance with the FRS 102 fair value hierarchy, and include the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "re-measurement of net defined benefit pension liability".

The cost of the defined benefit plan is recognised in the SOFA as employee costs and comprises:

- The increase in the pension benefit liability arising from employee service during the year; and
- The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. The cost is recognised in the SOFA within "expenditure on charitable activities".

Details of the scheme assets and liabilities and major assumptions are shown in Note 9.

(l) **Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are the unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

Restricted funds are funds that are used in accordance with the specific instructions imposed by the donors, or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the appropriate fund.

(m) **Leasing**

Rentals in respect of operating leases are charged on a straight-line basis over the lease term.

Incentives received to enter an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Defined benefit pension scheme
The Charity has obligations to pay pension benefits under a defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors including life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Trustees, in consultation with the scheme's actuary, agree the key factors and estimates that determine the net pension obligation in the balance sheet on the basis of historical experience and current trends.

3. DONATIONS AND LEGACIES	2024 £'000	2023 £'000
Individuals	609	1,379
Charitable trusts	599	968
Companies	2,107	2,762
	3,315	5,109

4. INVESTMENT INCOME	2024 £'000	2023 £'000
Interest received	255	57
Dividends received from Kottegen investments	3	7
Dividends received from other investments	352	305
	610	369

5.

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	-	32,834	32,834
Rent and Fees		91	2,377	2,468
Other Income		831	303	1,134
		922	35,514	36,436

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Income				
Early Years Work		-	3,624	3,624
Children and Families Work		76	16,518	16,594
Adult Mental Health & Wellbeing		-	3,177	3,177
Educational & Alleviation of need		-	-	-
National Services		846	12,195	13,041
Total		922	35,514	36,436

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	-	30,163	30,163
Rent and Fees		76	1,997	2,073
Trusts and Administered Funds		-	209	209
Other Incoming Resources		797	281	1,078
		873	32,650	33,523

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Income				
Early Years Work		-	2,864	2,864
Children and Families Work		72	16,243	16,315
Adult Mental Health & Wellbeing		-	2,900	2,900
Educational & Alleviation of need		-	214	214
National Services		801	10,429	11,230
Total		873	32,650	33,523

5a. LOTTERY FUND, TRUSTS & GRANTS

This is a list of funding where the funders required disclosed. It is not a complete list of statutory, lottery and trusts funding.

			Movement in Funds		
	Project	Balance	Incoming	Outgoing	Balance
These funds are part of statutory	Ref.	01-Apr	Resources	Resources	31-Mar
funding in restricted funds	Number	2023			2024
		£	£	£	£
National Lottery Community Fund - BAND buddying project	20159294	14,356	63,868	(58,022)	20,201
National Lottery Community Fund - Young Carers	20104822	123	101,907	(92,218)	9,812
National Lottery Community Fund - PARCS	C40608	(2,936)	61,412	(58,476)	-
National Lottery Community Fund - Medway Perinatal Project - Covid Recovery Service	20169038	-	151,262	(124,920)	26,342
National Lottery Community Fund - Community Organisations Cost of Living	20255117	-	72,260	(72,260)	-
National Lottery Community Fund - Adopteens	20186907	-	107,867	(92,783)	15,084
Department of Health - Stockton Enhanced Perinatal Project	SW0081	35	-	(35)	-
City of London Combined Relief of Poverty Charity	20114	-	53,120	(32,381)	20,739
Birmingham City Council Emergency Food Aid Fund		-	25,000	(24,977)	23
Birmingham City Council Affordable Food Models Grants Scheme		-	7,032	(7,032)	-
Mansfield District Council - Mansfield Community Grant	UKSPF	-	15,000	(15,000)	-
WCVA Volunteering Wales Main Grant	VMGG - Rd3_64	-	11,241	-	11,241
The Julia and Hans Rausing Trust		-	50,000	(50,000)	-
Hampshire & IOW OPCC DVA Grant	DASV22025	-	62,135	(62,135)	-
MoJ - Victim Support, Bradford	CLVSGG-22/23-24/25-041	-	43,015	(43,015)	-
North Northamptonshire Council Flourishing Babies	20161	9,692	87,780	(89,033)	8,439
Leicester PCC Pre-Trial Support		2,344	-	(2,344)	-
Raynne Foundation		4,415	-	(4,415)	-
DHSC - Bridging the Gap - Weekends and Co-occurring Conditions	2023_009V	-	-	(8,782)	*(8,782)
		---	---	--- -	---
		28,029	**912,899**	**(837,829)**	**103,099**
		=======	=======	========	=======

*The income was received in 2024/25

5b. LOCAL AUTHORITY, GOVERNMENT DEPARTMENT / AGENCIES FUNDERS

Adoption Support Fund	Leicestershire County Council	Norfolk Community Health & Care NHS Trust ICB
Birmingham City Council	Lincolnshire County Council	Norfolk County Council
Bolton Metropolitan Borough Council	London Borough of Camden	North East Hampshire & Farnham
Borough Council of Kings Lynn	London Borough of Ealing	North East Lincolnshire Council
Bradford District and Craven CCG	London Borough of Hackney	North East London ICB
Bradford Metropolitan District Council	London Borough of Harrow	North Lincolnshire Council
Bradford Trident	London Borough of Havering	North Northamptonshire Council
CAMHS Alliance NELDN ICB	London Borough of Islington	North Tyneside Council
Children & Family Court Advisory & Support Service (CAFCASS)	London Borough of Lambeth	North Yorkshire County Council
City of Bradford Metropolitan District Council	London Borough of Tower Hamlets	Northern Care Alliance NHS Foundation
City of Doncaster Council	London Borough of Waltham Forest	Nottinghamshire County Council
City of London Corporation	London Borough of Wandsworth	Office of Police & Crime Commissioner Hampshire
City of Westminster Council	Luton Borough Council	Peterborough City Council
City of Wolverhampton	Manchester City Council	Portsmouth City Council
City of York Council	Manchester University NHS Foundation Trust	Rochdale Borough Council
Cornwall Council	Mansfield District Council	Royal Borough of Greenwich
Cumbria County Council	Medway Council	Royal Borough of Kensington & Chelsea
Department for Education	Middlesbrough Council	Royal Borough of Windsor & Maidenhead
Department for Health & Social Care	Ministry of Justice	Sandwell Metropolitan Borough Council
Derbyshire County Council	Monmouthshire County Council	Sefton Council
Devon County Council	NHS Black Country ICB	Sheffield City Council
Doncaster Metropolitan Borough Council	NHS Central and North West London NHS Foundation Trust	Solihull Metropolitan Borough Council
Dorset Council	NHS City and Hackney ICB	Southend on Sea
Durham County Council	NHS England	Staffordshire Council
East London NHS Foundation Trust	NHS Frimley ICB (QNQ)	Stockport Metropolitan Borough Council
Essex County Council	NHS Greater Manchester Integrated Care Board	Stockton-On-Tees Borough Council
Greater London Authority	NHS Ipswich & East Suffolk ICB	Suffolk County Council
Greater Manchester Mental Health NHS Foundation Trust	NHS Leicester, Leicestershire and Rutland ICB	Surrey County Council
Hampshire Constabulary	NHS Norfolk and Waveney ICB	Swaffham and Downham PCN
HAMPSHIRE PNN POLICE	NHS North East London ICB	Thurrock County Council
Havering Health GP Federation	NHS Nottingham and Nottinghamshire ICB	Wakefield Council
Hertfordshire County Council	NHS South West London ICB	Walsall Council
Hull City Council	NHS South Yorkshire ICB	Westminster City Council
Isle of Man Government	NHS West London ICB	Wigan Council
Isle of Wight Council	NHS West Suffolk ICB	Wiltshire Council
Leeds City Council		

5c. Income & Expenditure for Isle of Man Government Funding (Family Action registered Charity No 1206, Family Action Foreign Company No: 6009F):

	2024 £'000	2023 £'000
Turnover	868	811
Expenditure	(850)	(747)
Surplus	18	64

6a. ALLEVIATION OF NEED

The Charity made 2,140 (2023: 4,060) grants to individuals and families in the year that totalled £855k (2023: 1,197k). The Charity has opted to take the exemption available under Charity Law not to disclose the names of grants recipients in these financial statements.

6b. ANALYSIS OF TOTAL EXPENDITURE - 2024

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2024 £'000	2023 £'000
Raising funds					
Fundraising and publicity costs	583	170	-	753	616
Cost of charitable activities					
Early Years work	3,126	-	147	3,273	3,099
Children and Families work	16,342	-	767	17,109	16,737
Adult Mental Health & Wellbeing	3,157	-	148	3,305	2,925
Educational & Alleviation of need	-	855	39	894	1,357
National Services*	13,362	-	627	13,989	12,179
	35,987	855	1,728	38,570	36,297
	36,570	**1,025**	**1,728**	**39,323**	**36,913**

*National services includes Food clubs and the Nationwide Breakfast provisions etc.

ANALYSIS OF TOTAL EXPENDITURE – 2023

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2023 £'000
Raising funds				
Fundraising and publicity costs	426	95	95	616
Cost of charitable activities				
Early Years work	2,971	-	128	3,099
Children and Families work	16,041	-	696	16,737
Adult Mental Health & Wellbeing	2,803	-	122	2,925
Educational & Alleviation of need	105	1,197	55	1,357
National Services*	11,672	-	507	12,179
	33,592	1,197	1,508	36,297
	34,018	**1,292**	**1,603**	**36,913**

6b. ANALYSIS OF TOTAL EXPENDITURE

	2024 £'000	2023 £'000
Support costs include:		
Staff Costs	1,228	1,048
Office Premises	30	41
Rates	24	30
Cleaning & materials	42	38
Office Equipment	18	15
Telephone	52	24
Depreciation	122	188
Governance	40	40
Others	172	179
	1,728	**1,603**

The above expenditure includes the following charges:

	£'000 2024	£'000 2023
Auditor's remuneration – Statutory audit	37	34
Depreciation	122	188
Operating lease rentals:		
- Buildings	854	621
- Other	6	21

7. STAFF COSTS

	2024	2023
	£'000	£'000
Staff costs consist of:		
Wages and salaries	21,339	19,494
Redundancy	49	83
Social security costs	1,813	1,727
Employer's Pension costs	1,691	1,512
	24,892	22,816
Agency costs	452	630
	25,344	**23,446**
The monthly average number of employees was	**920**	**856**

The numbers of employees with emoluments over £60,000 were as follows:

	2024 No	2023 No
£60,000 - £70,000	6	9
£70,000 - £80,000	2	2
£80,000 - £90,000	1	2
£90,000 - £100,000	3	2
£100,000 - £110,000	1	-
£160,000 - £170,000	-	1
£170,000 - £180,000	1	-

In the bandings above, where these staff are also included, the required definition of emoluments is total gross pay.

The Directors consider the Board of Directors, who are the Trustees, and the Senior Management Team as comprising the key management personnel of the Charity.

The Senior Management Team of the group comprises the Chief Executive Officer, Director of Services & Innovation, General Counsel & Director of Systems, Director of Finance and Director of Development & External Affairs. The total compensation of the Senior Management Team was £660,631 (2023: £634,868).

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity's Trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2023: £nil), and reimbursed expenses during the year £129 (2023: £446). No Charity Trustee received payment for professional or other services supplied to the Charity (2023: £nil).

9. PENSION COSTS

Pension Arrangements

The group has two pension arrangements, a defined contribution and a defined benefits scheme.

The defined contribution scheme is a Group Personal Pension (GPP) arrangement administered by Friends Life, now Aviva. New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out.

The total defined contribution payable and recognised as an expense in the SOFA was £994,646 (2023: £872,088).

The administration of the closed defined benefits is with Cartwright Group. The scheme closed to future accruals on 31 May 2012 except for payments due under a Recovery Plan agreed with the pension Trustees. There is an obligation to fund the ongoing administration costs of the pension scheme.

The disclosures, set out below, are based on calculations carried out as at 31 March 2024 by a qualified independent actuary.

The Scheme's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the Projected Unit Method, which is a method suitable for a scheme that was closed to new entrants. The liabilities set out in this note have been calculated based on the full valuation as at 1 January 2023, updated to 31 March 2024. The results of the calculations and the assumptions adopted are shown below.

The Charity's contributions expected to be made in the year commencing 1 April 2024 are approximately £822k based on the revised schedule of contributions agreed at the 1 January 2023 valuation.

The Trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members of the Trustee Board is determined by the trust documentation. Trustees have received actuarial advice and the overall expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Changes in Defined Benefits Obligation:	2024 £'000	2023 £'000
Benefits obligation, beginning of the year	26,376	40,156
Interest cost	1,225	1,051
Benefits payments	(1,197)	(1,025)
Actuarial (gains) on demographic assumptions	(524)	(541)
Actuarial (gains) on financial assumptions	(7)	-
Actuarial losses on experience adjustments	1,523	1,551
Benefits obligation, end of year	**27,396**	**26,376**

Assumptions used to determine defined benefit obligation at end of year:	2024	2023
Discount rate	4.85%	4.75%
Rate of retail price inflation (non-pensioner)	3.25%	3.25%
Rate of consumer price inflation (non-pensioner)	n/a	n/a
Nominal rate of increase in pension payments (pensioners)		
- RPI 5% pa	3.05%	2.90%
- RPI 3% pa	2.25%	2.10%

Post-retirement mortality assumption:	2024	2023
-Base table	100% S3PXA	100% S3PXA
-Projections for future improvements	CMI 2023 projections, with a long term improvement rate of 0.5% p.a.	CMI 2021 projections, with a long term improvement rate of 0.5% p.a.
Commutation allowance	80% of maximum cash at retirement	80% of maximum cash at retirement
	Years	Years
Life expectancy from 65 for a male currently aged 45	21.0	21.7
Life expectancy from 65 for a male currently aged 65	20.7	21.3
Life expectancy from 65 for a female currently aged 45	23.7	24.3
Life expectancy from 65 for a female currently aged 65	23.2	23.7

Changes in Scheme assets are as follows:	2024 £'000	2023 £'000
Fair value of Scheme assets, beginning of the year	16,695	27,681
Interest Income	777	725
Employers' Contributions	737	715
Benefits payments	(1,197)	(1,025)
Administration Expenses	(228)	(330)
Return on plan assets in excess of interest income	(250)	(11,071)
Fair value of Scheme assets, end of year	16,534	16,695

Scheme Assets Allocation, End of Year	31 March 2024 £'000	31 March 2023 £'000
Diversified Growth Funds	3,990	9,635
Absolute Return Bonds	3,796	1,508
Liability Driven Investment	8,543	5,388
Cash	205	164
Total	16,534	16,695

9. PENSION COSTS (continued)

Amount recognised in the balance sheet

	31 March 2024 £'000	31 March 2023 £'000
Fair value of Scheme assets	16,534	16,695
Present value of funded defined benefit obligation	(27,396)	(26,376)
Deficit recognised in scheme	(10,862)	(9,681)

Components of benefit cost recognised in Income & Expenditure	31 March 2024 £'000	31 March 2023 £'000
Net interest cost on net defined liability	448	326
Administration Expenses	228	330
Net benefit cost in SOFA before other recognised gains and losses	676	656

Amount recognised in other recognised gains and losses:	2024 £'000	2023 £'000
Return on plan assets in excess of interest income	250	11,071
Actuarial gains arising from changes in demographic assumptions	(524)	(541)
Actuarial gains arising from changes in financial assumptions	(7)	(14,816)
Actuarial losses on experience adjustments	1,523	1,551
Gains/(Loss) recognised in other recognised gains and losses	1,242	(2,735)

10. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Leasehold Improvements	IT Infrastructure	Computers Equipment & Furniture	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2023	313	3,900	746	161	193	5,313
Additions	-	-	-	-	27	27
Disposal	-	-	-	(161)	(10)	(171)
At 31 March 2024	313	3,900	746	-	210	5,169
Depreciation						
At 1 April 2023	9	208	209	161	134	721
Charge for the year	4	52	34	-	32	122
Disposal	-	-	-	(161	(10)	(171)
At 31 March 2024	13	260	243	-	156	672
Net Book Value at 31 March 2024	300	3,640	503	-	54	4,497
Net Book Value at 1 April 2023	305	3,692	537	-	59	4,593

11. FIXED ASSETS & INVESTMENTS

All trust fund investments were revalued to the quoted price on 31 March 2024.

The investments of the Endowed Trusts and administered funds are held in a broadly diversified multi-manager portfolio devised and run by Brewin Dolphin, Waverton and Ruffer.

	2024 £'000	2023 £'000
Market value at 1 April	10,077	11,207
Disposal in year	(9,892)	(4,151)
Acquisitions in year	10,581	3,833
Net cash movement in year not yet invested	(689)	319
Investment management fees	(170)	(95)
Gains on revaluation in year	340	(1,036)
Market value at 31 March	10,247	10,077
Historical cost at 31 March	9,482	10,123

	2024 £'000	2023 £'000
Splits:		
Listed Investment	10,027	9,662
Investment cash	220	415
	10,247	10,077

Our portfolio with Brewin Dolphin was disposed and all investment sold. The investments were repurchased in the portfolio managed by our new investment managers - Ruffers and Waverton. On that basis, as there were no significant changes in the values between the disposal and repurchase, the related additions and disposal have not been reflected in the above figures.

12. SUBSIDIARY UNDERTAKINGS

Friendship Works:
Friendship Works is a dormant charitable company incorporated in England and Wales (Charity no: 1017460, Company no: 2754587) controlled by Family Action by virtue of being its sole member.

Building A New Direction (BAND):
BAND is a dormant charitable company incorporated in England and Wales (Charity no: 1060822, Company no: 03284504) controlled by Family Action by virtue of being its sole member.

PAC-UK Ltd:
PAC-UK is a dormant charitable company incorporated in England and Wales (Charity no: 294998, Company no: 2040322) controlled by Family Action by virtue of being its sole member.

Portsmouth Abuse & Rape Counselling Service (PARCS)
PARCS is a dormant charitable company incorporated in England and Wales (Charity no: 1079950, Company no: 3643599) controlled by Family Action by virtue of being its sole member.

The registered office address of each subsidiary undertaking is 34 Wharf Road, London N1 7GR.

13. DEBTORS

	2024	2023
	£'000	£'000
Amounts invoiced to funders	5,631	4,710
Prepayments and accrued income	340	918
Other Debtors	9	6
	5,980	5,634

14. CREDITORS: amounts falling due within one year

	2024	2023
	£'000	£'000
Trade Creditors	834	593
Payment received on account for contracts	606	306
Accruals and Deferred Income	222	211
Tax and social security	938	741
Other creditors	395	479
	2,995	2,330

Deferred income represents funding received in advance of the provision of the related services. All deferred income held at the end of the previous financial year has been recognised within the current financial year.

15. UNRESTRICTED FUNDS AS AT MARCH 2024

	Balance 31 March 2023	Movement in Funds			Balance 31 March 2024
		Incoming Resources	Gains and transfers	Expenditure	
	£'000	£'000	£'000	£'000	£'000
General funds	5,281	2,004	251	(2,584)	4,952
Fixed Assets fund	574	-	-	(44)	530
Property Improvement fund	150	-	-	-	150
Service Development Funds	548	-	(500)	-	48
Staff Contingency	703	-	249	(76)	876
Digital development	112	-	-	(55)	57
Brand Development	160	-	-	(95)	65
Service & Innovation	111	-	-	(59)	52
	7,638	2,004	-	(2,913)	6,729

The general funds represent the free funds of the Charity, which are not designated for any particular purpose. The balance as at 31 March 2024 is: £4,952k (2023: £5,281k).

The fixed assets fund represents leasehold improvements of the Charity's offices used for charitable activities. The balance as at 31 March 2024 is £530k (2023: £574k).

Property improvements fund is a designated fund set aside for the cyclical repairs and maintenance of the Head Office property. The balance as at 31 March 2024 is £150k (2023: £150k).

A Service development fund has been set up to enable the Charity to manage planned payment of liabilities and budget deficits. This is essential for the future of the Charity and is designated, so excluded from free reserves. The balance as at 31 March 2024 is £48k (2023: £548k). £500k was spent on the renegotiated pension deficit recovery plan completed in January 2024.

The staff contingency fund has been set up to enable the Charity to meet its contracted obligations where services experience staff absences due to sickness, redundancy or maternity for which additional funding is not available. The balance as at March 2024 is £876k (2023: £703k).

Last year the Board made a key decision to spend £382k on developmental projects. The projects will run over two financial years namely:

Digital & Website Development, to redevelop the Family Action website to ensure it is fit for purpose and accurately represents the charity. The balance as at March 2024 is £57k (2023: £112k).

Brand Development, to review and refresh the Family Action brand and positioning to improve recognition and engagement, and drive unrestricted income generation. The balance as at March 2024 is £65k (2023: £160k).

Service & Innovation Development, to fund a development role which will ensure that Family Action remains at the cutting edge of new service design and innovations. The balance as at March 2024 is £52k (2023: £111k).

15. UNRESTRICTED FUNDS AS AT MARCH 2023

	Balance 31 March 2022 £'000	Movement in Funds: Incoming Resources £'000	Gains and transfers £'000	Expenditure £'000	Balance 31 March 2023 £'000
General funds	4,525	2,557	(315)	(1,486)	5,281
Fixed Assets fund	618	-	-	(44)	574
Property Improvement fund	150	-	-	-	150
Service Development Funds	819	-	(271)	-	548
Staff Contingency	536	-	203	(36)	703
Digital development	-	-	112	-	112
Brand Development	-	-	160	-	160
Service & Innovation	-	-	111	-	111
	6,648	2,557	-	(1,566)	7,638

16. RESTRICTED FUNDS AS AT March 2024

	Balance 31 March 2023 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2024 £'000
Operational services	11,280	37,380	-	(35,448)	13,212
Other restricted funds:					
New Day	115	174	-	(133)	156
Other Restricted funds	903	515		(456)	962
Nora Henry Trust	4	50	-	(17)	37
E & W Morgan Trust	330	-	6	-	336
Other Endowment funds	383	238		(247)	374
Total other restricted funds	1.735	977	6	(853)	1.865
Restricted income funds	13,015	38,357	6	(36,301)	15,077
Pension scheme reserve	(9,681)	-	(1,242)	61	(10,862)
Total restricted funds including pension scheme reserve	3,334	38,357	(1,236)	(36,240)	4,215

Restricted funds comprise two main elements:

1. The unexpended income from Operational Services of £13,212k as at 31 March 2024 (2023: £11,280k). These restricted funds represent funded projects and services run by Family Action. The balance consists mainly of start-up funding on new projects not yet spent and funding to be carried forward as agreed with individual funders.

2. Family Action administers endowed and non-endowed trust funds. It distributes this income in the form of grants to individuals. The unexpended income from the funds is carried forward under its restricted purpose. This amounts to £1,865k as at March 2024 (of which £383k is held as investment in our portfolio) compared with £1,735k in 2023 (of which £377k is held as investment in our portfolio). Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

16. RESTRICTED FUNDS AS AT March 2023

	Balance 31 March 2022 £'000	Incoming Resources £'000	Movement in Funds Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2023 £'000
Operational services	10,762	34,620	12	(34,114)	11,280
Other restricted funds:					
New Day	104	105	-	(94)	115
Other Restricted funds	314	1,267	(10)	(668)	903
Nora Henry Trust	3	43	-	(42)	4
E & W Morgan Trust	360	-	(30)	-	330
Other Endowment funds	373	410	(7)	(393)	383
Total other restricted funds	1,154	1,825	(47)	(1,197)	1.735
Restricted income funds	11,916	36,445	(35)	(35,311)	13,015
Pension scheme reserve	(12,475)	-	2,735	59	(9,681)
Total restricted funds including pension scheme reserve	(559)	36,445	2,700	(35,252)	3,334

17. ENDOWMENT FUNDS AS AT MARCH 2024

	Charity Reg. Number	Balance 31 March 2023	Movement in Funds: Additions	Movement in Funds: Expenditure and Unrealised Gains/(losses)	Balance 31 March 2024
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	713	-	12	725
Eleanor Ponsonby Trust	275060	1,142	-	19	1,161
FWA Greater London Relief in Need Charity	1006487	865	-	15	880
FWA National Relief in Need	231205	790	-	13	803
FWA Relief in Need Charity for the Aged	237118	954	-	16	970
FWA Relief in Sickness Charity	264713	670	-	11	681
Women's Holiday Fund	207455	916	-	15	931
Metropolitan Visiting and Relief Association	251586	362	-	6	368
Queen Adelaide Fund	207228	258	-	4	262
Bishop Andrews Charity	205288	120	-	2	122
Other funds (balances < £100,000)		287	-	5	292
		7,077	-	120	7,195
Expendable endowments					
Nora Henry Trust	313949	1,703	-	29	1,732
Fenton Trust	247552	94	-	2	96
Lamming Will Trust	216257	123	-	2	125
Other funds (balances < £100,000)		705	-	11	716
		2,625	-	44	2,669
Total endowment funds		9,701	-	164	9,865

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including endowments) as at March 2024 is £10,247k compared with 10,077k in 2023. An increase in market value, which are unrealised gains, amounts to £170k compared with a reduction in value in 2023 of £1,130k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

17. ENDOWMENT FUNDS AS AT MARCH 2023

	Charity Reg. Number	Balance 31 March 2022 £'000	Movement in Funds Additions £'000	Expenditure and Unrealised Gains/(losses) £'000	Balance 31 March 2023 £'000
Permanent Endowments					
Caterham Whyteleafe Trust	272724	778	-	(65)	713
Eleanor Ponsonby Trust	275060	1,247	-	(105)	1,142
FWA Greater London Relief in Need Charity	1006487	945	-	(80)	865
FWA National Relief in Need	231205	1,067	-	(277)	790
FWA Relief in Need Charity for the Aged	237118	1,042	-	(88)	954
FWA Relief in Sickness Charity	264713	731	-	(61)	670
Women's Holiday Fund	207455	1,000	-	(84)	916
Metropolitan Visiting and Relief Association	251586	395	-	(33)	362
Queen Adelaide Fund	207228	282	-	(24)	258
Bishop Andrews Charity	205288	131	-	(11)	120
Other funds (balances < £100,000)		313	-	(26)	287
		7,931	**-**	**(854)**	**7,077**
Expendable endowments					
Nora Henry Trust	313949	1,859	-	(156)	1,703
Fenton Trust	247552	103	-	(9)	94
Lamming Will Trust	216257	135	-	(12)	123
Alfred de Rothschild Trust	202225	769	-	(64)	705
Other funds (balances < £100,000)					
		2,866	**-**	**(241)**	**2,625**
Total endowment funds		**10,797**	**-**	**(1,096)**	**9,701**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including endowments) as at March 2023 is £ 10,077k compared with £11,207k in 2022. The reduction in market value, which are unrealised gains, amounts to £1,130k compared with an increase in value in 2022 of £146k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 March 2024

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2024				
Are represented by:				
Tangible fixed assets	4,497	-	-	4,497
Investments		382	9,865	10,247
Current assets	2,832	17,090	-	19,922
Current liabilities	(600)	(2,395)	-	(2,995)
Pension scheme deficit	-	(10,862)	-	(10,862)
Total net assets	**6,729**	**4,215**	**9,865**	**20,809**
Unrealised gains included above:				
Investment assets		(29)	(736)	(765)
Total unrealised gains at 31 March 2024		(29)	(736)	(765)

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 March 2023

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2022				
Are represented by:				
Tangible fixed assets	4,593	-	-	4,593
Investments		376	9,701	10,077
Current assets	3,511	14,503	-	18,014
Current liabilities	(466)	(1,864)	-	(2,330)
Pension scheme deficit	-	(9,681)	-	(9,681)
Total net assets	**7,638**	**3,334**	**9,701**	**20,673**
Unrealised gains included above:				
Investment assets		(166)	120	(46)
Total unrealised gains at 31 March 2023		(166)	120	(46)

19. LEASING COMMITMENTS

At 31 March 2024 the charitable company had future minimum rentals payable under non-cancellable operating leases as detailed below:

	2024 Property £'000	2024 Other £'000	2023 Property £'000	2023 Other £'000
Minimum lease payments due within:				
- one year	451	6	398	15
- within two to five years	229	-	223	6
- over five years	174	-	-	-
	854	**6**	**621**	**21**

The Charity carefully manages its lease obligations to ensure that the lease terms closely match the length of service contracts and for non-service-related properties that appropriate break clauses are in place to safeguard the Charity's resources.

20. CONDUIT FUNDS

Family Action manages and disburses funds on behalf of a number of organisations. These are held in separate bank accounts and subject to Family Action's internal controls and procedures to ensure that these assets are safeguarded. The value of these funds at 31 March 2024 is stated below:

	Balance 31 March 2023 £'000	Incoming Funds £'000	Outgoing Funds £'000	Balance 31 March 2024 £'000
Motor Insurance Bureau	37	-	(10)	27
Deputy and Trustee Services	35	1	-	36
CAMHS Alliance Fundholder	1,296	917	(1,821)	392
	1,368	**918**	**(1,831)**	**455**

Motor Insurance Bureau: Family Action acts as custodian trustee for minors in respect of awards made by the Motor Insurance Bureau. These funds are paid out to the individual benefactors on reaching the age of maturity.

Deputy and Trustee Services: The Head of Deputy and Trustee Services acts as deputy for people who do not have the capacity to manage their own financial affairs and undertakes the day-to-day management of their financial affairs in line with guidelines provided by the Office of the Public Guardian. During the year a majority of the clients were moved with orders from the court to firms of solicitors with only the accounts of deceased clients left. These will be resolved by the courts with balance on the accounts paid out accordingly.

CAMHS Alliance Fund Holder: Family Action are the Fund holder for City & Hackney Child and Adolescent Mental Health Service (CAMHS) Alliance. Family Action is responsible for payment of invoices on behalf of the alliance to various service providers commissioned by the NHS City & Hackney CCG.

21. RELATED PARTY TRANSACTIONS

David Holmes, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with a £4,134 (2023: £4,134) annual subscription. Children England closed its operations on the 31st of December 2023.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of Research in Practice (RiP) (now part of the National Children's Bureau), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. A valuable professional online resource for all of Family Action staff. During the year, Family Action has an active membership subscription at a cost of £24,750 (2023: £19,500) per annum. This transaction was carried out at an arm's length basis.

Donations made by Trustees totalled £5,400 as of 31st March 2024 (2023: £11,800). There are no other related party transactions to report.

FAMILY ACTION

England & Wales - Charity number 264713

Accounts

FAMILY ACTION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Charity number: 264713
Company number: 01068186
Isle of Man Company number: 6009F
Isle of Man Charity Number: 1206

FAMILY ACTION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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Welcome from Ian Hargrave, Chair of Family Action

I was delighted to be appointed as Family Action's new Chair of Trustees in December 2022 having previously served as Family Action's Treasurer and as a Trustee.

I begin this Trustees' Report for 2022/23 by paying tribute to my predecessor as Chair, Mary Fulton, who served Family Action with such distinction from 2017-2022. Just as Mary did before me, I will do everything I can to support Family Action's vital work.

This has been another challenging year for Family Action as we have continued to manage the ongoing impacts of the pandemic whilst also confronting the considerable hardships caused by the cost of living crisis on our service users, volunteers and staff.

I am glad to report that once again the Charity, through excellent planning and management, has continued to provide our essential services without interruption and I am proud of the leadership, drive and determination that Family Action shows every day.

At all times Family Action's work is driven by its values – Can Do, Excellence, People Focus and Mutual Respect.

Key achievements during the year included:

- Providing 170 community-based and national services that together reach hundreds of thousands of children, adults and families;
- Providing a nutritious breakfast to hundreds of thousands of children a day through the National School Breakfast Programme and achieving an extension to the contract to continue to deliver the NSBP until July 2024;
- Managing more than 10,000 contacts to our FamilyLine service (a free telephone, text, webchat and email service for parents and carers) over the year;
- Maintaining our large network of FOOD Clubs in direct response to the continuing food insecurity resulting from the cost of living crisis;
- Creating a new Cost of Living Grants Fund which has made over 1,800 emergency grants to families in crisis since it opened in November 2022;
- Agreeing a new three year £3.75m corporate partnership with Barclays to fund vital new learning support grants and LifeSkills work; and
- Winning some £5m in new and retendered work over the year across England and Wales, including a large new contract to deliver supervised contact services with Hertfordshire County Council.

Family Action celebrates its 154th birthday this year. Please support this fantastic charity to do even more.

I Hargrave

Ian Hargrave
Chair of Trustees
21st September 2023

Our Objectives

To preserve and protect the good health (in particular mental health) and advance the education of families, individuals and groups within the community, the relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in such ways as the Trustees see fit.

Our Purpose and Activities

Family Action provides services and financial support to strengthen poor, disadvantaged and socially isolated families and children. Through our excellent services we empower our service users and ensure that they are heard and listened to. We are committed to maximising our impact so that children and families can look forward to the future and not be defined by their past.

Family Action supports hundreds of thousands of families, adults and children a year through some 170 community-based services across England, Wales and the Isle of Man and a significant portfolio of national services. We help many more every year with financial assistance through our UK wide education and welfare grant programmes and through our FamilyLine and via the National School Breakfast Programme. We provide services to strengthen families and communities and to build skills, resilience and improve outcomes for children and their parents and carers.

Our services transform lives and are grouped under the following nine themes:

Early Years and Perinatal

Services that specialise in supporting pregnant people, parents and carers with children from birth to 5 years, at home, in a family centre and in an education setting.

Children and Families

Services that provide support for children, young people and families where a whole family approach to support is available. Services provided include:

- Short term targeted interventions, support with specific issues and intensive support for families with complex and enduring needs;
- Evidence-based parenting programmes to support children's emotional and social development;
- Emotional health and wellbeing services including counselling and therapeutic work for children who have suffered trauma, bereavement or abuse and other specialist services for children and families;
- Young Carers services including working with schools to identify and support young carers and their families;
- Relationship Support including supervised contact and working with separated parents; and
- Maintaining high quality Children's Centres particularly in disadvantaged areas; and
- Welfare benefits, debt and housing advice.

Domestic and Sexual Violence

Services supporting and advocating for people with lived experience of domestic and sexual violence and abuse.

Specialist Educational Needs and Disability (SEND)

Services providing support, information and guidance to children, young people, families and adults who are living with a Special Educational Need or Disability. Family Action is a leading provider nationally of:

- SEND information, advice and guidance, and support to families of neurodiverse children and young people; and
- Behaviour outreach support and emotional wellbeing services in schools.

Adult Mental Health and Wellbeing

Support for adults with a focus on health, mental health and wellbeing. Our services under this theme include:

- WellFamily services in GP surgeries offering advice, support and counselling for patients with non-medical issues;
- Social Prescribing services
- Mentoring and befriending services; and
- Supported housing.

Young People

- Services that provide support, information and guidance for young people between the ages of 16-24 years. Services include:
- Mentoring services for disadvantaged young people and care leavers;
- Specialist therapeutic support for young people and young adults; and
- Supporting young people with work experience and into employment through the HeadStart programme.

Financial Support

Short term financial relief provided to individuals and families who have an immediate need for economic stability including:

- Programmes themed around welfare, education, multiple complex needs (Open Doors) and cost of living.

Adoption and Looked After Children

Services that provide support for children and young people who have been or who are currently under the care of the local authority and all parties affected by permanence. Services include:

- Specialist adoption support for adopted children and young people, adopted adults and adoptive families;
- Specialist support for birth families;
- Specialist support for families affected by special guardianship including the National Special Guardianship Support Service; and
- FamilyConnect (www.familyconnect.org.uk)

Food Services

Services that provide access to healthy and affordable food, recipes and tips, and activities for communities with high levels of food insecurity. Services include:

- The National School Breakfast Programme which feeds hundreds of thousands of children every school day who would otherwise be too hungry to learn;
- Provision of a national network of holiday hunger schemes and FOOD Clubs to alleviate family hunger; and
- A range of food and wellbeing related wraparound support work

Our Staff

Family Action is committed to encouraging diversity, promoting equal opportunities, and providing fair treatment in all that we do. We strive for a working environment that is inclusive, free from discrimination and where everyone is treated with dignity and respect.

We believe that people with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives to the workplace. We seek to encourage and harness these differences in order to meet the changing needs and requirements of our staff, volunteers, service users, governance, partners, funders and supporters. We have appeared regularly in The Sunday Times Best 100 List of Not for Profits to work for and in The Sunday Times Best 100 List of Large Companies.

We are a signatory to the Race at Work Charter and a member of the Stonewall Workplace Equality Index and a holder of the Stonewall WEI Silver Award. We also hold the Level 2 – Disability Confident Employer status which confirms that Family Action is committed to the recruitment and retention of disabled people, and that we do the following to enable this:

- Interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. We operate a guaranteed interview process for any candidate who meets the essential criteria for a role and ensure that where candidates require reasonable adjustments in the selection process, that these are implemented. All recruiting managers receive training in our recruitment processes.

- Ensure there is a mechanism in place to discuss, at any time, but at least once a year, with disabled employees what can be done to make sure they can develop their abilities. We do this through monthly supervision with all staff and an annual appraisal review where career development is discussed with every employee at Family Action. There are many opportunities for staff to get involved in exciting projects, and all staff are encouraged to do this.

- Make every effort when employees become disabled to make sure they stay in employment. We discuss with employees any reasonable adjustments needed to support them during the course of their employment, and ensure appropriate support is put in place to accommodate these requirements where feasible.

- Take action to ensure all employees develop the appropriate awareness needed to make these commitments work. We promote this through our organisational policies and through the work of the Equality, Diversity and Inclusion (EDI) Steering Group.

We have a dedicated EDI role within our Senior Leadership Group. The post holder leads all of our organisation-wide EDI work in close collaboration with a range of staff diversity networks (see more about our staff networks and EDI work below).

Good communication is integral to all that we do at Family Action. There are a number of ways in which staff and managers are kept informed:

- Our user-friendly staff intranet is regularly updated to ensure that all employees are kept informed about important news, strategic developments, training opportunities, feedback received or key organisational initiatives such as our regular staff engagement surveys and recognition awards.
- We provide weekly updates on the intranet about issues discussed at our weekly Senior Leadership Group meeting so that staff across the organisation are kept up to date with key organisational challenges and opportunities. Each member of the SLG takes it in turn to blog about these meetings using this opportunity to introduce themselves and their lives, families and interests to the whole organisation too.
- Our monthly Family Action Bulletin (FAB) keeps everyone up to date with key news about what is happening across the organisation.
- Our Executive Group also holds a virtual open meeting once a month to which the whole organisation is invited so that people can pose questions live to members of the Executive Group and hear updates on key organisational priorities.

- Information on progress against our strategic objectives is reported to, discussed with and communicated up and down the organisation through a range of fora including; open Executive Group meetings, Senior Leadership Group meetings, regional and team meetings, and individual supervisions, so everyone in the organisation is kept informed.
- Our Chief Executive regularly communicates with the entire staff group on important organisational matters. Every month, he personally inducts all new staff joining the organisation that month and keeps a highly visible profile within the organisation through regular communication, through celebrating successes and keeping everyone informed on key news, opportunities and challenges.
- Our Chief Executive also provides regular updates on progress towards our strategic objectives whenever there is an opportunity, be that at monthly corporate induction of new staff, meetings or during his visits to services.
- We have communicated directly and frequently with the whole staff group throughout the cost of living crisis to help people feel more reassured.
- We hold regular Joint Negotiating Committee meetings with our recognised unions (Unite and Unison) and staff representatives to discuss issues that impact upon staff including policies and procedures, organisational changes, and health and safety issues.

We provide an extensive wellbeing and staying connected programme with a focus on supporting the physical, emotional and financial wellbeing of our staff whilst also keeping the whole organisation together at all times.

Our Volunteers

Family Action is fortunate to have nearly 350 volunteers across our range of services. Our volunteers support our work in so many different ways, for example:

- helping to run our FOOD Club services in locations across England and Wales;
- as befrienders in our Perinatal Services;
- in parent support roles in our Children's Centres;
- as advisers, counsellors and befrienders in our FamilyLine Service;
- as mentors to disadvantaged children, young people and care leavers accessing our Friendship Works service;
- through the provision of practical support in our Emotional Health and Wellbeing services for adults; and
- as fundraisers for us.

Throughout this year we have been working towards the Investing in Volunteers (IiV) Award. This is the UK quality standard for good practice in volunteer management. We hope to be awarded the standard in the coming year to demonstrate both our commitment to all our amazing volunteers and as objective external evidence of our ability to provide an outstanding volunteer experience.

Our Values

Our Values and Behaviours underpin all that we do. Family Action staff demonstrate our values and behaviours in their work and in their professional relationships with colleagues, volunteers, partners and service users.

We have a **Can Do** attitude;
We strive for **Excellence** in everything we do;
We are **People Focused**; and
We have **Mutual Respect** for colleagues, volunteers, partners and service users

Our Impact

Family Action is committed to measuring the impact of our work. We seek to triangulate the impact of our services through service user feedback, robust data collection and analysis, compliance with contractually agreed outcomes, and independent evaluation of the effectiveness of our service models. We publish regular Impact Reports.

Across our different services in Family Action, we use bespoke Theories of Change to express how our activities contribute to outcomes which, in turn, help us achieve our goals. We have also developed a Theory of Change for Family Action as a whole organisation. This has five key pillars where we consider that we have a genuine role to play in changing families' lives – reducing poverty, supporting relationships and safety, improving society's understanding and support of families' needs, supporting family and community wellbeing and connectedness, and supporting families through change. We know that these areas are complex, overlapping, and require integrated support from a variety of organisations but our organisational Theory of Change helps us to focus harder on how we can both achieve and evidence our own impact in these areas; on what we have learnt; and on how we will build our impact in the future.
Many of Family Action's services receive wonderful feedback. Here are just a few examples of the feedback received from our service users and partners for some of our service provision:

FamilyLine Helpline

'The person I spoke to was very calm and understanding. She gave some really good suggestions on steps I could take'

'She [volunteer] took her time to listen and was like a supportive friend. I got the support I needed from someone who didn't make me feel hurried and who was the right mixture of professional knowledge and personal empathy'

FamilyLine Counselling

'I am so grateful for the support I have received. It has made a massive difference. Thank you so much'

FamilyLine Befriending

'Everything went well, yes! I felt really good after I spoke to [Befriender]! She is an unbiased person who can actually listen without judgement. I looked forward to speaking to her every week!'

FamilyLine Coaching

'The coaching sessions were really useful. The coach helped me to keep focus on individual tasks and put together an achievable action plan. I'm so grateful for the support'

FOOD Clubs

We asked our FOOD Club members in a survey about the impact on them if FOOD Club wasn't there. The responses received underline how crucial this support is to many families across the country and included the following comments:
'The food box supplements our family food budget, so the cost of living crisis would impact us much harder. It gives us a wider variety of food, seasonal veg and little treats.'
'We would definitely see the difference in the food shopping bill. We would be going without good meals a few days a week.'
'It would be a bigger struggle to buy food for a family of five especially with the cost of living crisis.'
'I would get to the point where I wouldn't be able to provide food for all of my family.'

The following case study shows the difference a FOOD Club has made to one family:
'.... for those that have helped me so much this year, I hope you all get to hear how much of a difference you all have made in mine and my children's life this year. Not only have we received food items we have never eaten before, tried new recipes and been blessed so much with the amazing contents but I also found that I feel I have true friendship with you all. I look forward to seeing you all and you always greet me with a smile.'
'You always seem so pleased to see me and it really brightens my day. I think it's amazing that you all seem to genuinely care. I can't tell you what a lovely feeling that is ... the lovely things you have all said to me has helped me through a really sad time in my life. All the advice about different ways I can receive more affordable food has made such a difference to us as a family. I have learnt to make new meals, see the kids' excited faces when they see what we have received, had more variety with items ... I've learnt to enjoy cooking. Uploading pictures that you praise me for touches my heart and makes me feel good or proud about what I have cooked.'

'Life can seem a little grim sometimes and it can feel like the world is a bad place but then there are people like you that make you stop and think ... this world has many beautiful, caring people in it. You have made me feel supported, that I'm not alone worrying about food. I love that you give me ideas on how to cook a meal with the items I receive.'

Social Prescribing Service, Havering
'You do a great job. There is hope there, I was in a tunnel, and you have shown me the exit.'
'This service is amazing, you have connected me up with so many places, it has made a big difference to me and my family - I feel better and so now they feel better too. I have hope and direction now.'
'You've done more than anyone ever has, you have done a brilliant job and I like that you don't talk down to me; you simply talk to me and listen'.

PAC-UK Adopted people - in-person meet-up
'I found every one of the speakers who shared their experiences inspirational, they have taken their own experiences and pain and used these to help others. They were amazing!'

Separated Parents Information Programme
'When Tracey answered the phone she listened to me, she was understanding, caring and most of all what came across was she was committed to helping me attend the course. As soon as I spoke to Tracey I felt like a weight had been lifted off my shoulders and my stress and anxiety had significantly reduced.'

Service User Feedback from the City and Hackney WellFamily Service
'From August/September onwards I've stopped feeling low altogether and feel like my old self again, also slowly started socialising amongst friends again.'
'Thank you for making me feel comfortable to talk to you and listening to what I had to say, you are an example as to why it's important to have diversity in the workplace, as I don't think I would have been able to have been as open with others.'

GP feedback from the City and Hackney WellFamily Service
'It's a fabulous service. Very much appreciated by our patients. Also reduces wait times to see a psychologist when referred to Homerton community services.'

Stockton Family Outreach Service
'Someone has finally listened to me and helped me.'
'Lyndsey was the only person who I feel actually tried to help me and my family. She was always there for me to talk to when other organisations were doing nothing and I know she done her best for me. I cannot thank her enough for what she's done.'

Durham Young Carers Service: training session to professionals working with families in the County
'Full of useful information. So good to hear stories and experiences – well done guys! I feel more informed about the service and the role of young carers now. Thank you!'

HeadStart (youth employability service)
'I really appreciate all the effort you put into helping me get this interview and I will be able to apply these skills for the future. You have also helped me write a CV and cover letter that no one has ever helped me with so I wanted to say thank you so much and wish you well.'

Change4Life coaching service (London Boroughs of Westminster and Kensington & Chelsea)
'I learnt the importance of water, vegetables and fruits. Now I am eating my five veg/fruits. Also, I start to eat healthy snacks by following the traffic lights system that I learnt. The staff are excellent. From my side, I don't think of anything they could have done more.'

National School Breakfast Programme

'Working in partnership with the National School Breakfast Programme has been, and continues to be, incredible. Providing a breakfast bagel every morning for our children and pupils from Nursery to Year 6 ensures all children have food and are ready to embrace the day and make the most of every moment. Thank you!' Wyndham Spencer Academy

'Many of our children arrived saying they were hungry, however, now all children have access to breakfast which supports all in having a positive start to the day and allows them to remain focused throughout the morning.' Freezywater St George's CofE VA Primary School

'The NSBP breakfast provision has significantly transformed the start to the school day. Children arrive on time and the transition to learning is excellent. The social aspect of eating a bagel together in the morning has been very positive for pupil and staff relationships.' Wodensfield Primary School

Strategic Report

Achievements and Performance

The Trustee Board worked with the senior management of the organisation to develop a new five year strategy, *Building on 150 Years,* for the period 2019-2024. The strategy was launched in April 2019. Examples of our progress against the five agreed strategic objectives over the fourth year of the strategy to March 2023 are given below:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities

   During the year, Family Action continued to **look ahead** by working actively to try and reduce the impact of the cost of living crisis for our service users, volunteers and staff. We set up the Family Action Fund with an ambition to provide up to 2,500 individuals and families with £200 each in supermarket shopping vouchers to ease the impact of rapid increases in food prices. We provided the core of this new fund by disinvesting £200k of our own investments and supplementing this with generous donations from a number of our corporate partners, individual supporters and other friends. By the end of March 2023, we had already supported 1,805 individuals and families and disbursed £361,000 in supermarket vouchers. We also set up a similar cost of living hardship fund for our own worst affected staff and made over 160 grants of £150 supermarket vouchers to those staff again to help them address rapidly rising food prices. This very practical support recognised that many of Family Action's staff are in relatively low paid jobs and this is typical of the health and social care sector in which we operate. During the year we saw continuing demand for our network of FOOD Clubs and we managed to secure funding to keep many of these vital Clubs open throughout the year. We were delighted that two of our longest standing corporate partners NewDay and LV= General Insurance decided further to extend their partnerships with us. We continued to **innovate** by creating exciting new corporate partnerships including a fantastic new education support grants and extended LifeSkills offer (funded by a major new three year partnership with Barclays) and a new grants scheme for single parents pursuing higher education (funded by JP Morgan). Finally, we continued to **seize opportunities,** e.g. by significantly growing our range of supervised contact services over the course of the year, by extending our contract to deliver the National School Breakfast Programme until July 2024 and by identifying funding to enable us to take forward an ambitious new Development Programme which will include a brand review, new website and additional service development capacity.

2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives

   Despite the cost of living crisis, Family Action continued to secure an encouraging level of income over the last 12 months. The charity retained the vast majority of its contracted services including the National School Breakfast Programme and our large contracts in Cumbria and also secured £4.9m in new wins and retendered contracts for the 23/24 financial year including a large supervised contact service in Hertfordshire and a smaller supervised contact service in Medway, a new SENDIAS services in Wiltshire and the Portsmouth Safe Space contract. As already mentioned above, we were also delighted to secure major new corporate partnerships with Barclays and JP Morgan and to extend further our existing highly successful partnerships with NewDay and LV= General Insurance.

   The charity continues to work with over 60,000 families a year through some 170 services. We also ensured that hundreds of thousands of children who would otherwise be too hungry to learn, received a nutritious breakfast every school day through the National School Breakfast Programme, and we reach thousands of individuals through our grants programmes. Our fundraising team raised more than £6.5m during the year to support our core objective of providing emotional, practical and financial support to families.

3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users

   We have made several excellent new appointments and additions during the year to our senior operations team and we welcome those colleagues into their new roles. We are working hard to increase distributed leadership within Family Action, a goal that is important in an organisation that is so large and so widely dispersed geographically.

   We made good progress again during the year on our quality improvement agenda. Our Quality Assurance Framework is enabling all tiers of the organisation to collect and analyse the right data, to understand the quality of practice and ultimately to improve outcomes for children and families. During the year all our services revised their Continuous Improvement Plans and it is good to see a culture of continuous improvement becoming firmly embedded into the organisation.

   We have had a continuing focus during the reporting year on the development and application of data for service management and central organisational oversight. An organisational dashboard was developed and will be taken further next year to enable more rigorous regional and central oversight of key metrics across services. The development of individual Service Level Reports (SLRs) has accelerated again and all Family Action services which are on our internal InForm system now have their own bespoke SLR which enables the local, regional and central management oversight of that service including capturing outcomes for children and families. During the year we also appointed Family Action's first Head of Practice Development to lead on the development of communities of practice across our 9 thematic service areas which were summarised at the beginning of this report. We were also pleased to retain our three ISO accreditations during the year. On the IT side we were delighted to complete the migration from the remote desktop to the cloud as we had been working towards this goal for some time and retain our Cyber Essential Plus accreditation.

   We had some excellent inspection results in our regulated services during the year. We were particularly pleased that the work of PAC-UK, Family Action's adoption support agency, was recognised with an Outstanding judgment when it was inspected in December 2022. The inspection report noted:

   'PAC-UK provides a highly enabling and intuitive service that is based on a shared understanding of service users' needs, which is a golden thread of exceptionally good practice.'

4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact

   During the year our Development and External Affairs Directorate was restructured to include two Deputy Director level roles with responsibilities for External Engagement and Business Development reflecting the changing requirements of Family Action both as a social business and as a charity seeking to speak out on the issues where we have particular expertise. The restructured Directorate now has an increased focus on Social Value which has become a key element of public tendering and an area where Family Action has growing expertise.

   Over the last 12 months Family Action has again worked hard to shine a bright spotlight on contemporary family pressures. We have highlighted the huge impact of the cost of living crisis on individuals and families across the country and the disproportionate impact of rising energy and food prices on the poorest households.

   Over the year we have also continued to develop and evolve our work to give all families a bold strong voice under the umbrella of 'Family Voices'.

We delivered two successful **brand campaigns** during the period. *'Creating Happy Memories'* in Summer 2022 included a successful play-themed partnership with Fisher-Price encouraging families and friends to make new happy memories by providing inspiration and practical ideas on how to spend quality time together. Our Christmas campaign *'Make theirs Magic'*, focused on the comfort we gain from time spent with loved ones. We reached over 1.5m views on our social channels and up to 192m views through PR activity. The Toy Appeal raised £52,946 and we distributed nearly 12,000 toys to families identified by our services. Our individual giving appeal raised over £55,000. Towards the end of the reporting year, we were particularly pleased to recruit our first ever Head of Brand Development who will lead on a review of Family Action's brand and feed into the development of our new website.

We continue to grow our **influencing** work. Our CEO was invited to join the new Cross Government Advisory Group on Family Policy and also spoke at or chaired a number of conferences relevant to Family Action's work. Significant coverage was achieved across Video on Demand, National Press, Television and social channels.

5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

   By the end of the reporting year, Family Action's workforce numbered on average 856 staff and nearly 350 volunteers. We were delighted to create and appoint a new central recruitment team during the year to streamline and enhance our recruitment processes and to learn from best practice in this field.

   We have an Equality, Diversity and Inclusion (EDI) Manager to enhance our work and practice in EDI, a range of staff diversity networks (Anti-Racism and People of Colour, AccessAbility, Gender Equality, LGBTQIA+, Parents and Carers Equality and Inter-faith) and a network of EDI Champions across the organisation.

   During the year we participated in the Stonewall Workplace Equality Index for the second time to help us generate a more informed understanding of our employees' experiences at work with regards to lesbian, gay, bi and trans inclusion
   in the workplace and we achieved a Silver Award this year recognising the progress that we are making as an organisation in this area.

   We commissioned a review of our Learning and Development offer to staff and as a result of that review will now recruit our first ever Head of Learning and Development. We also commissioned a Reward Review. This important review will examine all aspects of reward within Family Action. While we are limited in what we can do in relation to salaries we want to ensure that all other aspects of our reward offer to staff are as good as possible. Staff wellbeing has continued to be a major concern and focus all year given the cumulative impact of the pandemic and now the cost of living crisis on our staff and volunteers personally as well as on our service users. We have continued to provide a comprehensive staff wellbeing programme that has focused on emotional, physical and financial wellbeing.

The legacy of the pandemic

We said in this report last year that we had emerged from the pandemic as a changed organisation. We are now able to provide more of our services virtually although many of our services of course require considerable face to face contact to be effective. We have also continued to make great strides forward in terms of our organisation-wide ability to use technology well. Many meetings across the organisation are now taking place virtually saving travel time and money and we are now better able to decide when a face to face meeting is really necessary and to prioritise our time and resources accordingly. We are encouraging flexible and hybrid working as much as we can whilst also being very conscious that many of our roles need to be performed within a designated workplace because of the necessity of maintaining face to face contact with service users.

As with last year, a key challenge this year has been to keep open some of the services that rapidly expanded during the pandemic. There is still a pressing need for us to maintain our FOOD Club programme, which feeds thousands of families every week. Funding these Clubs is challenging and we continue to work very hard to find funding for this essential work. We have also continued to experience very high demand for our free FamilyLine service, which provides immediate advice and support on demand to parents and carers under stress.

Family Action has continued to work hard to support the wellbeing of our workforce as we have emerged from the pandemic. We know that many of our employees and volunteers struggled personally during the pandemic and many are also struggling in the context of the cost of living crisis yet they continue to provide unfailing support and encouragement to our service users. We have continued to invest in staff wellbeing, made a one-off payment of £500 during the year to all staff below senior management grade to provide some additional practical financial support and also established an employee hardship fund to provide £150 in supermarket food vouchers to over 160 of our most affected staff. Whilst these efforts were appreciated the reality of charity finances is that we cannot raise salaries to reflect prevailing rates of inflation and this is a constant worry for the charity as we seek to recruit and retain staff.

Financial Review

Family Action's total income for the year was £39m (2022: £35.2m). 93% of our income was restricted to funding specific services. Income for Operational Services came from Local Authorities, central government and NHS Trusts for the provision of specific services. These funders are listed in the accounts (Note 5a, b & c).

Overall, we employed a monthly average of 856 (2022: 904) staff in the year. Total expenditure amounted to £36.9m (2022: £32.8m), with £35.3m (2022: £31.5m) relating to restricted charitable activities.

Total Funds at year-end were £20.7m (2022: £16.9m). There was a decrease in the Pension deficit valuation at year-end from £12.5m to £9.7m (see pension fund statement for further details). We have also seen a reduction in the value of the Endowment funds from £10.8m in 2022 to £9.7m. The net increase in total funds was £3.8m.

Fundraising approach and performance

The charity undertakes fundraising activity to its supporters via a range of methods, including but not exclusively, direct mail, fundraising events, challenge events, corporate fundraising, crowd funding, Trusts and Grants fundraising and email fundraising, in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, (which is available on our website to reassure supporters of our approach):

When you support us, you can be sure of the following:

- We will never sell your contact details to anyone
- If you are an individual supporter, we will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door-to-door or street fundraising. We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal

All our fundraising staff have regular supervision and appraisals, as well as a development plan, to ensure we are working to best practice standards and regularly reinforcing our fundraising ethics. We have an Ethical Fundraising Policy which is reviewed at least annually.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice.
Whilst the vast majority of our fundraising is staff and volunteer-led, we have engaged the services of one third-party fundraising agency this financial year. We are committed to monitoring the quality and performance of any third party agencies we engage with and ensure compliance to the Fundraising Regulator's Fundraising Code of Practice.

Over the course of this financial year, we have received no fundraising complaints. As such, no complaints were referred to the Fundraising Regulator. Our complaints procedure is available on our website with all relevant contact details.

Reserves Policy

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the Charity to continue its normal activities in the event of a significant drop in funding, or loss of projects, with contribution toward the closure costs, if the project cannot absorb its own closure costs. In considering the nature and diversity of our income, the Trustees believe the appropriate level of free reserves should be 6 months running
costs of the central operation which runs the Charity. i.e., Head Office; the running costs of which is £5.70m for 2023/24 and a contribution towards potential project closure costs, including the total lease obligations payable of £0.6m.

Our freely available general funds as at 31 March 2023 were £5.28m (2022: £4.52m). This covers the required level of reserve of 6 months running costs of the Head Office, it also covers any potential project closure costs and continuing lease obligations.

General Funds form part of our Unrestricted Reserves which, totalled £7.64m at 31 March 2023 compared with £6.65m as at March 2022. Funds designated for specific purposes stood at £2.36m (2022: £2.12m).

Notes 15-17 of the accounts show the various funds or reserves by type and summarise the year's movements on each fund. Note 18 shows the assets and liabilities attributable to the various funds.

Going Concern

The Trustees have reviewed the projected operations and activities of the company, including consideration of the existing contracts and a two year projected cash flow forecast. Based on the available financial information, we are of the opinion that adequate resources will continue to be available to fund the activities and operations of the company, therefore Family Action is a going concern.

Pension Fund

In common with other Charities with historic final salary schemes, our pension scheme shows a deficit which stood at £9.68m at 31 March 2023 (2022: £12.48m) and under UK accounting standards, we are required to account for this deficit on the balance sheet (Note 9).

The deficit on the defined benefit pension scheme reduced by £2.79m in the year to 31 March 2023.

The main financial assumptions as at 31 March 2023 have changed since 31 March 2022. Discount rate increased from 2.65% to 4.75%. Inflation expectations increased to 3.25% from 3.60%. In combination, these gave rise to a gain of £14.81m.

Changes in demographic assumptions at 31 March 2023 led to a gain of £0.54m.

There was an experience loss of £1.55m, in addition, there was a loss on assets in excess of interest income of £11.07m.

The funding status of the Scheme over the period is as shown in the table below.

	31 March 2023 £'000	31 March 2022 £'000	Change £'000
Present value of liabilities	(26,376)	(40,156)	13,780
Market value of assets	16,695	27,681	(10,986)
Funding deficit	**(9,681)**	**(12,475)**	**2,794**

The triennial valuation due in January 2023, is ongoing with a new repayment plan to be agreed with the Pension Regulator before the deadline of March 2024. The Charity will continue to make annual payments towards the deficit under the existing agreed repayment plan made with the Pension Regulator in March 2021.

The Trustees are aware that the deficit on the scheme under FRS102 will fluctuate with changing market conditions and that their responsibility is to meet the required contributions. There are active options being considered with the Pension Scheme Trustees as we continue to manage the deficit. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds.

Investment Policy and Performance

The Trustees' primary aim is to achieve sufficient income and capital growth from the investments so as to permit without interruption the continued provision of the Charity's core services.

In 2019, there was a review of the Investment Strategy with a change to the objectives and a strategic decision to reduce portfolio risk to focus on capital preservation (ahead of the start of the pandemic).

More specifically the objectives were prioritised in the form of 'Primary' and 'Secondary':

Primary

- The target is that the value of the portfolio will be maintained at a minimum of £10m.

Secondary

- To generate £225,000 to £275,000 per annum of income available for distribution as grants
- Diversification
- Capital growth to keep pace with inflation (CPI).

The above objectives have continued to be relevant in recent years given the challenging market conditions..

The Investment Portfolio managed by Brewin Dolphin generated investment income during the year of £305k, compared with £282k in March 2022. As the market conditions slowly improved during the year, we saw the majority of our portfolio paid dividends. The forecast income for 2023/24 is expected to be £312k at 3.10%.

During the year there was an approval from the Charity Commission and the Board to disinvest £0.2m to fund our new grants programme for the cost of living crisis, a major challenge for our client group and an objective of the Trust funds disinvested.

We saw the portfolio value drop and then slowly recover to £10.1m as at March 2023 compared with £11.2m in 2022, a reduction of £1.1m. With income at 3.05% of capital value and capital value at £10m, the portfolio has not produced a real return, principally due to prevailing high inflation and market volatility.

The performance of this investment strategy continues to be reviewed by Trustees, the Investment Committee and Brewin Dolphin on a quarterly basis, with a more in-depth review annually.

There is an ongoing review of the investment strategy and managers which will be completed in the next financial year by the Investment Committee.

The Investment Committee continues to have oversight of the management of the endowment portfolio and relationship with the investment managers in order to provide assurance to the Board of Trustees in respect of the strategies and management of this portfolio, in accordance with the agreed Investment Strategy.

Plans for the Future

In 2023/24 Family Action will continue to take forward the 5 strategic objectives in our 5 year strategy, *Building on 150 Years*. These 5 priorities remain:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities
2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives
3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users
4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact
5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

Unfortunately, we are expecting the 23/24 financial year to be challenging again. The combined impact of a decade of austerity, the pandemic and the continuing cost of living crisis is widening inequalities, particularly for the most disadvantaged, and fuelling demand for Family Action's services. Organisations like Family Action that bid for publicly tendered work for the majority of their income are locked into a market and a funding system that does not tolerate inflation-related annual contract increases. As a result, we are struggling to recruit and retain staff in some of our services and our flexibility to cover increasing costs and to increase salaries within existing budgets is very limited. This is a systemic issue in the commissioning of public services that was more manageable during a period of low inflation but which is now putting huge pressure on our staff and services. There is an assumption that the charity sector will always be there to provide a vital safety net but these systemic frailties are issues that politicians from all parties need to acknowledge, prioritise, confront and resolve. In the meantime Family Action needs to keep looking ahead for new sources of income so that we can continue to deliver high quality services that provide the support that vulnerable families, children and adults need. Our successful year in 22/23, in financial terms, will again help us to bridge these challenges but the imperative remains for us to continue to win new work in this difficult climate, whilst also retaining as many of our existing services as possible. We will continue to make the case for greater investment in high quality early intervention and preventative services such as those we provide across the country and this is a message that we will be giving clearly within the new Cross Government Advisory Group on Family Policy that we were recently invited to join.

Particular objectives for Family Action in the year ahead will be to continue to seize opportunities to develop new services that meet emerging needs for vulnerable children, individuals and families. We will also drive forward our quality assurance programme, our practice development work and implement the findings of our recent Learning and Development review including appointing Family Action's first Head of Learning & Development.

During the year ahead, we will also be completing our Reward Review and considering what more we can do to improve Family Action's total reward package for our staff. We will be developing a new People Strategy and we also hope to achieve the Investing in Volunteers award for the first time.

We will also take forward our review of Family Action's brand and will take the findings of that work into the development of a new website for the charity. We will also use our campaigns and other engagement work with professional audiences, influencers and political decision makers to influence societal understanding of the diversity of contemporary family life, to drive forward positive change and to act as a platform for the voices of all those with whom we work.

Finally, we want to continue to build on our programme of EDI work to ensure that Family Action becomes an even better place to work and to ensure that all our staff, volunteers and service users are comfortable to be themselves both in the workplace and in every contact that they have with us. More detail is given elsewhere in this report about our EDI priorities for the year ahead.

Structure, Governance and Management

Governing Document and group structure

Family Action has its origins in the Charity Organisation Society, which was established in 1869. Today, Family Action is a Company Limited by Guarantee governed by its Articles of Association last amended on 25 April 2019. It is registered as a Charity with the Charity Commission and as a company with Companies House. Family Action subsidiaries are Friendship Works, BAND, PAC-UK and PARCS which are registered and charitable companies that are now dormant following their mergers and transfers of trade and assets to Family Action.

Appointment of Trustees

Our Articles of Association provide that Family Action may have up to 15 Trustees and the present members of the Board are listed in this report. The recruitment of Trustees is steered through the Governance Committee, chaired by the Chair of Trustees. We assess the strengths of the Board and the skills that we need for effective governance on an ongoing basis.

Trustee Induction and Training

All new Trustees receive a bespoke induction plan according to individual need. As a minimum, this includes meetings with the Chair, CEO, Director of Finance and other key staff, the opportunity to observe a Board meeting before joining the Board, the opportunity to learn more about Family Action's services and an offer to attend the monthly corporate induction session for new staff where the CEO presents in detail on the charity's history, strategy, services, finances and current operating environment. We also have a standard Trustee Induction Pack which we keep updated, that contains key information about Trustees' legal duties and responsibilities under Charity and Company Law, the Charity Commission guidance on public benefit, the Charity's Articles and detailed organisational information. New Trustees are paired with a Trustee mentor and we provide training as necessary to ensure that all Trustees are kept up to date with changing requirements. Trustees have also been kept aware of the changing landscape around the regulation of Charity fundraising and Charity law.

Organisation

The Board of Trustees administers the Charity. The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees under its Executive Limitations, for operational matters including finance, contracts, service provision and employment. The Board meets five times a year and there are four Board sub committees: Audit Committee, Quality & Performance Committee, Governance Committee and Investment Committee which can meet up to four times a year under their respective terms of reference.

Related Parties and Co-operation with other Organisations

Any interest between a Trustee or senior manager and the Charity must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party.

David Holmes CBE, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with £4,134 annual subscription.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which runs Research in Practice (RiP), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. During the year, Family Action had an active membership subscription to RiP at a cost of £19,500 excluding vat per annum, as this is a valuable professional resource for all Family Action staff. This transaction was carried out at an arm's length basis.

There are no other related party transactions to report.

Trustee Indemnity Insurance

Family Action provides insurance to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity insurance remains in force as at the date of approving the Trustees' Report.

Key Management Personnel Remuneration

The Directors, who are the Trustees, consider the Board of Trustees, and the Executive Group as comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of the Executive Group is reviewed annually. In view of the nature of the Charity, the Trustees benchmark against pay levels in other Charities of similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

Risk Management

The Trustees have a risk management strategy which comprises:

- a review of the principal risks and uncertainties faced by Family Action as a standing agenda item at every Audit Committee meeting, and the Board on an annual basis;
- regular review of the principal risks and uncertainties faced by Family Action and the group by the Executive Group, in line with the Building on 150 Years Strategy;
- well-established policies, controls, systems and procedures to mitigate any risks identified; and
- clear processes designed to minimise or manage any potential impact on Family Action and the group, should those risks materialise.

The main risks are identified within Family Action's Risk Register. At each Audit Committee meeting we review the Risk Register and also highlight the current highest risks that the Executive Group is concerned about (with commentary and controls). The Risk Register is also reviewed annually by the Board of Trustees. The following top risks were identified over the last year:

- Failure to retain contracted services or win replacement work
- Unstable external environment impacts on staff morale and engagement, and our ability to recruit and retain staff
- The organisation becomes too reliant on the management charge earned against one significant contract in funding central infrastructure
- Death of, or serious harm to, a service user, due to poor safeguarding practice
- Failure to effectively manage the wide range of concurrent organisational priorities
- Inappropriate retention of confidential data, breaches of data protection law and/or increases the risk of loss of personal data, and any loss of confidential data held on paper file or electronically
- Inability to manage the historic pension scheme deficit and meet ongoing deficit payments

Key factors in the management of these risks are also reflected in our Building on 150 Years strategy that was launched in 2019 and is updated annually to ensure it remains current. The strategy has five underpinning objectives to help us prioritise and manage ongoing organisational risks and opportunities, especially in light of the external environment (including the impact of austerity, the Covid-19 pandemic and the current cost of living crisis). The five strategic objectives are summarised elsewhere in this report.

Further to the above, there remains ongoing mitigation of other key risks such as those relating to HR, IT, and Health & Safety.

Slavery and Human Trafficking Statement

The Modern Slavery Act 2015 introduced new obligations in relation to slavery and human trafficking. Family Action is fully supportive of the legislation as it is in keeping with our values. Family Action is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities' employer, Family Action is committed to creating and ensuring a non-discriminatory and respectful working environment for its staff and volunteers. Family Action wants all its staff and volunteers to feel confident that they can expose wrongdoing without any risk to themselves.

The nature of our organisation and supply chains means Family Action has a low risk of being exposed to suppliers who utilise human trafficking or slavery. However, we are committed to improving our practices and processes to combat slavery and human trafficking, wherever we can.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk, our Procurement Policy and processes ensure we have in place systems to:

- identify and assess potential risk areas in our supply chains;
- mitigate the risk of slavery and human trafficking occurring in our supply chains; and
- monitor potential risk areas in our supply chains.

We have a zero tolerance to slavery and human trafficking, and we ensure all those in our supply chain and contractors, and our investments comply with these values. Family Action maintains the following policies which are accessible via the Family Action intranet:

- Employee Code of Conduct
- Anti-Bribery Policy
- Anti-Fraud Policy
- Ethical Fundraising Policy
- Health & Wellbeing Policy
- Whistleblowing Policy
- Anti-Bullying and Harassment Policy
- Equality, Diversity & Inclusion Policy
- Safer Recruitment Policy.

Family Action does not enter into business with any organisation, in the United Kingdom or abroad, which knowingly supports, or is found to be, involved in slavery, servitude and forced or compulsory labour.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ended 31 March 2023.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Family Action for the purpose of Company Law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources including the income and expenditure of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Charity will continue on that basis.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charitable Company to 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, hence taking reasonable steps for the prevention, detection of fraud and other irregularities.

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

Public Benefit Statement

The Charities Act 2011 requires all charities to have a purpose that is for the public benefit. The public benefit requirement has two aspects: the "benefit" aspect and the "public" aspect.

All Family Action services provide an identifiable benefit that is capable of being proved by evidence and are made available to the public or sufficient sections of the public. This is entirely in accordance with the two aspects of the public benefit requirement.

The Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Family Action's charitable purpose is enshrined in its vision of a society where all families are free from poverty, disadvantage and social exclusion. The Trustees ensure that this purpose is carried out for the public benefit by delivering services in accordance with our strategic aims. Many of our services are open to all and our awareness raising and campaigning work benefits everyone.

Carbon Performance 2022/23

Emissions are reported annually in June each year covering the previous financial year running April-March.
These are calculated in accordance with the Carbon Trust Corporate Reporting and Accounting Standard using GOV.UK carbon conversion factors. The calculation for scope 3 uses carbon conversion factors for an average UK car. Data includes all activities where we have operational control and specifically eliminates any energy that is procured by a third party. This will include any procured by a landlord and recharged to Family Action as part of a service charge (or similar). We have also adopted the 2015 WRI/ WBCSD Scope 2 Guidance on procured renewable energy.
For our efficiency Index we use 'per FTE'.

- **Gas combustion** (Scope 1 requirements) – includes gas consumed for stationary or mobile activities for which Family Action is responsible.
- **Electricity consumption** (Scope 2 requirements) – includes the purchase of electricity by Family Action for its own use, including for the purposes of transport.
- **Transport** (Scope 3 requirements) – includes energy consumption from transport where Family Action is responsible for purchasing the fuel e.g. fuel used in leased vehicles for business use, fuel used in personal cars for business use, including where Family Action reimburses staff for business mileage claims. This excludes where a transportation service is procured that includes an indirect payment for the fuel consumption e.g. train/plane/taxi or similar where Family Action does not operate the transport. However, Family Action are preparing a base line so we can elect to report them separately in future years (including as part of Scope 3 emissions).

	2019/2020	*2020/2021	*2021/2022	2022/2023
	tC02e	tC02e	tC02e	tC02e
Gas combustion (Scope 1 requirements)	156.19	116.19	74.93	92.69
Electricity consumption (Scope 2 requirements)	87.96	72.4	64.07	43.41
Transport (Scope 3 requirements)	241.93	56.39	118.08	176.77
Total	486.08	244.98	257.08	312.87
Carbon footprint per FTE	0.75	0.37	0.37	0.50
Total	Base	49%↓	0%	18.5%↑

Family Action has had a target set out in our business assurance system processes to ensure that a carbon footprint decreases by 5% per annum per FTE year.
*Due to the effects of the COVID-19 pandemic, lower than expected carbon was produced.

Section 172 Companies Act 2006

Acting in accordance with Section 172 of The Companies Act 2006 ("Duty to promote the success of a company") Family Action's Trustees consider that they have complied with their duties by promoting the Charity's success in achieving its charitable purpose to build stronger families.

Specifically, Trustees, working closely with the Executive Group, have supported the Charity to continue to implement its 5 year (2019-2024) corporate strategy - Building on 150 Years - and to navigate the continuing legacy of the pandemic and the current cost of living crisis (for more detail see the Trustees Report above).

Long-term consequences of decisions

A key decision taken during the year was to invest a total of £0.4m to replace Family Action's website, invest in our brand through the appointment of the Charity's first Head of Brand Development role and create a new service development role to ensure that Family Action remains at the cutting edge of new service design. Funding for this will be provided by the Charity's service development reserves until the 2024/25 financial year.

We also took the decision to disinvest £200k from the charity's invested funds to form the basis of our new Family Action Fund to support up to 2,500 of the most vulnerable families impacted by the cost of living crisis.

Finally, we used £462k of the charity's funds to provide a £500 one-off payment to support our own employees below senior management grade through the cost of living crisis.

Interests of Employees

Trustees as well as the Executive Group have been actively involved in decisions affecting employees, such as the approval of the one-off £500 cost of living payment to all staff below senior management grade in May 2022 and the 2022/23 Pay Award and through the work of the Governance Committee.

The Board of Trustees annually reviews Family Action's Gender Pay Gap data and Report. Trustees continue to take a close interest in the organisation's EDI action plan which is being led by our EDI Manager and our EDI Steering Group. As also mentioned above, Family Action has continued to take a very active role in ensuring an enhanced wellbeing support offer to all staff.

Business Relationships with suppliers, customers and others; and reputation for high standards of business conduct

During the year, Trustees and the Executive Group have overseen relationships with all our key commissioners and suppliers to ensure we maintain positive and effective relationships. The quality of these relationships has continued to be tested by the cost of living crisis but the Charity's longstanding efforts to maintain good relationships with commissioners and suppliers has ensured that these relationships remained strong.

Fundraising

Family Action has a wide range of fundraising activities to generate voluntary donations towards our vital services for children, families and adults. Our Board of Trustees and Executive Group are committed to building relationships and trust with our supporters. The Board works closely with the Executive Group to ensure that the Charity remains compliant at all times with Fundraising regulations and best practice. We are registered with the Fundraising Regulator.

Impact in the Community and Environment

Trustees and the Executive Group are committed to acting in accordance with our Environmental Policy and to identifying and seeking to minimise negative environmental impact. Family Action holds ISO 14001 (Environmental Management) certification and we retained this standard without any non-conformities recorded during a reauditing process in March 2023. Please also see our Carbon Performance above.

Acting fairly between members

Family Action is committed to ensuring all colleagues are treated fairly. To help achieve this we have an EDI Manager and an ambitious programme of EDI development work. We also have an active approach to staff wellbeing and maintain very positive relationships with our recognised trade unions. Family Action's status as an employer of choice was reflected in us being recognised as UK Charity of the Year in the Third Sector Awards 2021 and by our high ratings in recent years within the Sunday Times Top100 Best Not for Profits and Best Large Companies Lists. These high placings also recognised our world-class levels of employee engagement.

Appointment of Auditors

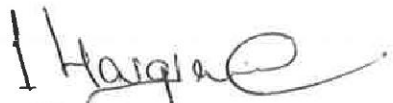
A resolution proposing the appointment of our auditors will be submitted at our AGM in 2023.

Our Thanks

2022/2023 has been another challenging year for Family Action. Despite that, we have continued to deliver all our services to a very high standard and to respond actively to the cost of living crisis. Trustees recognise the exceptional leadership of Family Action's Chief Executive, David Holmes CBE, and the huge contribution of the Executive Group, Senior Leadership Group and all our excellent staff, volunteers and supporters. I would like to thank them all.

In approving this Trustees' Report, the Board is also approving the Strategic Report included herein in their capacity as Company Directors.

On behalf of the Board.



Ian Hargrave
Chair of Trustees
21st September 2023

Family Action Trustees, Officers and Advisers

Patron
HRH The Princess of Wales

Vice Patrons
Dame Christine Davies DBE CBE
Dr Andrew McCulloch
Dame Denise Platt DBE
Katie Vanneck-Smith
Professor Harriet Ward CBE

Trustees
Mary Fulton (Chair to 8 December 2022)
Ian Hargrave***(Chair from 8 December 2022 and Honorary Treasurer to 8 December 2022)
Paul Hayes (Vice Chair)
Krista McCluskey (Honorary Treasurer from 8 December 2022)
Aida Cable (to 8 December 2022)
Sophy Doyle
Robert Tapsfield*
George Dunnett
Phillip Bowkley
Dez Holmes
Philippe Broadhead****
Barin Brian Roy**
Ayodele Arogundade
Melanie Williams Browne

Chief Executive (and Company Secretary)
David Holmes CBE

Director of Finance
Funke Fatunla

General Counsel & Director of Systems
Ricardo Gomes da Silva

Director of Services & Innovation
Helen Cantrell

Director of Development & External Affairs
Anja Bailey

**** Chair of Investment Committee
*** Chair of Governance Committee
** Chair of Audit Committee
* Chair of Quality & Performance Committee

Family Action
Registered Office
34 Wharf Road
London N1 7GR
Tel: 020 7254 6251
E-mail: info@family-action.org.uk
Web: www.family-action.org.uk

Family Action is governed by its Articles of Association. It is a registered Charity (No 264713) and Company limited by guarantee not having a share capital (No 01068186) in England and Wales. Registered as a Foreign Company (No 6009F) and Charity (No 1206) in the Isle of Man.

Principal Advisers to Family Action

Bank
Coutts & Co
Commercial Banking
440 Strand
London
WC2R 0QS

Independent Auditor
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Investment Advisor
Brewin Dolphin Ltd
12 Smithfield Street,
London EC1A 9LA

Lawyers
Foot Anstey LLP
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth, PL4 0BN

Stone King LLP
Boundary House
91 Charterhouse Street
London, EC1M 6HR

Opinion

We have audited the financial statements of Family Action for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of the charitable company's net movement in funds, 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.

Basis for opinion

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

Conclusions relating to going concern

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 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year, posting in areas subject to significant judgements or estimates, postings in accounts that are considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located 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. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

K S B T

Kathryn Burton (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

Date: 28th September 2023

10 Queen Street Place
London
EC4R 1AG

FAMILY ACTION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2023 £'000	Total 2022 £'000
Income and Endowments from:						
Donations and legacies	3	1,626	3,483	-	5,109	2,617
Investment	4	57	312	-	369	288
Charitable activities	5	873	32,650	-	33,523	32,103
Gains on acquisition of business		-	-	-	-	223
Total		**2,556**	**36,445**	**-**	**39,001**	**35,231**
Expenditure on:						
Raising funds:		521	-	95	616	581
Charitable activities		1,045	35,252	-	36,297	32,203
Total	6	**1,566**	**35,252**	**95**	**36,913**	**32,784**
Net income before investments gains/(losses)		990	1,193	(95)	2,088	2,447
Gains/(Losses) on investments		-	(35)	(1001)	(1,036)	265
Net income before other recognised gains and losses		**990**	**1,158**	**(1,096)**	**1,052**	**2,712**
Remeasurement on net defined benefit pension liability	9	-	2,735	-	2,735	1,319
Net movements in funds		**990**	**3,893**	**(1,096)**	**3,787**	**4,031**
Fund balance brought forward at 1 April 2022		**6,648**	**(559)**	**10,797**	**16,886**	**12,855**
Fund balances carried forward At 31 March 2023		**7,638**	**3,334**	**9,701**	**20,673**	**16,886**

All amounts relate to continuing activities. Conduit activities are not included above but are set out in **Note 20.**

The attached notes form part of the financial statements.

FAMILY ACTION

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £'000	2022 £'000
Total income	39,001	35,231
Total expenditure excluding endowment funds charges	(36,818)	(32,665)
Net income before investments gains/(losses)	2,183	2,566
Gains/ (losses) on investments (excluding endowment funds)	(35)	(138)
Net income for the year	**2,148**	**2,428**

Total income comprises £2,556k (2022: £1,751k) unrestricted funds and £36,445k (2022: £33,480k) restricted funds.

A detailed analysis of expenditure is available in the Statement of Financial Activities and Note 6.

The Summary Income and Expenditure Accounts are derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with Company Law. All income and expenditure are derived from continuing activities.

The Statement of Financial Activities, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the charitable company.

The attached notes form part of the financial statements.

FAMILY ACTION

BALANCE SHEET

AT 31 MARCH 2023 Company Number: 01068186

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
FIXED ASSETS					
Tangible assets	10		4,593		4,754
Trust and Investments	11		10,077		11,207
CURRENT ASSETS					
Debtors	13	5,634		4,656	
Cash		12,380		12,689	
		18,014		17,345	
CREDITORS: amounts falling due within one year	14	(2,330)		(3,945)	
NET CURRENT ASSETS			15,684		13,400
TOTAL ASSETS LESS CURRENT LIABILITIES			30,354		29,361
Pension scheme deficit	9		(9,681)		(12,475)
NET ASSETS	18		**20,673**		**16,886**
FUNDS					
Unrestricted funds:					
General funds	15		5,281		4,525
Designated reserve	15		2,357		2,123
			7,638		6,648
Restricted funds					
Income funds – including revaluation reserve of (£166k) (2022: (£129k))	16		13,015		11,916
Pension Reserves	9		(9,681)		(12,475)
Endowment Funds - including revaluation reserve of £120k (2022: (£1,090k))	17		9,701		10,797
			20,673		**16,886**

The Financial Statements on pages 28 to 63 were approved and authorised for issue by the Board of Trustees, and signed on its behalf on 21st September 2023 by:

Ian Hargrave
Chairman of Trustee Board

Krista McCluskey
Honorary Treasurer

The attached notes form part of the financial statements.

FAMILY ACTION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	£'000	2023 £'000	£'000	2022 £'000
Net cash (used in)/provided by operating activities		(650)		3,014
Cash flow from investing activities:				
Dividends and interest received	369		288	
Purchase of tangible assets	(27)		(11)	
Proceeds from sale of investments	4,151		1,412	
Purchase of investments	(3,833)		(1,294)	
Net movement in cash held not yet invested	(319)		(118)	
Net cash provided by investing activities		341		277
Change in cash and cash equivalents in the year		**(309)**		**3,291**
Cash and cash equivalents at the beginning of the year		12,689		9,398
Cash and cash equivalents at the end of the year		**12,380**		**12,689**

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net income for the year before investment gains/ (losses)	**2,088**	**2,447**
Depreciation	188	157
(Increase)/Decrease in debtors	(978)	(330)
(Decrease)/Increase in creditors	(1,615)	1,401
Decrease in pension scheme deficit, net of gains/losses	(59)	(268)
Net investment income	(369)	(289)
Investment manager fees	95	119
Gains on acquisition of business	-	(223)
Net cash (used in)/provided by operating activities	**(650)**	**3,014**

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £'000	2022 £'000
Cash in hand	12,380	12,689
	12,380	12,689

ANALYSIS OF CHANGES IN NET FUNDS

	At start of year £'000	Cash flows £'000	Other non-cash changes £'000	At end of year £'000
Cash	12,689	(309)	-	12,380
TOTAL	**12,689**	**309**	**-**	**12,380**

1. ACCOUNTING POLICIES

(a) General information

Family Action is a charitable private company limited by guarantee incorporated in England and Wales (co. number 01068186) and registered with the Charity Commission (Charity Registration no. 264713). The Charity's registered office address is 34 Wharf Road, London N1 7GR. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, which are carried at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, applicable accounting standards (FRS 102) and the Companies Act 2006. Family Action is a public benefit entity as set out in section 3 of FRS 102.

(c)Going concern

Following a thorough review of projections, including consideration of the delivery costs of existing contracts, a two year projected cash flow forecast and the company's operations, the Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

(d) Entity combinations

Entity combinations are the effect on the accounts of Family Action of changes to the structure of the Charity and the group that may arise from the acquisition of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Family Action applies the requirements of Sections 19 and PBE34.75 – PBE34.86 of FRS 102 and the guidance set out in the Charity SORP.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company. The assets and liabilities of the entity joining the group at the date of combination or being transferred to the parent charitable company are initially recognised in Family Action's accounts at their fair values. After that date, the accounting policies of Family Action are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, the fair value of the net assets and liabilities acquired is recognised as a gain or loss within the Statement of Financial Activities.

(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 the amount can be measured reliably.

Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are recognised as income as the charity earns the right to the consideration by its delivery of those services. Income received in advance of the provision of a specified service is deferred until the service is delivered.

Legacies are recognised on notification of an impending distribution or on receipt. For the purposes of entitlement this is considered to be the earlier of the date on which with the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from an estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities are included as 'income from donations and legacies' at their estimated value to the Charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. No amounts are included in the financial statements for services donated by volunteers.

(f) Expenditure

All expenditure is accounted for on accruals and has been classified under headings that aggregate all costs related to the category.

Fundraising and publicity costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Direct expenditure on charitable activities includes all costs directly relating to delivering the Charity's principal activities of providing services and financial support to families, individuals and groups within the community. Grant expenditure includes those grants awarded to individuals under the charity's grant programme and those direct and allocated support costs incurred in relation to the award and monitoring of grants. Grant expenditure is recognised once an offer has been awarded and communicated to the recipient.

Support costs are those costs incurred directly in support of the expenditure on the objects of the Charity and governance costs and have been allocated, together with overheads, based on the head count. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements of the Charity.

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at purchase cost and any incidental expenses of acquisition or deemed cost less accumulated depreciation and accumulated impairment losses. Amounts financed by unrestricted funds and costing more than £500 are capitalised.

Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold and Leasehold property – 75 years;
Leasehold Property Improvements – 20 years
Leasehold Improvements – term of the Lease
Equipment – 4 years;
Computers – 3 years;
Furniture – 10 years
IT infrastructure – 5 years

(h) Fixed asset investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in unlisted investments and subsidiary undertakings are stated at cost, less provision for diminution in value.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

(j) Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans obtained by the Charity to further its charitable purposes at rates below prevailing market rates are classified as concessionary loans and accounted for in accordance with Section 34 of FRS 102. Such loans are initially recognised and measured at the amount received and subsequently adjusted to reflect any repayments, accrued interest and any subsequent impairment.

(k) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination costs

All costs included in terminating an employee contract are accounted for on an accruals basis and disclosed in aggregate in staff costs. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Defined contribution pension plans

The Charity contributes to a Group Personal Pension arrangement administered by Aviva (merged with Friends Life). New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out. The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the Council in independently administered funds.

Defined benefit pension scheme

Family Action operates a defined benefit pension scheme, which closed, to future accruals in May 2012, the assets of which are administered by Trustees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the scheme assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Charity engages an independent actuary to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future periods ("discount rate").

The fair value of the scheme's assets are measured in accordance with the FRS 102 fair value hierarchy, and include the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "re-measurement of net defined benefit pension liability".

The cost of the defined benefit plan is recognised in the SOFA as employee costs and comprises:

- The increase in the pension benefit liability arising from employee service during the year; and
- The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. The cost is recognised in the SOFA within "expenditure on charitable activities".

Details of the scheme assets and liabilities and major assumptions are shown in Note 9.

(l) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are the unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

Restricted funds are funds that are used in accordance with the specific instructions imposed by the donors or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the appropriate fund.

(m) Leasing

Rentals in respect of operating leases are charged on a straight line basis over the lease term.

Incentives received to enter into an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Defined benefit pension scheme

The Charity has obligations to pay pension benefits under a defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Trustees, in consultation with the scheme's actuary, agree the key factors and estimates that determine the net pension obligation in the balance sheet on the basis of historical experience and current trends.

3. DONATIONS AND LEGACIES

	2023 £'000	2022 £'000
Individuals	1,379	679
Charitable trusts	968	809
Companies	2,762	1,129
	5,109	**2,617**

4. INVESTMENT INCOME

	2023 £'000	2022 £'000
Interest receivable	57	1
Dividends receivable from investments	312	287
	369	**288**

5.

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	-	30,163	30,163
Rent and Fees		76	1,997	2,073
Trusts and Administered Funds		-	209	209
Other Income		797	281	1,078
		873	**32,650**	**33,523**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Income				
Early Years Work			2,864	2,864
Children and Families Work		72	16,243	16,315
Adult Mental Health & Wellbeing			2,900	2,900
Educational & Alleviation of need			214	214
National Services		801	10,429	11,230
Total		**873**	**32,650**	**33,523**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Income				
Statutory, Lottery & Trusts Funding	5a/b/c	2	29,319	29,321
Rent and Fees		71	1,007	1,078
Trusts and Administered Funds			577	577
Other Incoming Resources		794	333	1,127
		867	**31,236**	**32,103**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Income				
Early Years Work		-	3,982	3,982
Children and Families Work		71	17,326	17,397
Adult Mental Health & Wellbeing		-	2,179	2,179
Educational &Alleviation of need			577	577
National Services		796	7,172	7,968
Total		**867**	**31,236**	**32,103**

5a. LOTTERY FUND, TRUSTS & GRANTS

			Movement in Funds		
	Project	Balance	Incoming	Outgoing	Balance
These funds are part of statutory funding in restricted funds	Ref.	31-Mar	Resources	Resources	31-Mar
	Number	2022			2023
		£	£	£	£
Big Lottery Reaching Communities - Friendship Works	10302129	14,977		(14,977)	-
National Lottery -Sport England	N\A	994	30,246	(31,240)	-
National Lottery Community Fund - Sandwell helping hands	0010347649	2,536		(2,536)	-
National Lottery Community Fund - BAND buddying project	0010352061	1,767	-	(1,767)	-
National Lottery Community Fund - BAND buddying project	20159294	-	49,417	(35,061)	14,356
National Lottery Community Fund - Young Carers	20104822	-	103,093	(102,970)	123
National Lottery Community Fund – PARCS	C40608	-	87,318	(90,254)	(2,936)
Department of Health - Stockton Enhanced Perinatal Project	SW0081	11,522	190,802	(202,289)	35
North Northamptonshire Council - Flourishing Babies	20161	-	58,520	(48,828)	9,692
The Julia and Hans Rausing Trust -		-	18,000	(18,000)	-
SCVO Vision 2030		-	33,104	(33,104)	-
Hampshire & IOW OPCC DVA Grant	DASV22025	-	44,442	(44,442)	-
MoJ - Victim Support, Bradford	CLVSGG-22/23-24/25-041	-	46,886	(46,886)	-
Leicester PCC Pre-Trial Support		-	8,821	(6,477)	2,344
Rayne Foundation		-	17,000	(12,585)	4,415
National Lottery - Flourishing Babies	20103715	-	29,260	(29,260)	-
PHE - Ways to Wellbeing, Bolton		-	20,458	(20,458)	-
Nottinghamshire County Council (Public Health)		-	50,000	(50,000)	-
Birmingham City Council (Adult Social Care)		-	75,000	(75,000)	-
		---	---	---	---
		31,796	**862,367**	**(866,134)**	**28,029**
		=======	========	========	======

5b. LOCAL AUTHORITY AND GOVERNMENT DEPARTMENT / AGENCIES FUNDERS

Adoption Support Fund	Leicester City ICB	Norfolk Community Health & Care NHS Trust ICB
Bath & North East Somerset Council	Leicestershire County Council	Norfolk County Council
Birmingham City Council	Lincolnshire County Council	North East Lincolnshire Council
Bolton Metropolitan Borough Council	London Borough of Barnet	North East London ICB
Borough Council of Kings Lynn	London Borough of Camden	North Lincolnshire Council
Bradford Metropolitan District Council	London Borough of Ealing	North Northamptonshire Council
Bradford Trident	London Borough of Hackney	North Tyneside Council
Bradford VCS Alliance	London Borough of Harrow	North Yorkshire County Council
CAMHS Alliance NELDN ICB	London Borough of Havering	Nottinghamshire County Council
Cheshire East Authority	London Borough of Islington	Office of Police & Crime Commissioner Cambridgeshire
Children & Family Court Advisory & Support Service (CAFCASS)	London Borough of Lambeth	Office of Police & Crime Commissioner Hampshire
City of Bradford Metropolitan District Council	London Borough of Lewisham	Office of Police and Crime Commissioner Leicestershire
City of Westminster Council	London Borough of Redbridge	Peterborough City Council
City of Wolverhampton	London Borough of Tower Hamlets	Portsmouth City Council
City of York Council	London Borough of Waltham Forest	Radstock Town Council
Cornwall Council	London Borough of Wandsworth	Rochdale Borough Council
Cumbria County Council	Luton Borough Council	Royal Borough Greenwich
Department for Education	Manchester City Council	Royal Borough of Kensington & Chelsea
Department for Health & Social Care	Manchester University Hospital NHS Trust	Royal Borough of Windsor & Maidenhead
Derbyshire County Council	Mansfield District Council	Salford Royal NHS Foundation Trust
Devon County Council	Medway Council	Sefton Council
Doncaster Metropolitan Borough Council	Monmouthshire County Council	Sheffield City Council
Dorset Council	Ministry of Justice	Solihull Metropolitan Borough Council
Durham County Council	NHS Black Country & West Birmingham ICB	South London & Maudsley NHS Trust
Ealing Mencap	NHS Central and North West London NHS Foundation Trust	Staffordshire Council
East End Citizen Advice Bureau	NHS City and Hackney ICB	Stockport Metropolitan Borough Council
East Riding of Yorkshire Council	NHS England	Stockton-On-Tees Borough Council
Essex County Council	NHS Frimley ICB	Suffolk County Council
Greater London Authority	NHS Greater Manchester ICB	Surrey County Council
Greater Manchester Mental Health NHS Foundation Trust	NHS IPSWICH & EAST SUFFOLK ICB	Swaffham and Downham PCN
Hampshire Constabulary	NHS Leicester, Leicestershire and Rutland ICB	Tameside Metropolitan Borough Council
HAMPSHIRE PNN POLICE	NHS Morecambe Bay ICB	The Children's Family Trust
Havering Health GP Federation	NHS Norfolk and Waveney ICB	Thurrock County Council
Hertfordshire County Council	NHS North East London ICB	Wakefield Council
Hull City Council	NHS Nottingham and Nottinghamshire ICB	Walsall Council
Isle of Man Government	NHS South West London ICB	West Sussex County Council
Isle of Wight Council	NHS South Yorkshire ICB	Wigan Council
Kingston upon Hull City Council	NHS West London ICB	Wiltshire County Council
Lancashire County Council	NHS West Suffolk ICB	
Leeds City Council	NHS West Yorkshire ICB	

5c. Income & Expenditure for Isle of Man Government Funding **(Family Action registered Charity No 1206, Family Action Foreign Company No: 6009F):**

	2023 £'000	2022 £'000
Turnover	811	806
Expenditure	(747)	(723)
Surplus/(Deficit)	**64**	**83**

6a. **ALLEVIATION OF NEED**

The Charity made 4,060 (2022: 1,678) grants to individuals and families in the year that totalled £1,197k (2022: £481k). The Charity has opted to take the exemption available under Charity Law not to disclose the names of grants recipients in these financial statements.

6b. **ANALYSIS OF TOTAL EXPENDITURE - 2023**

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2023 £'000	2022 £'000
Raising funds					
Fundraising and publicity costs	426	95	95	616	581
Cost of charitable activities					
Early Years work	2,971	-	128	3,099	3,885
Children and Families work	16,041	-	696	16,737	18,353
Adult Mental Health & Wellbeing	2,803	-	122	2,925	2,977
Educational & Alleviation of need	105	1,197	55	1,357	607
National Services*	11,672	-	507	12,179	6,381
	33,592	1,197	1,508	36,297	32,203
	34,018	**1,292**	**1,603**	**36,913**	**32,784**

*National services includes Food clubs and the Nationwide Breakfast provisions etc.

ANALYSIS OF TOTAL EXPENDITURE – 2022

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2022 £'000
Raising funds				
Fundraising and publicity costs	415	-	166	581
Cost of charitable activities				
Early Years work	3,753	-	132	3,885
Children and Families work	17,730	-	623	18,353
Adult Mental Health & Wellbeing	2,876	-	101	2,977
Educational & Alleviation of need	63	481	63	607
National Services*	6,237	-	144	6,381
	30,659	481	1,063	32,203
	31,074	**481**	**1,229**	**32,784**

6b. ANALYSIS OF TOTAL EXPENDITURE

	2023 £'000	2022 £'000
Support costs include:		
Staff Costs	1,048	829
Office Premises	41	38
Rates	30	20
Cleaning & materials	38	37
Office Equipment	15	10
Telephone	24	17
Depreciation	188	157
Governance	40	32
Others	179	88
	1,603	**1,229**

The above expenditure includes the following charges:

	£'000 2023	£'000 2022
Auditor's remuneration – Statutory audit	34	28
Auditor's remuneration – non audit services:		
Taxation advisory services	-	-
Assurance services	-	-
Depreciation	188	157
Interest costs on Bank Loan	-	-
Operating lease rentals:		
- Buildings	621	449
- Other	21	45

7. STAFF COSTS

	2023	2022
Staff costs consist of:	£'000	£'000
Wages and salaries	19,494	19,467
Redundancy	83	222
Social security costs	1,727	1,610
Employer's Pension costs	872	858
	22,175	22,157
Agency costs	630	574
	22,806	**22,731**
The monthly average number of employees was	**856**	**904**

The numbers of employees with emoluments over £60,000 were as follows:

	2023 No	2022 No
£60,000 - £70,000	9	5
£70,000 - £80,000	2	1
£80,000 - £90,000	2	2
£90,000 - £100,000	2	1
£160,000 - £170,000	1	1

The Directors consider the Board of Directors, who are the Trustees, and the Senior Management Team as comprising the key management personnel of the Charity.

The Senior Management Team of the group comprises the Chief Executive Officer, Director of Services & Innovation, General Counsel & Director of Systems, Director of Finance and Director of Development & External Affairs. The total compensation of the Senior Management Team was £634,868 (2022: £597,737).

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity's Trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2022: £nil), reimbursed expenses during the year £446.06 (2022: £nil). No Charity Trustee received payment for professional or other services supplied to the Charity (2022: £nil).

9. PENSION COSTS

Pension Arrangements

The group has two pension arrangements, a defined contribution and a defined benefits scheme.

The defined contribution scheme is a Group Personal Pension (GPP) arrangement administered by Friends Life, now Aviva. New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out.

The total defined contribution payable and recognised as an expense in the SOFA was £872,088 (2022: £858,081).

The administration of the closed defined benefits is with Cartwright Group. The scheme closed to future accruals on 31 May 2012 except for payments due under a Recovery Plan agreed with the pension Trustees. There is an obligation to fund the ongoing administration costs of the pension scheme.

The disclosures, set out below, are based on calculations carried out as at 31 March 2023 by a qualified independent actuary.

The Scheme's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the Projected Unit Method, which is a method suitable for a scheme that was closed to new entrants. The liabilities set out in this note have been calculated based on the full valuation as at 1 January 2020, updated to 31 March 2023. The results of the calculations and the assumptions adopted are shown below.

The Charity's contributions expected to be made in the year commencing 1 April 2023 are approximately £737k based on the revised schedule of contributions agreed at the 1 January 2020 valuation.

The Trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members of the Trustee Board is determined by the trust documentation. Trustees have received actuarial advice and the overall expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Changes in Defined Benefits Obligation:	**2023 £'000**	**2022 £'000**
Benefits obligation, beginning of the year	40,156	42,541
Interest cost	1,051	842
Actuarial (gains)/losses arising from changes in demographic assumptions	(541)	(571)
Actuarial losses on experience adjustments	1,551	1,534
Benefits payments	(1,025)	(910)
Benefits obligation, end of year	**26,376**	**40,156**

Assumptions used to determine defined benefit obligation at end of year:

	2023	**2022**
Discount rate	4.75%	2.65%
Rate of retail price inflation (non-pensioner)	3.25%	3.60%
Rate of consumer price inflation (non-pensioner)	n/a	n/a
Nominal rate of increase in pension payments (pensioners)		
- RPI 5% pa	2.90%	3.45%
- RPI 3% pa	2.10%	2.70%

Post-retirement mortality assumption:	**2023**	**2022**
-Base table	100% S3PXA	100% S3PXA
-Projections for future improvements	CMI 2021 projections, with a long term improvement rate of 0.5% p.a.	CMI 2021 projections, with a long term improvement rate of 0.5% p.a.
Commutation allowance	80% of maximum cash at retirement	80% of maximum cash at retirement
	Years	**Years**
Life expectancy from 65 for a male currently aged 65	21.3	21.3
Life expectancy from 65 for a male currently aged 45	21.7	21.6
Life expectancy from 65 for a female currently aged 65	23.7	23.7
Life expectancy from 65 for a female currently aged 45	24.3	24.3

Changes in Scheme assets are as follows:	2023 £'000	2022 £'000
Fair value of Scheme assets, beginning of the year	27,681	28,570
Interest Income	725	567
Return on plan assets in excess of interest income	(11,071)	(998)
Employers' Contributions	715	695
Administration Expenses	(330)	(243)
Benefits payments	(1,025)	(910)
Fair value of Scheme assets, end of year	**16,695**	**27,681**

Scheme Assets Allocation, End of Year	31 March 2023 £'000	31 March 2022 £'000
Diversified Growth Funds	9,635	12,056
Absolute Return Bonds	1,508	6,904
Liability Driven Investment	5,388	8,550
Property	-	-
Cash	164	171
Total	**16,695**	**27,681**

9. PENSION COSTS (continued)

Amount recognised in the balance sheet

	31 March 2023 £'000	31 March 2022 £'000
Fair value of Scheme assets	16,695	27,681
Present value of funded defined benefit obligation	(26,376)	(40,156)
Deficit recognised in scheme	(9,681)	(12,475)

Components of benefit cost recognised in Income & Expenditure	31 March 2023 £'000	31 March 2022 £'000
Net interest cost on net defined liability	326	275
Administration Expenses	330	243
Net benefit cost in SOFA before other recognised gains and losses	656	518

	2023 £'000	2022 £'000
Actual return on plan assets	**(10,346)**	**(431)**

Amount recognised in other recognised gains and losses:	2023 £'000	2022 £'000
Actuarial losses/(gains) arising from changes in demographic assumptions	(541)	(571)
Actuarial losses arising from changes in financial assumptions	(14,816)	(3,280)
Actuarial losses on experience adjustments	1,551	1,534
Return on plan assets in excess of interest income	11,071	998
Gains/(Loss) recognised in other recognised gains and losses	**(2,735)**	**(1,319)**

10. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Leasehold Improvements	IT Infrastructure	Computers Equipment & Furniture	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2022	313	3,900	746	161	166	5,286
Additions	-	-	-	-	27	27
At 31 March 2023	**313**	**3,900**	**746**	**161**	**193**	**5,313**
Depreciation						
At 1 April 2022	**4**	**156**	**146**	**130**	**96**	**532**
Charge for the year	4	52	63	32	37	188
At 31 March 2023	**8**	**208**	**209**	**162**	**133**	**720**
Net Book Value at 31 March 2023	**305**	**3,692**	**537**	**(1)**	**60**	**4,593**
Net Book Value at 1 April 2022	**309**	**3,744**	**600**	**31**	**70**	**4,754**

11. FIXED ASSETS & INVESTMENTS

All trust fund investments were revalued to the quoted price on 31 March 2023.

The investments of the Endowed Trusts and administered funds are held in a broadly diversified multi-manager portfolio devised and run by Brewin Dolphin.

	2023 £'000
Market value at 1 April	11,207
Disposal in year	(4,151)
Acquisitions in year	3,833
Net cash movement in year not yet invested	319
Investment management fees	(95)
(Losses)/Gains on revaluation in year	(1,036)
Market value at 31 March	**10,077**
Historical cost at 31 March	**10.123**

	2023 £'000
Splits:	
Listed Investment	9,662
Investment cash	415
	10,077

12. SUBSIDIARY UNDERTAKINGS

Friendship Works:
Friendship Works is a dormant charitable company incorporated in England and Wales (Charity no: 1017460, Company no: 2754587) controlled by Family Action by virtue of being its sole member.

Building A New Direction (BAND):
BAND is a dormant charitable company incorporated in England and Wales (Charity no: 1060822, Company no: 03284504) controlled by Family Action by virtue of being its sole member.

PAC-UK Ltd:
PAC-UK is a dormant charitable company incorporated in England and Wales (Charity no: 294998, Company no: 2040322) controlled by Family Action by virtue of being its sole member.

Portsmouth Abuse & Rape Counselling Service (PARCS)
PARCS is a dormant charitable company incorporated in England and Wales (Charity no: 1079950, Company no: 3643599) controlled by Family Action by virtue of being its sole member.

The registered office address of each subsidiary undertaking is 34 Wharf Road, London N1 7GR.

13. DEBTORS

	2023 £'000	2022 £'000
Amounts Invoiced to funders	4,710	4,129
Prepayments and accrued Income	918	518
Other Debtors	6	9
	5,634	**4,656**

14. CREDITORS: amounts falling due within one year

	2023 £'000	2022 £'000
Trade Creditors	593	2,423
Payment received on account for contracts	306	26
Accruals and Deferred Income	211	369
Tax and social securily	741	566
Other creditors	479	561
	2,330	**3,945**

Deferred income represents funding received in advance of the provision of the related services. All deferred income held at the end of the previous financial year has been recognised within the current financial year.

15. UNRESTRICTED FUNDS AS AT MARCH 2023

	Balance 31 March 2022	Movement in Funds			Balance 31 March 2023
		Incoming Resources	Gains and transfers	Expenditure	
	£'000	£'000	£'000	£'000	£'000
General funds	4,525	2,557	(315)	(1,486)	5,281
Fixed Assets fund	618	-	-	(44)	574
Property Improvement fund	150	-	-	-	150
Service Development Funds	819	-	(271)	-	548
Staff Contingency	536	-	203	(36)	703
Digital development	-	-	112	-	112
Brand Development	-	-	160	-	160
Service & Innovation	-	-	111	-	111
	6,648	**2,557**	**-**	**(1,566)**	**7,638**

The general funds represent the free funds of the Charity, which are not designated for any particular purpose. The balance as at 31 March 2023 is: £5,281k (2022: £4,525k).

The fixed assets fund represents leasehold improvements of the Charity's offices used for charitable activities. The balance as at 31 March 2023 is £574k (2022: £618k).

Property improvements fund is a designated fund set aside for the cyclical repairs and maintenance of the Head Office property. The balance as at 31 March 2023 is £150k (2022: £150k).

A Service development fund has been set up to enable the Charity to manage planned payment of liabilities and budget deficits. This is essential for the future of the Charity and is designated, so excluded from free reserves. The balance as at 31 March 2023 is £548k (2022: £819k).

The staff contingency fund has been set up to enable the Charity to meet its contracted obligations where services experience staff absences due to sickness, redundancy or maternity for which additional funding is not available. The balance as at March 2023 is £703k (2022: £536k).

During the year the Board made a key decision to spend £382k on developmental projects. The projects will run over two financial years namely:

Digital & Website Development, to redevelop the Family Action website to ensure it is fit for purpose and accurately represents the charity. The balance as at March 2023 is £112k (2022: nil).

Brand Development, to review and refresh the Family Action brand and positioning to improve recognition and engagement, and drive unrestricted income generation. The balance as at March 2023 is £160k (2022: nil).

Service & Innovation Development, to fund a development role which will ensure that Family Action remains at the cutting edge of new service design and innovations. The balance as at March 2023 is £111k (2022: nil).

15. UNRESTRICTED FUNDS AS AT MARCH 2022

	Balance 31 March 2021 £'000	Incoming Resources £'000	Movement in Funds Gains and transfers £'000	Expenditure £'000	Balance 31 March 2022 £'000
General funds	4,213	1,751	(713)	(726)	4,525
Fixed Assets fund	662	-	4	(48)	618
Property Improvement fund	150	-	-	-	150
Service Development Funds	325	-	500	(6)	819
Staff Contingency	548	-	209	(221)	536
	5,898	**1,751**	**-**	**(1,001)**	**6,648**

16. RESTRICTED FUNDS AS AT March 2023

	Balance 31 March 2022 £'000	Incoming Resources £'000	Movement in Funds Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2023 £'000
Operational services	10,762	34,620	12	(34,114)	11,280
Other restricted funds:					
New Day	104	105	-	(94)	115
Other Trust funds	314	1,267	(10)	(668)	903
Nora Henry Trust	3	43	-	(42)	4
Other Trust funds	321	410	(2)	(393)	336
Edith & W Morgan Mental Health	360	-	(30)	-	330
Other Trust funds	52	-	(5)	-	47
	1,154	1,825	(47)	(1,197)	1.735
Restricted income funds	**11,916**	**36,445**	**(35)**	**(35,311)**	**13,015**
Pension scheme reserve	**(12,475)**	**-**	**2,735**	**59**	**(9,681)**
Total restricted funds including pension scheme reserve	**(559)**	**36,445**	**2,700**	**(35,252)**	**3,334**

Restricted funds comprise two main elements:

1. The unexpended income from Operational Services of £11,280k as at 31 March 2023 (2022: £10,762k) These restricted funds represent funded projects and services run by Family Action. The balance consists mainly of start-up funding on new projects not yet spent and funding to be carried forward as agreed with individual funders.

2. Family Action administers endowed and non-endowed trust funds. It distributes this income in the form of grants to individuals. The unexpended income from the funds is carried forward under its restricted purpose. This amounts to £1,735k as at March 2023 (of which £376k is held as investment in our portfolio) compared with £1,154k in 2022 (of which £411k is held as investment in our portfolio). Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

16. RESTRICTED FUNDS AS AT March 2022

	Balance 31 March 2021 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2022 £'000
Operational services	9,459	32,615	-	(31,312)	10,762
Other restricted funds:					
New Day	(1)	175	-	(70)	104
Other Trust funds	94	413	-	(186)	321
Nora Henry Trust	11	46	-	(54)	3
Other Trust funds	303	230	-	(219)	314
Edith & W Morgan Mental Health	354	-	6	-	360
Other Trust funds	195	-	(143)	-	52
	956	864	(137)	(529)	1,154
Restricted income funds	**10,415**	**33,479**	**(137)**	**(31,841)**	**11,916**
Pension scheme reserve	**(13,971)**	**-**	**1,319**	**177**	**(12,475)**
Total restricted funds including pension scheme reserve	**(3,556)**	**33,479**	**1,182**	**(31,664)**	**(559)**

17. ENDOWMENT FUNDS AS AT MARCH 2023

	Charity Reg. Number	Balance 31 March 2022	Movement in Funds: Additions	Movement in Funds: Expenditure and Unrealised Gains/(losses)	Balance 31 March 2023
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	778	-	(65)	713
Eleanor Ponsonby Trust	275060	1,247	-	(105)	1,142
FWA Greater London Relief in Need Charity	1006487	945	-	(80)	865
FWA National Relief in Need	231205	1,067	-	(277)	790
FWA Relief in Need Charity for the Aged	237118	1,042	-	(88)	954
FWA Relief in Sickness Charity	264713	731	-	(61)	670
Women's Holiday Fund	207455	1,000	-	(84)	916
Metropolitan Visiting and Relief Association	251586	395	-	(33)	362
Queen Adelaide Fund	207228	282	-	(24)	258
Bishop Andrews Charity	205288	131	-	(11)	120
Other funds (balances < £100,000)		313	-	(26)	287
		7,931	**-**	**(854)**	**7,077**
Expendable endowments					
Nora Henry Trust	313949	1,859	-	(156)	1,703
Fenton Trust	247552	103	-	(9)	94
Lamming Will Trust	216257	135	-	(12)	123
Other funds (balances < £100,000)		769	-	(64)	705
		2,866	**-**	**(241)**	**2,625**
Total endowment funds		**10,797**	**-**	**(1,096)**	**9,701**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including endowments) as at March 2023 is £ 10,077k compared with £11,207k in 2022. The reduction in market value, which are unrealised gains, amounts to £1,130k compared with an increase in value in 2022 of £146k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

17. ENDOWMENT FUNDS AS AT MARCH 2022

	Charity Reg. Number	Balance 31 March 2021	Movement in Funds Additions	Expenditure and Unrealised Gains/(losses)	Balance 31 March 2022
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	768	-	10	778
Eleanor Ponsonby Trust	275060	1,231	-	16	1,247
FWA Greater London Relief in Need Charity	1006487	885	-	60	945
FWA National Relief in Need	231205	852	-	215	1,067
FWA Relief in Need Charity for the Aged	237118	1,028	-	14	1,042
FWA Relief in Sickness Charity	264713	386	-	345	731
Women's Holiday Fund	207455	987	-	13	1,000
Metropolitan Visiting and Relief Association	251586	390	-	5	395
Queen Adelaide Fund	207228	278	-	4	282
Bishop Andrews Charity	205288	129	-	2	131
Other funds (balances < £100,000)		448	-	(135)	313
		7,382	-	**549**	**7,931**
Expendable endowments					
Nora Henry Trust	313949	1,809	-	50	1,859
Fenton Trust	247552	652	-	(549)	103
Lamming Will Trust	216257	204	-	(69)	135
Alfred de Rothschild Trust	202225	328	-	(328)	-
Other funds (balances < £100,000)		138	-	631	769
		3,131	-	**(265)**	**2,866**
Total endowment funds		**10,513**	-	**284**	**10,797**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including endowments) as at March 2022 is £11,207k compared with £11,061k in 2021. The increase in market value, which are unrealised gains, amounts to £146k compared with an increase in value in 2021 of £1,602k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 MARCH 2023

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2023				
Are represented by:				
Tangible fixed assets	4,593	-	-	4,593
Investments		376	9,701	10,077
Current assets	3,511	14,503	-	18,014
Current liabilities	(466)	(1,864)	-	(2,330)
Pension scheme deficit	-	(9,681)	-	(9,681)
Total net assets	**7,638**	**3,334**	**9,701**	**20,673**
Unrealised gains included above:				
Investment assets		(166)	120	(46)
Total unrealised gains at 31 March 2023		(166)	120	(46)

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 March 2022

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2022				
Are represented by:				
Tangible fixed assets	4,754	-	-	4,754
Investments	-	410	10,797	11,207
Current assets	2,685	14,660	-	17,345
Current liabilities	(791)	(3,154)	-	(3,945)
Pension scheme deficit	-	(12,475)	-	(12,475)
Total net assets	**6,648**	**(559)**	**10,797**	**16,886**
Unrealised gains included above:				
Investment assets		(129)	1,090	961
Total unrealised gains at 31 March 2022		(129)	1,090	961

19. LEASING COMMITMENTS

At 31 March 2023 the charitable company had future minimum rentals payable under non-cancellable operating leases as detailed below:

	2023 Property £'000	2023 Other £'000	2022 Property £'000	2022 Other £'000
Minimum lease payments due within:				
- one year	398	15	449	45
- within two to five years	223	6	383	34
- over five years	-	-	14	-
	621	**21**	**846**	**79**

The Charity carefully manages its lease obligations to ensure that the lease terms closely match the length of service contracts and for non-service related properties that appropriate break clauses are in place to safeguard the Charity's resources.

20. CONDUIT FUNDS

Family Action manages and disburses funds on behalf of a number of organisations. These are held in separate bank accounts and subject to Family Action's internal controls and procedures to ensure that these assets are safeguarded. The value of these funds at 31 March 2023 is stated below:

	Balance 31 March 2022 £'000	Incoming Funds £'000	Outgoing Funds £'000	Balance 31 March 2023 £'000
Motor Insurance Bureau	41	-	(4)	37
Deputy and Trustee Services	35	-	-	35
CAMHS Alliance Fundholder	996	1,451	(1,151)	1,296
	1,072	**1,451**	**(1,155)**	**1,368**

Motor Insurance Bureau: Family Action acts as custodian trustee for minors in respect of awards made by the Motor Insurance Bureau. These funds are paid out to the individual benefactors on reaching the age of maturity.

Deputy and Trustee Services: The Head of Deputy and Trustee Services acts as deputy for people who do not have the capacity to manage their own financial affairs and undertakes the day to day management of their financial affairs in line with guidelines provided by the Office of the Public Guardian. During the year a majority of the clients were moved with orders from the court to firms of solicitors with only the accounts of deceased clients left. These will be resolved by the courts with balance on the accounts paid out accordingly.

CAMHS Alliance Fund Holder: Family Action are the Fund holder for City & Hackney Child and Adolescent Mental Health Service (CAMHS) Alliance. Family Action is responsible for payment of invoices on behalf of the alliance to various service providers commissioned by the NHS City & Hackney CCG.

21. RELATED PARTY TRANSACTIONS

David Holmes, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with £4,134 (2022: £3,937) annual subscription.

Dez Holmes, a Trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which run Research in Practice, a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. A valuable professional online resource for all of Family Action staff. During the year, Family Action has an active membership subscription at a cost of £19,500 +VAT (2022: £11,700) per annum. This transaction was carried out at an arm's length basis.

Donations made by Trustees totalled £11.8k as at 31st March 2023 (2022: £7.4k). There are no other related party transactions to report.

Annual Report and Accounts of the service delivery activities on the Isle of Man for the year ended 31 March 2023.

1. Family Support Service Overview:

The primary purpose of the Family Support Service is to provide timely, time limited, effective and targeted support to children with complex needs (CwCN) and additional needs (CwAN). The focus of the service is early help and support (EHaS) for children and families on the Isle of Man (IoM). All interventions are evidence-based and consist of a variety of support programmes that include 1:1 support for children, young people and their families, 1:1 parenting support in the family home and tailored emotional and practical support for families in need of hands-on support. Family Support Workers deliver support in the family home, which enables them to see children's true lived experiences and gain a better understanding of how best to drive positive outcomes for the children and families on the IoM.

Table 1

Quarter	Period	EHaS referrals received	CwCN referrals received
Q1	April – June 2022	23	23
Q2	July – September 2022	25	19
Q3	October – December 2022	28	11
Q4	January- March 2023	38	21

Table1 demonstrates that referrals are received on regular basis for both EHaS and CwCN support. Family Action accepted all referrals received, without a waiting a list in place. All families were contacted within 5 days of the referral being received and on average were supported over a period of 14.5 weeks.

Family Action prides itself on delivering evidence-based parenting programmes and interventions that include:

- Incredible Years Parenting Programme,
- Solihull Parenting Programme,
- Triple P Parenting Programme,
- ACE's Adult ACE Recovery Toolkit
- The Salford Graded Profile

Outcomes:

The Family Star tool is used to measure the distance-travelled outcomes for each of the referred family and their children. Families are asked to score 7 of the Family Star domains that include Home and Money; Boundaries & behaviour; Family Routines; Physical Health; Emotional wellbeing; Keeping Children Safe and Education and Learning. Families are encouraged to be open and honest during the Family Star session, so that the right support can be offered to them during the 12-week intervention. Families are encouraged to review their Family Star scores at the 6-week and 12-point to help them see how far they have come and the positive changes they have achieved.

In relation to CwCN cases, families received longer interventions with an average of 17 weeks. Families and children were supported by more experienced Family Support Workers who worked closely with the Social Workers and many other agencies such as health, CAMHS, DAT or Motiv8. All families and children received minimum one visit per week; however, where crisis was recorded, sessions were increased adequately. Family Support Workers attended strategy, network and professional meetings as required. Step-up processes were applied when safeguarding concerns were recognised by Family Action workers.

Feedback:
Family Action seeks feedback on a regular basis. Families are contacted after 12-weeks of the intervention and then again 6 weeks after the interventions have finished. This helps to determine if our interventions are successful, and if families are able to sustain changes.

Examples of feedback received include:
IFS Worker] was able to set house rules for us and she was fantastic with us, I couldn't fault her, she really helped me and my daughter.

IFS Worker] being a voice for us with other people involved; teacher for example. She would meet with me beforehand and I would feel more confident in the meetings. A lot of the processes we were introduced to e.g. breathing techniques were just not for him, they had no effect.
Just listening, having someone to vent on sometimes, especially someone very calm.
It was very reassuring having FA there and listening and representing us.

It made us more resourceful, it was helpful to have an adult outside of the family that the children (both but mainly child A) could bounce off and who gave them a voice. As parents, you are trying to guide and put in sanctions so there's battles but it was helpful to have another adult.

I feel guilty for taking up resources because he's not that bad and our situation is not that bad, there are others far worse. I am grateful for the help and support and the feeling of calm in a storm. I was grateful to have someone who would listen when I was freaking out and phoning them up.

We really appreciate the input and the quickness of engaging with us. We had [FS Worker] in 2018 and it was very helpful to have [FS Worker] again, rather than a different worker. More so for the child, he was able to engage quicker than if he had someone new to him learning how to press his buttons. That [FS Worker] already knew us was helpful, it meant that, for example, if she did 5 weeks of work, she really did 10, because she didn't have to do the engagement part to build up the relationship.

2. Supervised Contact Centre:
The purpose of the service is to provide the looked after children with a safe environment where their emotional and physical safety needs are met during contact with their birth families. SCC will help parents to maintain positive relationships with their children whilst they reside with family members, foster carers or in residential care. Any harmful and abusive contact is to be recognised, reported and steps are to be taken to reduce or remove such harm or abuse.

Supervised Contact Centre is required to deliver up to 90 hours of face-to-face contact sessions per week. All referrals to contact centre are issued by the Local Authority, Manx Care. Referrals for private contacts are not authorised.

Table 2 demonstrates the volume of contacts between Q1 and Q4 2022-23. In the context of the continuing Covid-19 pandemic we are pleased to note that sessions have increased in the first quarter of 2023 with an average of weekly hours of 55. Although there is still capacity in the service to accept new referrals, the service is now supervising a high volume of contact sessions between birth Mothers and their new-born babies that are having sessions on a daily basis. The purpose of daily contacts is to help birth Mothers to sustain their relationship with their babies, build attachment and where needed encourage breastfeeding. SCC delivers sessions across 6-days, including Saturdays.

Quarter	Period	Hours delivered (per week)
Q1	April – June 2022	15
Q2	July – September 2022	41
Q3	October – December 2022	32.7
Q4	January – March 2023	49.6

Feedback:
We continue to encourage families in the SCC to give us feedback about the service so we can keep improving it. Families prefer to feed back to us about their experience of the child's social worker, court process or their issues with services such as mental health or the Drug and Alcohol Service (DAT).

ISLE OF MAN INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Income from:				
Donations and legacies	1	-	-	12
Charitable activities	2	811	811	794
Other Income		-	-	-
Total		811	811	806
Expenditure on:				
Raising funds:		2	2	2
Charitable activities	3	745	745	721
Total		747	747	723
Net income		64	64	83

NOTES:

1 **Donation & Legacies**

	2023 £'000	2022 £'000
Income from Charitable Trusts	-	12
2 Income from Isle of Man Government	811	794

3 **Expenditure**

	Activities Undertaken Directly	Grant Funding of activities	Support costs	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Children & Families work	721	-	26	747	723

FAMILY ACTION

England & Wales - Charity number 264713

Accounts

FAMILY ACTION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Charity number: 264713
Company number: 01068186
Isle of Man Company number: 6009F
Isle of Man Charity Number: 1206

FAMILY ACTION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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Welcome from Mary Fulton, Chair of Family Action

I am delighted to present the Family Action Trustees' report for 2021/22. This has been another extraordinary year for the charity as we have continued to wrestle with the impact of Covid, I am glad to report that once again the charity, through excellent planning and management, continued to provide our essential services without interruption.

I am proud of the leadership, drive and determination that Family Action shows every day. The charity is always looking for ways in which it can make a difference to families whether that is through 1:1 work, the provision of excellent services to whole communities or through its national campaigning and influencing work.

At all times Family Action's work is driven by its values – Can Do, Excellence, People Focus and Mutual Respect.

Key achievements during the year included:

- Providing 200 community-based and national services that together reach hundreds of thousands of children, adults and families;
- Providing a nutritious breakfast to hundreds of thousands of children a day through the National School Breakfast Programme (NSBP) and winning the contract to continue to deliver the new version of the NSBP until July 2023;
- Managing more than 10,000 contacts to our FamilyLine service (a free telephone, text, webchat and email service for parents and carers) over the year;
- Maintaining our large network of FOOD Clubs in direct response to the continuing food insecurity caused by the pandemic;
- Winning a ground-breaking Innovation Partnership with Stockton Metropolitan Borough Council and a number of other new contracts to deliver work across England; and
- Being chosen as UK Charity of the Year in the Third Sector Awards 2021 in recognition of the strength of our Covid response.

Family Action celebrates its 153rd birthday this year. Please support this fantastic charity to do even more.



Mary Fulton
Chair of Trustees
22nd September 2022

Our Objectives

To preserve and protect the good health (in particular mental health) and advance the education of families, individuals and groups within the community, the relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in such ways as the Trustees see fit.

Our Purpose and Activities

Family Action provides services and financial support to strengthen poor, disadvantaged and socially isolated families and children. Through our excellent services we empower our users and ensure that they are heard and listened to. We are committed to maximising our impact so that children and families can look forward to the future and not be defined by their past.

Family Action supports hundreds of thousands of families, adults and children a year through some 200 community-based services across England, Wales and the Isle of Man and a significant portfolio of national services. We help many more every year with financial assistance through our UK wide education and welfare grant programmes and through our FamilyLine. We provide services to strengthen families and communities and to build skills, resilience and improve outcomes for children and their parents and carers.

Our services transform lives and are grouped under the following themes:

Early Years work

Family Action supports families from preparation for the birth of their child to their child going to school through:

- Perinatal services working with women at risk of post-natal depression from pregnancy to the child's first birthday;
- Evidence based parenting programmes to support children's emotional and social development; and
- Managing high quality nurseries, pre-schools and Children's Centres, particularly in disadvantaged areas.

Children and Families work

Family Action offers services to children, parents and to whole families:

- Family Support from short term targeted interventions to support with specific issues to intensive support for families with complex and enduring needs;
- Specialist work with domestic violence and abuse;
- Behaviour outreach support and emotional wellbeing services in schools;
- SEND information, advice and guidance, and support to families of neurodiverse children and young people;
- Emotional health and wellbeing services including counselling and therapeutic work for children who have suffered trauma, bereavement or abuse and other specialist services for children and families;
- Mentoring and emotional support services for disadvantaged children, young people and care leavers;
- Young Carers services including working with schools to identify and support young carers and their families;
- Relationship Support including supervised contact and working with separated parents;
- WellFamily services in GP surgeries offering advice, support and counselling for patients with non-medical issues; and
- Welfare benefits, debt and housing advice.

Adult Mental Health and Wellbeing work

Family Action works to support and sustain adult recovery through:

- A range of services that provide practical, emotional and financial support;
- Mentoring and befriending services; and
- Supported housing

National Services

Our significant portfolio of national services includes:

- PAC-UK: specialist adoption support for adopted children and adults and adoptive families and specialist support for birth families and families affected by special guardianship;

- FamilyLine: a national helpline, text, webchat and email advice service with befriending, counselling and coaching;
- Provision of the National School Breakfast Programme which feeds hundreds of thousands of children every school day who would otherwise be too hungry to learn;
- Provision of a national network of holiday hunger schemes and FOOD Clubs to alleviate family hunger;
- Provision of grants for families and individuals in need; and
- Supporting young people with work experience and into employment through the HeadStart programme.

Our Staff

Family Action is committed to encouraging diversity, promoting equal opportunities, and providing fair treatment in all that we do. We strive for a working environment that is inclusive, free from discrimination and where everyone is treated with dignity and respect.

We believe that people with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives to the workplace. We seek to encourage and harness these differences in order to meet the changing needs and requirements of our staff, volunteers, service users, governance, partners, funders and supporters. We were delighted this year to be chosen as UK Charity of the Year in the Third Sector Awards 2021. We also appeared, for a fifth year running, in The Sunday Times Best 100 List of Not for Profits to work for at No.7 in that list and in The Sunday Times Best 100 List of Large Companies at No.55. For the second year running The Sunday Times Best 100 also awarded Family Action three stars, the highest rating possible, for our "world-class level of employee engagement".

We are a signatory to the Race at Work Charter and a member of the Stonewall Workplace Equality Index. We also hold the Level 2 – Disability Confident Employer status which confirms that Family Action is committed to the recruitment and retention of disabled people, and that we do the following to enable this:

- Interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. We operate a guaranteed interview process for any candidate who meets the essential criteria for a role, and ensure that where candidates require reasonable adjustments in the selection process, that these are implemented. All recruiting managers receive training in our recruitment processes.

- Ensure there is a mechanism in place to discuss, at any time, but at least once a year, with disabled employees what can be done to make sure they can develop their abilities. We do this through monthly supervision with all staff and an annual appraisal review where career development is discussed with every employee at Family Action. There are many opportunities for staff to get involved in exciting projects, and all staff are encouraged to do this.

- Make every effort when employees become disabled to make sure they stay in employment. We discuss with employees any reasonable adjustments needed to support them during the course of their employment, and ensure appropriate support is put in place to accommodate these requirements where feasible.

- Take action to ensure all employees develop the appropriate awareness needed to make these commitments work. We promote this through our organisational policies and through the work of the Equality, Diversity and Inclusion Steering Group.

We have a dedicated Equality, Diversity and Inclusion (EDI) role within our Senior Leadership Group. The post holder leads all of our organisation-wide EDI work in close collaboration with a range of staff diversity networks, see later in this report for more information about our staff diversity networks.

Good communication is integral to all that we do at Family Action. There are a number of ways in which staff and managers are kept informed:

- Over the past year we have launched a new and user-friendly staff intranet. This is regularly updated to ensure that all employees are kept informed about important news, strategic developments, training opportunities, compliments received or key organisational initiatives such as our regular staff engagement surveys and recognition awards.
- We also produce a regular and popular health and safety/legal/safeguarding/data protection bulletin for the whole organisation, called "Safe & Sound".

- We provide weekly updates on the intranet about issues discussed at our weekly Senior Leadership Group meeting so that staff across the organisation are kept up to date with key organisational challenges and opportunities.
- Our Executive Group also holds a virtual open meeting once a month to which the whole organisation is invited so that people can pose questions live to members of the Executive Group and hear updates on key organisational priorities.
- Information on progress against our strategic objectives is reported to, discussed with and communicated up and down the organisation through a range of fora including; open Executive Group meetings, Senior Leadership Group meetings, regional and team meetings, and individual supervisions, so everyone in the organisation is kept informed. Our Covid response has been led throughout the pandemic by a virtual Coronavirus Response Group with membership from across the organisation.
- Our Chief Executive regularly communicates with the entire staff group on important organisational matters. Every month, he personally inducts all new staff joining the organisation that month and keeps a highly visible profile within the organisation through regular communication, through celebrating successes and keeping everyone informed on key news, opportunities and challenges. He has communicated directly and frequently with the whole staff group throughout the Covid-19 crisis to help people feel reassured at all times.
- Our Chief Executive also provides regular updates on progress towards our strategic objectives whenever there is an opportunity, be that at monthly corporate induction of new staff, meetings or during his visits to services.
- We hold regular Joint Negotiating Committee meetings with our recognised unions (Unite and Unison) and staff representatives to discuss issues that impact upon staff including policies and procedures, organisational changes, and health and safety issues.

Throughout the Covid-19 crisis we have communicated with our workforce by issuing and keeping updated helpful and easily accessible guidance on all the key topics; setting up a regular e-bulletin to all staff to help everyone to get through the crisis together, creating an in-house corona advice service so that all queries and questions from staff go through the same email gateway and can be answered quickly and consistently and by hosting regular internal webinars. We have also provided an extensive wellbeing and staying connected programme with a focus on supporting the physical, emotional and financial wellbeing of our staff whilst also keeping the whole organisation together at all times. We have taken an organisation-wide approach to all health and safety issues in the context of the pandemic from ensuring that our workplaces are Covid-secure, to the introduction of rapid testing in our workplaces, to encouraging our workforce to be vaccinated in accordance with job roles and eligibility criteria, to the reopening of our workplaces as restrictions eased and to the introduction of new hybrid working guidance so that people can work more flexibly between home and the workplace where job roles permit that. The Chief Executive has written personally and frequently to the staff group throughout the pandemic to ensure that everyone knows what is going on at all times and we have surveyed the staff group several times so that we understand how people are feeling and can respond sensitively and appropriately. These efforts have been hugely appreciated by the staff group.

Our Volunteers

Family Action is fortunate to have more than 576 volunteers across our range of services. Our volunteers support our work in so many different ways e.g.:

- as befrienders in our Perinatal Services;
- in parent support roles in our Children's Centres;
- as advisers, counsellors and befrienders in our FamilyLine Service;
- as mentors to disadvantaged children and young people and care leavers accessing our Friendship Works and Listening Works services;
- through the provision of practical support in our Emotional Health and Wellbeing services for adults; and
- as fundraisers for us.

Family Action is grateful for the amazing contribution of all of our volunteers.

Our Values

Our Values and Behaviours underpin all that we do. Family Action staff demonstrate our values and behaviours in their work and in their professional relationships with colleagues, volunteers, partners and service users.

We are **People Focused**;
We have a **Can Do** attitude;
We strive for **Excellence** in everything we do; and
We have **Mutual Respect** for colleagues, volunteers, partners and service users.

Our Impact

Family Action is committed to measuring the impact of our work. We seek to triangulate the impact of our services through service user feedback, compliance with contractually agreed outcomes and independent evaluation of the effectiveness of our service models. We publish regular Impact Reports.

During 2021, the inevitable changes to our work resulting from the pandemic led to us reflect on the finer detail of the impact we want to achieve for families, and how we can better demonstrate our approach to achieving this. Across our services in Family Action, we use a Theory of Change to express how our activities contribute to outcomes which, in turn, help us achieve our goals. In 2021, we developed a Theory of Change for Family Action as a whole organisation. This has five key pillars where we consider that we have a genuine role to play in changing families' lives – reducing poverty, supporting relationships and safety, improving society's understanding and support of families' needs, supporting both family and community wellbeing and connectedness, and supporting families through change. We know that these areas are complex, overlapping, and require integrated support from a variety of organisations but our organisational Theory of Change will help us to focus harder on how we can both achieve and evidence impact in these areas, on what we have learnt, and on how we will build our impact in the future.

We have an internal Evaluation and Impact team that commissions independent evaluations of our services. We also have an externally chaired Evaluation and Impact Board that oversees our research, evaluation and impact work.

Many of Family Action's services receive wonderful feedback. Here are just a few examples of the feedback received from our service users and partners for some of our service provision:

I am writing to say how grateful I am for the support being provided by your Caseworker LB, who so kindly and generously offered support in a meeting yesterday. She is very knowledgeable, supportive, clear and helpful and I am incredibly grateful to her and yourselves for offering me this support in a situation with my son in which I have previously not felt supported. **Service user,** EALING ISAID SERVICE

Thank you MB for the closure report. I just wanted to add you are a brilliant practitioner and as a family we have felt very supported by yourself. Thank you for your hard word and listening throughout working with both X and Y. **Service user,** LINCOLNSHIRE BEHAVIOUR OUTREACH SUPPORT SERVICE

S has been professional and friendly throughout the entire process of family X's support. This has been a difficult case at times and it was escalated to social work assessment at one point. S's vigilance as part of our team around the family, was invaluable in helping to keep the children safe. With ongoing and continued input and support from S as part of our team, this family was able to turn things around in a positive way and in a short space of time. S continued to encourage the family to have belief in their capabilities and strengths, which has proved to be successful, as they now continue their journey with minimal professional input. I would welcome any future joint working with S, she is a credit to your team; myself and my safeguarding colleagues are very glad to know that S is available to help and support some of our most vulnerable children and parents. **Local partner,** GREAT YARMOUTH & WAVENEY AUTISM SUPPORT SERVICE

I am grateful for the support I have received from A who has been supporting me for the last 7 months during a difficult time in my life. A has been the best family I could have asked for, she has been a sister to me during my struggle. She has sat and been there when I cried and not left my side when I have been down. She has been there for me physically and emotionally when I have needed her, even if that was for 30 minutes or a few hours. She has been a great support to me and my two children. She has helped with the job centre, benefits, child tax credit for my two children, she has got me a pushchair and £100 for my family. She has also helped get my son to nursery and filled out a form for his new nursery... ***Service user,*** STOCKTON FAMILY OUTREACH & VOLUNTEERING SERVICE

I feel so grateful to have someone to talk to that I can be open with and get the best advice at that point in time! It's a very professional and a much needed service as many people are going through so many difficult times, especially with the current affairs. ***Service user,*** WELLFAMILY SERVICE

My main motivator to trying FOOD Club was financial. It's been a godsend. I've worked all my life but was made redundant. My son's got ADHD and my wife is a senior carer, so her shifts are never the same. Then there's school. I couldn't get a job back in the field I was in. It makes it harder, so I had to make the conscious decision to be a stay at home dad. We went from having a lot of money to being on to really struggling. Things like this have been an absolute godsend, the guys in there (the Children's Centre) are brilliant. **Service user,** FOOD CLUB

This was greatly needed as I felt lost and overwhelmed before receiving support from the service. **Service user,** NORFOLK AND WAVENEY ASD

Thank you so much for everything you have done for us. Without your help the Move to Newcastle and our fresh start would never have been possible. You really don't know how much this means to C, we cannot thank you enough. Already he is happy and smiling, something he has not done for a very long time. **Service user,** CAMBS YOUNG VICTIMS OF CRIME SUPPORT SERVICE

I was awarded a grant of £240 for a washing machine. The application was put forward by my therapist. I just wanted to thank you from the bottom of my heart for your generosity and especially for the speedy response. **From a grant beneficiary.**

You'd be pleased to know I had my first proper job interview this week and I got the job! I used a lot of the strategies taught under this programme so thanks ever so much for all your help. It gave me the confidence and the right amount of preparation for the interview. **HeadStart Participant**

Strategic Report

Achievements and Performance

The Trustee Board worked with the senior management of the organisation to develop a new five year strategy, *Building on 150 Years,* for the period 2019-2024. The strategy was launched in April 2019. Examples of our progress against the five agreed strategic objectives over the third year of the strategy to March 2022 are given below:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities

   During the year, Family Action continued to **look ahead** by working actively both to manage and to anticipate the continuing impact of the pandemic on our services, service users, staff and volunteers. During the year we saw no reduction in demand for the hugely expanded network of FOOD Clubs that we had set up in response to the first lockdown in 2020. Over the reporting year, our challenge was to develop sustainable funding to keep these vital sources of support to individuals and families available. A combination of earned income, fundraised income and income from local government and public health was secured and as a result we still had 72 FOOD Clubs in operation at the end of the reporting year. We also secured new corporate partners during the year, including an exciting new partnership with Fisher-Price which will focus on the importance of play in early development to add to our existing very strong relationships with other corporate supporters including NewDay and LV=. To **innovate** by winning a very exciting new Innovation Partnership with Stockton MBC which will see us working alongside the Council for the next five years to deliver and develop high quality services for children and families. To **seize opportunities** e.g. by significantly growing our range of SEND and neurodiverse services over the course of the year, by winning a new Government contract to continue to deliver the National School Breakfast Programme until July 2023 and by insourcing our IT provision very successfully during the year which has led to significant improvements for staff in terms of IT support and for the organisation as a whole in terms of our internal capacity now to build and assure the quality of our IT infrastructure.

2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives

   Despite the ongoing pandemic, Family Action continued to secure an encouraging level of income over the last 12 months. The charity retained the vast majority of its contracted services including the National School Breakfast Programme and also secured £2.9m in new wins for the 22/23 financial year including a large family support service in Staffordshire, new SENDIAS services in Dorset and Wakefield and a large supervised contact service in Stockton. The charity continues to work with over 60,000 families a year through some 200 services. We also ensured that hundreds of thousands of children who would otherwise be too hungry to learn, received a nutritious breakfast every school day through the National School Breakfast Programme. Our fundraising team raised more than £9m during the year to support our core objective of providing emotional, practical and financial support to families.

3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users

   We made good progress again during the year on our quality improvement agenda. Our new Quality Assurance Framework is operational and enabling all tiers of the organisation to understand the quality of practice and improve outcomes for children and families. During the year our services completed Continuous Improvement Plans for the first time. The engagement by service managers and teams was excellent. We have also had a strong focus during the reporting year on the development and application of data for service management and central organisational oversight. An automated scorecard has been developed that is in 'real time' and enables regional and central oversight to key metrics across services. The development of individual Service Level Reports (SLRs) has accelerated this year and we now have over 60% of services with 'real time' bespoke SLR which enables the local, regional and central management oversight of that service including capturing outcomes for children and families. We have also made good progress in developing a brand new organisational dashboard. An organisational Theory of Change has been developed that covers key service delivery across Family Action. We have also further developed and applied in practice our identification and use of outcomes tools in services and developed 'outcomes' training for staff and managers.

4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact

   Over the last 12 months Family Action has again worked hard to shine a bright spotlight on contemporary family pressures. We have continued to be careful to highlight the differential impact of the pandemic on different families.

Over the year we have continued to develop and evolve our work to give all families a bold strong voice under the umbrella of 'Family Voices'. In 21/22 the key theme running through our Family Voices work has been one of 'resilience' and this has played out across all our external engagement activity.

We delivered two successful **brand campaigns** during the period. *'Creating Happy Memories'* encouraged families and friends to make new happy memories by providing inspiration and practical ideas on how to spend quality time together over the summer. A downloadable activity pack for parents provided activity ideas and tips to help busy parents prioritise quality time together and strengthen family bonds. This core piece of content was complemented with a wider series of real-life stories and articles for our Family Voices blog across the summer, exploring core campaign themes of recovery, resilience and wellbeing, and signposting to relevant services including FamilyLine. The pack was downloaded over 5,000 times, supported by a social media campaign. The campaign page was viewed over 10,000 times. We also had excellent engagement from our corporate partners, which enabled us to increase our reach even further. Our Christmas campaign *'Make theirs Magic'*, focused on the comfort we gain from time spent with loved ones and how we can prioritise quality time together by celebrating Christmas family traditions - both new and old. A downloadable Christmas calendar activity pack invited families to create a schedule of old and new traditions, including thinking about creating a new tradition of giving back to others. The calendar was downloaded over 1,800 times and our campaign website page received over 6,000 views. We reached over 1.5m views on our social channels and up to 13.4m views through PR activity. The Toy Appeal raised £50,107 and we distributed 8,784 toys to families identified by our services.

We continue to grow our **influencing** work. Our CEO was invited to give oral evidence at a House of Lords inquiry into the long-term impact of Covid-19 on parents and families. He also attended a round table on children in care and care leavers hosted by the Duke and Duchess of Cambridge, and fulfilled a number of speaking engagements which provided the opportunity to highlight the experiences of families in the UK today. Significant coverage was achieved across Video on Demand, National Press, TV (ITV and Channel 4) and social channels. With our corporate partner LV=, we produced the report 'Family Resilience – The Impact of Covid-19' which received good coverage and which continues to direct our influencing work supported by LV=.

5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

   By the end of the reporting year, Family Action's workforce numbered on average 904 staff and over 576 volunteers. We have an Equality, Diversity and Inclusion (EDI) Manager to enhance our work and practice in EDI, a range of staff diversity networks (Anti-Racism and People of Colour, AccessAbility, Gender Equality, LGBTQIA+, Parents and Carers Equality and Inter-faith) and a network of EDI Champions across the organisation. During the year we participated in the Stonewall Workplace Equality Index for the first time to help us generate a more informed understanding of our employees' experiences at work with regards to lesbian, gay, bi and trans inclusion in the workplace.

   This year, Family Action was delighted to once again be listed in the Top 100 Not for Profits to work for at No. 7 and at No. 55 in the Top 100 Large Companies List. We continued to implement our core curriculum for our frontline staff which ensures they all have a consistent level of training appropriate to their individual roles. Staff wellbeing has continued to be a major concern and focus all year given the cumulative impact of the pandemic on our staff and volunteers personally as well as on our service users. We have continued to provide a comprehensive staff wellbeing programme that has focused on emotional, physical and financial wellbeing. As we have all started to learn to live with Covid-19, we have also consulted on and introduced a hybrid working policy and guidance for our staff to enable those, whose roles permit them to do so, to flex their time between working at home and in our workplaces.

Our Response to Covid-19

The Covid-19 pandemic has again dominated the entire reporting year. At the beginning of the reporting year we were beginning to emerge from the third lockdown and at various points in the year we have needed to manage the implications of both changing Government guidance and the emergence of highly infectious new variants within our services. The Omicron variant led to the largest number of Family Action staff being infected with Covid that we had seen at any stage of the pandemic to date but thankfully widespread vaccination amongst our staff group meant that most people did not become very ill and most were able to keep working through it if their roles could be done from home. As ever, we have been determined to keep our services open so that we were still there for the service users that rely on us and it is wonderful to report that all of our workplaces are now back open. Indeed many of our workplaces remained open throughout the pandemic due to the frontline nature of much of our work and the classification of many of Family Action's staff as critical workers.

We are emerging from the pandemic as a changed organisation. We have learned a great deal about providing services virtually, when that works well and when it doesn't replace face to face contact. We have also made great strides forward in terms of our organisation-wide ability to use technology well. Many meetings across the organisation are now taking place virtually and that will remain the case as it saves travel time and money. But we are now better able to decide when a face to face meeting is really necessary and to prioritise our time and resources accordingly. We have also learned a great deal about flexible and hybrid working and we are actively taking that learning forward as a modern and forward looking employer. Sadly, we also have a number of staff, as many as 20, who are still struggling with the symptoms of Long Covid. We are offering as much support as we can to those colleagues and it is a stark reminder that the ongoing impacts of these past two very difficult years are far from over.

A key challenge this year has been to review and where possible, keep open the services that we put in place to respond to the pandemic. There is still a pressing need for us to maintain our FOOD Club programme, which feed many thousands of families every week. We have worked hard to find alternative sources of funding for this work. We have also continued to experience very high demand for our free FamilyLine service, which provides immediate advice and support on demand to parents and carers under stress.

Family Action has worked hard to support all of our workforce as the pandemic has continued and the organisational imperative has remained for us all to get through this extraordinary situation together. The organisation has prioritised effective and consistent leadership and communication at all times. An internal Coronavirus Response Group (CRG), chaired by the CEO has continued to meet throughout the second year of the pandemic to coordinate our organisational response, guidance to staff and consideration of all emerging issues. We have invested in staff wellbeing throughout the pandemic and this has been hugely appreciated by the staff group. It is pleasing to note that in the midst of this pandemic, Family Action was chosen as UK Charity of the Year 2021 in the Third Sector Awards, in acknowledgment of the strength of the charity's Covid response.

Financial Review

Family Action's total income for the year was £35.2m (2021: £41.1m). 95% of our income was restricted to funding specific services. The reduction in income is mainly due to: i) substantial one-off Covid-related grants and donations from a number of corporate partners: and ii) to Covid-related commissioned work in the year to March 2021 which in both cases were not available to the same extent in the year to March 2022. Income for Operational Services came from Local Authorities, central government and NHS Trusts for the provision of specific services. These funders are listed in the accounts (Note 5a, b & c).

The pandemic has highlighted the importance of our work in supporting families. It was excellent news that we were able to win the new contract to provide the National School Breakfast Programme until July 2023.

Overall, we employed a monthly average of 904 (2021: 890) staff in the year. Total expenditure amounted to £32.8m (2021: £38.1m), with £31.6m (2021: £37.4m) relating to restricted charitable activities.

Total Funds at year-end were £16.9m (2021: £12.9m). There was a decrease in the Pension deficit valuation at year-end from £14m to £12.5m (see pension fund statement for further details). We have also seen an increase in the value of the Endowment funds from £10.5m in 2021 to £10.8m. The net increase in total funds was £4m.

Fundraising approach and performance

The charity undertakes fundraising activity to its supporters via a range of methods, including but not exclusively, direct mail, fundraising events, challenge events, corporate fundraising, crowd funding, Trusts and Grants fundraising and email fundraising, in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, (which is available on our website to reassure supporters of our approach), is:

When you support us, you can be sure of the following:

- We will never sell your contact details to anyone
- If you are an individual supporter, we will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door-to-door or street fundraising. We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal

All our fundraising staff have regular supervision and appraisals, as well as a development plan, to ensure we are working to best practice standards and regularly reinforcing our fundraising ethics. We have an Ethical Fundraising Policy which is reviewed at least annually.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. Whilst the vast majority of our fundraising is staff and volunteer-led, we have engaged the services of one third-party fundraising agency this financial year. We are committed to monitoring the quality and performance of any third party agencies we engage with and ensure compliance to the Fundraising Regulator's Fundraising Code of Practice.

Over the course of this financial year, we have received no fundraising complaints. As such, no complaints were referred to the Fundraising Regulator. Our complaints procedure is available on our website with all relevant contact details.

Reserves Policy

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the Charity to continue its normal activities in the event of a significant drop in funding, or loss of projects, with contribution toward the closure costs, if the project cannot absorb its own closure costs. In considering the nature and diversity of our income, the Trustees believe the appropriate level of free reserves should be 6 months running costs of the central operation which runs the Charity. i.e., Head Office; the running costs of which is £5.35m for 2022/23 and a contribution towards potential project closure costs, including the total lease obligations payable of £1m.

Our freely available general funds as at 31 March 2022 were £4.52m (2021: £4.21m). This covers the required level of reserve of 6 months running costs of the Head Office, it also covers any potential project closure costs and continuing lease obligations.

General Funds form part of our Unrestricted Reserves which, totalled £6.65m at 31 March 2022 compared with £5.89m as at March 2021. Funds designated for specific purposes stood at £2.12m (2021: £1.68m).

Notes 16-18 of the accounts show the various funds or reserves by type and summarise the year's movements on each fund. Note 19 shows the assets and liabilities attributable to the various funds.

Going Concern

The Trustees have reviewed the projected operations and activities of the company, including consideration of the existing contracts and a two year projected cash flow forecast. Based on the available financial information, we are of the opinion that adequate resources will continue to be available to fund the activities and operations of the company, therefore Family Action is a going concern.

Pension Fund

In common with other Charities with final salary schemes, our pension scheme shows a deficit which stood at £12.50m at 31 March 2022 (2021: £14m) and under UK accounting standards, we are required to account for this deficit on the balance sheet (Note 10).

The deficit on the defined benefit pension scheme reduced by £1,496k in the year to 31 March 2022 compared with an increase of £8,513k as at March 2021.

The main financial assumptions as at 31 March 2022 have changed since 31 March 2021: Discount rate increased from 2.00% to 2.65%. Inflation expectations increased to 3.60% from 3.25%. In combination, these gave rise to a gain of £3,280k.

There has been a change in demographic assumptions at 31 March 2022 with the Charity using the updated CMI 2021 model for future mortality improvements. This led to a gain of £571k.

There was an experience loss of £1,534k, in addition, there was a loss on assets in excess of interest income of £998k.

The funding status of the Scheme over the period is as shown in the table below.

	31 March 2022 £'000	31 March 2021 £'000	Change £'000
Present value of liabilities	40,156	42,541	2,385
Market value of assets	27,681	28,570	889
Funding deficit	**(12,475)**	**(13,971)**	**(1,496)**

The triennial valuation due in January 2020, was completed and a new repayment plan agreed with the Pension regulator. The Charity continues to make significant annual payments towards the deficit under the agreed repayment plan made with the Pension Regulator in March 2021.

The Trustees are aware that the deficit on the scheme on FRS102 basis will fluctuate with changing market conditions and that their responsibility is to meet the required contributions. There are active options being considered with the Pension Scheme Trustees as we continue to manage the deficit. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds.

Investment Policy and Performance

The Trustees primary aim is to achieve sufficient income and capital growth from the investments so as to permit without interruption the continued provision of the Charity's core services.

In 2019, there was a review of the Investment Strategy with a change to the objectives and a strategic decision to reduce portfolio risk to focus on capital preservation (ahead of the start of the pandemic)..

More specifically the objectives were prioritised in the form of 'Primary' and 'Secondary':

Primary
- The target is that the value of the portfolio will be maintained at a minimum of £10m

Secondary
- To generate £225,000 to £275,000 per annum of income available to distribute as Grants
- Diversification
- Capital growth to keep pace with inflation (CPI)

The above objectives have continued to be relevant in recent years given the challenging market conditions as a result of the pandemic.

The Investment Portfolio managed by Brewin Dolphin generated investment income during the year of £282k, compared with £234k in March 2021. As the market condition slowly improved during the year, we saw the majority of our portfolio paid dividends. The forecast income for 2022/23 is expected to be £252k at 2.25%.

The capital value of funds increased to £11.2m at the end of the financial year compared with £11.1m in 2021, a very small increase of £146k. With income at 2.55% of capital value and capital value increase very minimal, the portfolio has not produced a real return, high inflation and market volatility were the main reasons.

The performance of this strategy continues to be reviewed by Trustees, the Investment Committee and Brewin Dolphin on a quarterly basis, with a more in-depth review annually. The Investment Committee continues to have oversight in respect of the management of the endowment portfolio and relationship with the investment managers, to provide assurance to the Board of Trustees in respect of the strategies and management of the endowment portfolio in accordance with the agreed Investment Strategy.

Plans for the Future

In 2022/23 Family Action will continue to take forward the 5 strategic objectives in our 5 year strategy, *Building on 150 Years*. These 5 priorities are:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities

2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives
3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users
4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact
5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

We are expecting the 22/23 financial year to be challenging again, as so many of our commissioners and partners continue to struggle to manage their budgets and finances in the face of rising demand following years of austerity compounded by the pandemic and the current cost of living crisis. We have seen a pattern of successful services that we have turned around subsequently being taken in house by our different commissioners and we expect to see more of this trend in the year ahead. As ever, Family Action needs to keep looking ahead at income sources so that we can continue to deliver high quality services that provide the support vulnerable families, children and adults need. Our successful year in 2021/22, in financial terms, will again help us to bridge these challenges but the imperative remains for us to continue to win new work in this difficult climate, whilst also retaining as many of our existing services as possible. As ever we will continue to make the case for greater investment in high quality early intervention and preventative services such as those we provide across the country.

Particular objectives for Family Action in the year ahead will be to continue to seize opportunities to develop new services that meet emerging needs for vulnerable children, individuals and families. We will also drive forward our quality assurance programme and further develop and roll out 'Family Action as a learning organisation.' We have a Learning & Development review in planning to help us develop a new strategic approach to our L&D, including ensuring we understand the learning needs across services and HO functions and to help us to develop a set of learning methods and content that meets these needs. We will also be recruiting to a new Head of Practice Development role.

Another key priority for the year ahead is to enhance our ability to identify services at risk and to address any performance issues as swiftly as possible. We will be developing Service Surgeries to provide an additional layer of Quality Assurance Framework activity that will support collaboration, problem solving, identification of services and central support needs and improved insights and contextual analysis.

During the year ahead, we will also be refreshing our Workforce Strategy and applying for the Investors in Volunteering Award for the first time. The Investors in Volunteering Award application will be the culmination of a programme of work that we have led in recent years, to enhance the quality of our volunteering recruitment, support and development.

During the year, we will also be taking forward our Family Voices work as we focus on widening our audiences and reach. We will work further on increasing our engagement with professional audiences, influencers and political decision makers so that we can continue to influence and drive societal change. We will build on our campaign successes to further build brand awareness and raise income and to reach a wide family audience to both give and receive support.

Finally we want to continue to build on our programme of EDI work to ensure that Family Action becomes an even better place to work and to ensure that all our staff, volunteers and service users are comfortable to be themselves both in the workplace and in every contact that they have with us. Key actions in the year ahead will be to run a follow up EDI survey with our entire staff group and to take forward the priorities identified by our wide range of Staff Diversity Networks.

Structure, Governance and Management

Governing Document and group structure

Family Action has its origins in the Charity Organisation Society, which was established in 1869. Today, Family Action is a Company Limited by Guarantee governed by its Articles of Association last amended on 25 April 2019. It is registered as a Charity with the Charity Commission and as a Company with Companies House. Family Action subsidiaries include Friendship Works, BAND, PAC-UK and PARCS which are registered and charitable companies that are now dormant following their mergers and transfers of trade and assets to Family Action.

Appointment of Trustees

Our Articles of Association provide that Family Action may have up to 15 Trustees and the present members of the Board are listed in this report. The recruitment of Trustees is steered through the Governance Committee, chaired by the Chair of Trustees. We assess the strengths of the Board and the skills that we need for effective governance on an ongoing basis.

Trustee Induction and Training

All new Trustees receive a bespoke induction plan according to individual need. As a minimum, this includes meetings with the Chair, CEO, Director of Finance and other key staff, the opportunity to observe a Board meeting before joining the Board, a Family Action service visit and the opportunity to attend the monthly corporate induction session for new staff where the CEO presents in detail on the charity's history, strategy, services, finances and current operating environment. We also have a standard Trustee Induction Pack which we keep updated, that contains key information about Trustees' legal duties and responsibilities under Charity and Company Law, the Charity Commission guidance on public benefit, the Charity's Articles of Association and detailed organisational information. New Trustees are paired with a Trustee mentor and we provide training as necessary to ensure that all Trustees are kept up to date with changing requirements. Trustees have also been kept aware of the changing landscape around the regulation of Charity fundraising and GDPR.

Organisation

The Board of Trustees administers the Charity. The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees under its Executive Limitations, for operational matters including finance, contracts, service provision and employment. The Board meets five times a year and there are five Board sub committees: Audit Committee, Quality & Performance Committee, Governance Committee, Investment Committee and Remuneration Committee, which can meet up to four times a year under their respective terms of reference.

Related Parties and Co-operation with other Organisations

Any interest between a Trustee or senior manager and the Charity must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

David Holmes CBE, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with £3,937 annual subscription.

Brewin Dolphin are the advisers and investment managers for the Family Action investment portfolio, Siobhan Boylan, a trustee (Treasurer) on the Board of Family Action joined Brewin Dolphin as the Finance Director in March 2019. Siobhan has rescinded her membership of the Investment Committee in line with our Governance Policy and retired as a Trustee of Family Action at the end of her second term in December 2021.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which run Research in Practice (RiP), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. During the year, Family Action had an active membership subscription to RiP at a cost of £9,111 per annum, as this is a valuable professional resource for all Family Action staff. This transaction was carried out at an arm's length basis.

There are no other related party transactions to report.

Trustee Indemnity Insurance

Family Action provides insurance to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity insurance remains in force as at the date of approving the Trustees' Report.

Key Management Personnel Remuneration

The Directors consider the Board of Directors, who are the Trustees, and the Executive Group as comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of the Executive Group is reviewed annually. In view of the nature of the Charity, the Directors benchmark against pay levels in other Charities of similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

Risk Management

The Trustees have a risk management strategy which comprises:

- a review of the principal risks and uncertainties faced by Family Action and the group as a standing agenda item at every Board meeting and Audit Committee meeting;
- regular review of the principal risks and uncertainties faced by Family Action and the group by the Executive Group, in line with its updated Building on 150 Years Strategy;
- well-established policies, systems and procedures to mitigate any risks identified; and
- clear processes designed to minimise or manage any potential impact on Family Action and the group, should those risks materialise.

The main risks are identified within Family Action's Risk Register. At each Board and Audit Committee meeting we highlight the current highest risks that the Executive Group is concerned about (with commentary and controls). We have not added the Covid-19 pandemic as a risk in its own right, as we feel the impact of the crisis is felt through other existing risks. Our Coronavirus Response Group - made up of the Executive Group and key senior leaders across Family Action - continues to meet weekly to manage current organisational and operational risks in light of the pandemic. The following top risks were identified over the last year:

- Failure to retain contracted services or win replacement work.
- Risk to external service delivery reputation and goodwill from poor quality services (as a result of a lack of management or monitoring oversight).
- Death of, or serious harm to, a service user, due to poor safeguarding practice
- Failure to manage effectively the wide range of concurrent organisational priorities
- Failure to identify Health and Safety risks at work leading to injuries and prosecution
- Inability to manage the historic pension scheme deficit and meet ongoing deficit payments

Key factors in the management of these risks are also reflected in our Building on 150 Years strategy that was launched in 2019, and is updated annually to ensure it remains current. The strategy has five underpinning objectives to help us prioritise and manage ongoing organisational risks and opportunities, especially in light of the external environment (including the impact of Brexit, the Covid-19 pandemic, the War in Ukraine and the current cost of living crisis). The five strategic objectives are as follows:

1. Agile and Responsive – always able to look ahead, to innovate and to seize opportunities
2. Managed Growth - continue to grow in a managed, sustainable way so that we can support more children, adults and families to have better lives
3. Improved Quality - to ensure that our services are of the highest possible quality so that we can maximise the difference made to the people we work with
4. Better Known with a Bolder, Stronger Voice for Families – to speak out for families through building our national profile and positioning and having increased influence and impact
5. Valuing Our People - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

Further to the above, there remains ongoing mitigation of other key risks such as those relating to HR, IT, data protection and succession planning.

Slavery and Human Trafficking Statement

The Modern Slavery Act 2015 introduced new obligations in relation to slavery and human trafficking. Family Action is fully supportive of the legislation as it is in keeping with our values. Family Action is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities' employer, Family Action is committed to creating and ensuring a non-discriminatory and respectful working environment for its staff and volunteers. Family Action wants all its staff and volunteers to feel confident that they can expose wrongdoing without any risk to themselves.

The nature of our organisation and supply chains means Family Action has a low risk of being exposed to suppliers who utilise human trafficking or slavery. However, we are committed to improving our practices and processes to combat slavery and human trafficking, where we can.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk, our Procurement Policy and processes ensure we have in place systems to:

- identify and assess potential risk areas in our supply chains;
- mitigate the risk of slavery and human trafficking occurring in our supply chains; and
- monitor potential risk areas in our supply chains.

We have a zero tolerance to slavery and human trafficking, and we ensure all those in our supply chain and contractors, and our investments comply with these values. Family Action maintains the following policies which are accessible via the Family Action intranet:

- Employee Code of Conduct
- Anti-Bribery Policy
- Anti-Fraud Policy
- Ethical Fundraising Policy
- Health & Wellbeing Policy
- Whistleblowing Policy
- Anti-Bullying and Harassment Policy
- Equality, Diversity & Inclusion Policy
- Safer Recruitment Policy

Family Action does not enter into business with any organisation, in the United Kingdom or abroad, which knowingly supports, or is found to be, involved in slavery, servitude and forced or compulsory labour.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ended 31 March 2022.

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Family Action for the purpose of Company Law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources including the income and expenditure of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Charity will continue on that basis.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charitable Company to 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, hence taking reasonable steps for the prevention, detection of fraud and other irregularities.

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

Public Benefit Statement

The Charities Act 2011 requires all charities to have a purpose that is for the public benefit. The public benefit requirement has two aspects: the "benefit" aspect and the "public" aspect.

All Family Action services provide an identifiable benefit that is capable of being proved by evidence and are made available to the public or sufficient sections of the public. This is entirely in accordance with the two aspects of the public benefit requirement.

The Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Family Action's charitable purpose is enshrined in its vision of a society where all families are free from poverty, disadvantage and social exclusion. The Trustees ensure that this purpose is carried out for the public benefit by delivering services in accordance with our strategic aims. Many of our services are open to all and our awareness raising and campaigning work benefits everyone.

Carbon Performance 2021/22

Emissions are reported annually in June each year covering the previous financial year running April-March. These are calculated in accordance with the Carbon Trust Corporate Reporting and Accounting Standard using GOV.UK carbon conversion factors. Data includes all activities where we have operational control and specifically eliminates any energy that is procured by a third party this will include any procured by a landlord and recharged to Family Action as part of a service charge (or similar). We have also adopted the 2015 WRI/ WBCSD Scope 2 Guidance on procured renewable energy. For our efficiency Index we use 'per FTE'.

- **Gas combustion** (Scope 1 requirements) – includes gas consumed for stationary or mobile activities for which Family Action is responsible.

- **Electricity consumption** (Scope 2 requirements) – includes the purchase of electricity by Family Action for its own use, including for the purposes of transport.

- **Transport** (Scope 3 requirements) – includes energy consumption from transport where Family Action is responsible for purchasing the fuel e.g. fuel used in leased vehicles for business use, fuel used in personal cars for business use, including where Family Action reimburses staff for business mileage claims. This excludes where a transportation service is procured that includes an indirect payment for the fuel consumption e.g. train/plane/taxi or similar where Family Action does not operate the transport. However, Family Action are preparing a base line so we can elect to report them separately in future years (including as part of Scope 3 emissions).

	2021/2022	**2020/2021**
	Metric tonne C02e	Metric tonne C02e
Gas combustion (Scope 1 requirements)	74.93	116.19
Electricity consumption (Scope 2 requirements)	64.07	72.40
Transport (Scope 3 requirements)	53.14	25.38
Total	**192.14**	**213.97**
Carbon footprint per FTE	0.277	0.320

The total energy consumption in aggregate used in calculating the above table is Gas: 409096kwh; Electricity: 301747 kwh. Family action have target set out in our business assurance system processes to ensure that a carbon footprint decreases by 5% per annum per FTE.

Section 172 Companies Act 2006

Acting in accordance with Section 172 of The Companies Act 2006 ("Duty to promote the success of a company") Family Action's Trustees consider that they have complied with their duties with regard to Section 172 of The Companies Act 2006 by promoting the Charity's success in achieving its charitable purpose to build stronger families.

Specifically, Trustees, working closely with the Executive Group, have supported the Charity to continue to implement its 5 year (2019-2024) corporate strategy - Building on 150 Years - and to navigate the consequences of the Coronavirus pandemic (for more detail see the Trustees Report above).

Long-term consequences of decisions
A key decision taken during the year was to keep all services open in the context of the continuing Coronavirus pandemic. This was a crucial decision, as it meant that Family Action remained open for business at all times and was able to bring in additional fundraised income and bring in new work to benefit our beneficiaries. As described above the Charity's response to the pandemic has been managed proactively at all times so that both the short and long term impact on the Charity's activities is both anticipated and mitigated wherever possible.

As the threat from Covid has reduced during the course of the reporting year, the Board has been very careful to focus on usual Board business as well as the organisation's ongoing Covid response. This has enabled the Trustee Board to keep a continuing and robust focus on the Charity's strategic aims.

Interests of Employees

Trustees as well as the Executive Group have been actively involved in decisions affecting employees, such as the approval of the 2021/22 Pay Award and through the work of the Governance and Remuneration Sub Committees of the Board. In 2021/22 those Subcommittees have continued to focus on succession planning and talent identification and management and were also pleased to oversee the creation of a new Deputy Director (People) role within the organisation.

The Board of Trustees annually reviews Family Action's Gender Pay Gap data and Report. Trustees continue to take a close interest in the organisation's EDI action plan which is being led by our EDI Manager and our EDI Steering Group. As also mentioned above, Family Action has continued to take a very active role in ensuring an enhanced wellbeing support offer to all staff in the context of the pandemic.

Business Relationships with suppliers, customers and others; and reputation for high standards of business conduct

During the year, Trustees and the Executive Group have overseen relationships with all our key commissioners and suppliers to ensure we maintain positive and effective relationships. The quality of these relationships has continued to be tested by the pandemic but the Charity's longstanding efforts to maintain good relationships with commissioners and suppliers, has ensured that these relationships remained strong.

Fundraising

Family Action has a wide range of fundraising activities to generate voluntary donations towards our vital services for children, families and adults. Our Board of Trustees and Executive Group are committed to building relationships and trust with our supporters. The Board works closely with the Executive Group to ensure that the Charity remains compliant at all times with Fundraising regulations and best practice. We are members of the Fundraising Regulator.

Impact in the Community and Environment

Trustees and the Executive Group are committed to acting in accordance with our Environmental Policy and to identifying and seeking to minimise negative environmental impact. Family Action holds ISO 14001 (Environmental Management certification). Please also see our Carbon Performance above.

Acting fairly between members

Family Action is committed to ensuring all colleagues are treated fairly. To help achieve this we have an Equality, Diversity and Inclusion Manager and an ambitious programme of EDI development work. We also have an active approach to staff wellbeing and maintain very positive relationships with our recognised trade unions. Family Action's status as an employer of choice was reflected in us being recognised as UK Charity of the Year in the Third Sector Awards 2021 and by our high rating within the Top100 Best Not for Profits and Best Large Companies Lists 2022 as described above. These high placings also recognised our world class levels of employee engagement.

Appointment of Auditors

A resolution proposing the appointment of our auditors will be submitted at our AGM in 2022.

Our Thanks

Without doubt, 2021/2022 has been another challenging year for Family Action. Despite that, we have continued to deliver all our services to a very high standard. Trustees recognise the exceptional leadership of Family Action's Chief Executive, David Holmes CBE, and the huge contribution of the Executive Group, Senior Leadership Group and all our excellent staff, volunteers and supporters. I would like to thank them all. I am proud that Family Action is celebrating its 153rd year with more energy than ever and I am confident that the charity will continue to go from strength to strength.

In approving this Trustees' Report, the Board is also approving the Strategic Report included herein in their capacity as Company Directors.

On behalf of the Board.

Mary Fulton
Chair of Trustees
22nd September 2022

Family Action Trustees, Officers and Advisers

Patron
HRH Princess of Wales

Vice Patrons
Christine Davies CBE
Dr Andrew McCulloch
Dame Denise Platt DBE
Katie Vanneck-Smith
Professor Harriet Ward CBE

Trustees and Officers

Trustees
Mary Fulton *** (Chair)
Paul Hayes (Vice Chair)
Ian Hargrave (Honorary Treasurer)
Aida Cable
Sophy Doyle*****
Robert Tapsfield*
George Dunnett
Phillip Bowkley
Dez Holmes
Philippe Broadhead****
Ian Hargrave
Janet Kolind (resigned 22 July 2021)
Siobhan Boylan (retired 9 December 2021)
Barin Brian Roy**
Ayodele Arogundade
Melanie Williams Browne
Krista McKay (from 7 July 2022)

Officers
Chief Executive and Company Secretary
David Holmes CBE

Director of Finance
Funke Fatunla

General Counsel and Director of Systems
Ricardo Gomes Da Silva

Director of Services & Innovation
Helen Cantrell

Director of Development & External Affairs
Anja Bailey

***** Chair of Remuneration Committee
**** Chair of Investment Committee
*** Chair of Governance Committee
** Chair of Audit Committee
* Chair of Quality & Performance Committee

Family Action
Registered Office
34 Wharf Road
London N1 7GR
Tel: 020 7254 6251
E-mail: info@family-action.org.uk
Web: www.family-action.org.uk

Family Action is governed by its Articles of Association. It is a registered Charity (No 264713) and Company limited by guarantee not having a share capital (No 01068186) in England and Wales. Registered as a Foreign Company (No 6009F) and Charity (No 1206) in the Isle of Man.

Principal Advisers to Family Action

Bank
Coutts & Co
Commercial Banking
440 Strand
London
WC2R 0QS

Independent Auditor
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Investment Advisor
Brewin Dolphin Ltd
12 Smithfield Street,
London EC1A 9LA

Lawyers
Foot Anstey LLP
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth, PL4 0BN

Stone King LLP
Boundary House
91 Charterhouse Street
London, EC1M 6HR

Opinion

We have audited the financial statements of Family Action for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, and of the charitable company's net movement in funds, 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.

Basis for opinion

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

Conclusions relating to going concern

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 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year, posting in areas subject to significant judgements or estimates, postings in accounts that are considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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 for the audit of the financial statements is located 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. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

K E Bt

Kathryn Burton (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 22nd September 2022

FAMILY ACTION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000	Total 2021 £'000
Income and Endowments from:						
Donations and legacies	3	766	1,851	-	2,617	3,613
Investment	4	1	287	-	288	241
Charitable activities	5	867	31,236	-	32,103	37,214
Gains on acquisition of business	6	117	106		223	-
Total		**1,751**	**33,480**	-	**35,231**	**41,068**
Expenditure on:						
Raising funds:		462	-	119	581	537
Charitable activities		539	31,664	-	32,203	37,576
Total	7	**1,001**	**31,664**	**119**	**32,784**	**38,113**
Net income before investments gains/(losses)		750	1,816	(119)	2,447	2,955
Gains/(Losses) on investments		-	(138)	403	265	1,682
Net income before other recognised gains and losses		**750**	**1,678**	**284**	**2,712**	**4,637**
Remeasurement on net defined benefit pension liability	10	-	1,319	-	1,319	(8,891)
Net movements in funds		**750**	**2,997**	**284**	**4,031**	**(4,254)**
Fund balance brought forward at 1 April 2021		**5,898**	**(3,556)**	**10,513**	**12,855**	**17,109**
Fund balances carried forward At 31 March 2022		**6,648**	**(559)**	**10,797**	**16,886**	**12,855**

All amounts relate to continuing activities. Conduit activities are not included above but are set out in **Note 21.**

The attached notes form part of the financial statements.

FAMILY ACTION

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	2022 £'000	2021 £'000
Total income	35,231	41,068
Total expenditure excluding endowment funds charges	(32,665)	(38,033)
Net income before investments gains/(losses)	2,566	3,035
Gains/ (losses) on investments (excluding endowment funds)	(138)	79
Net income for the year	**2,428**	**3,114**

Total income comprises £1,751k (2021: £1,778k) unrestricted funds and £33,480k (2021: £39,290k) restricted funds.

A detailed analysis of expenditure is available in the Statement of Financial Activities and Note 7.

The Summary Income and Expenditure Accounts are derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with Company Law. All income and expenditure are derived from continuing activities.

The Statement of Financial Activities, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the charitable company.

The attached notes form part of the financial statements.

FAMILY ACTION

BALANCE SHEET

AT 31 MARCH 2022 **Company Number: 01068186**

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
FIXED ASSETS					
Tangible assets	11		4,754		4,587
Trust and Investments	12		11,207		11,061
CURRENT ASSETS					
Debtors	14	4,656		4,324	
Cash		12,689		9,398	
		17,345		13,722	
CREDITORS: amounts falling due within one year	15	(3,945)		(2,544)	
NET CURRENT ASSETS			13,400		11,178
TOTAL ASSETS LESS CURRENT LIABILITIES			29,361		26,826
Pension scheme deficit	10		(12,475)		(13,971)
NET ASSETS	19		**16,886**		**12,855**
FUNDS					
Unrestricted funds:					
General funds	16		4,525		4,213
Designated reserve	16		2,123		1,685
			6,648		5,898
Restricted funds					
Income funds – including revaluation reserve of (£129k) (2021: (£136k))	17		11,916		10,415
Pension Reserves	10		(12,475)		(13,971)
Endowment Funds - including revaluation reserve of £1,090k (2021: (£1,009k))	18		10,797		10,513
			16,886		**12,855**

The Financial Statements on pages 25 to 55 were approved and authorised for issue by the Board of Trustees, and signed on its behalf on 22nd September 2022 by:

Mary Fulton
Chairman of Trustee Board

Ian Hargrave
Honorary Treasurer

The attached notes form part of the financial statements.

FAMILY ACTION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	£'000	2022 £'000	£'000	2021 £'000
Net cash provided by operating activities		3,014		3,052
Cash flow from investing activities:				
Dividends and interest received	288		241	
Purchase of tangible assets	(11)		(41)	
Proceeds from sale of property	-		1,817	
Proceeds from sale of investments	1,412		1,299	
Purchase of investments	(1,294)		(2,098)	
Net movement in cash held not yet invested	(118)		786	
Net cash used in investing activities		277		2,004
Cash flow from financing activities:				
Repayments of borrowing	-		(2,657)	
Net cash (used in) financing activities		-		(2,657)
Change in cash and cash equivalents in the year		**3,291**		**2,399**
Cash and cash equivalents at the beginning of the year		9,398		6,999
Cash and cash equivalents at the end of the year		**12,689**		**9,398**

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £'000	2021 £'000
Net income for the year before investment gains/ (losses)	**2,447**	**2,955**
Depreciation	157	177
Loss on disposal of assets	-	-
(Increase)/Decrease in debtors	(330)	1,329
Increase/(Decrease) in creditors	1,401	(1,031)
Decrease in pension scheme deficit, net of gains/losses	(268)	(133)
Net investment income	(289)	(241)
Investment manager fees	119	80
Gains on acquisition of business	(223)	-
Loss on sale of property	-	(84)
Net cash provided by operating activities	**3,014**	**3,052**

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash in hand	12,689	9,398
	12,689	9,398

ANALYSIS OF CHANGES IN NET FUNDS

	At start of year £'000	Cash flows £'000	Other non-cash changes £'000	At end of year £'000
Cash	9,398	3,291	-	12,689
TOTAL	**9,398**	**3,291**	-	**12,689**

1. ACCOUNTING POLICIES

(a) General information

Family Action is a charitable private company limited by guarantee incorporated in England and Wales (co. number 01068186) and registered with the Charity Commission (Charity Registration no. 264713). The Charity's registered office address is 34 Wharf Road, London N1 7GR. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, which are carried at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, applicable accounting standards (FRS 102) and the Companies Act 2006. Family Action is a public benefit entity as set out in section 3 of FRS 102.

(c) Going concern

Following a thorough review of projections, including consideration of the delivery costs of existing contracts, a two year projected cash flow forecast and the company's operations, the Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

(d) Entity combinations

Entity combinations are the effect on the accounts of Family Action of changes to the structure of the Charity and the group that may arise from the acquisition of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Family Action applies the requirements of Sections 19 and PBE34.75 – PBE34.86 of FRS 102 and the guidance set out in the Charity SORP.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company. The assets and liabilities of the entity joining the group at the date of combination or being transferred to the parent charitable company are initially recognised in Family Action's accounts at their fair values. After that date, the accounting policies of Family Action are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, the fair value of the net assets and liabilities acquired is recognised as a gain or loss within the Statement of Financial Activities.

(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 the amount can be measured reliably.

Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are recognised as income as the charity earns the right to the consideration by its delivery of those services. Income received in advance of the provision of a specified service is deferred until the service is delivered.

Legacies are recognised on notification of an impending distribution or on receipt. For the purposes of entitlement this is considered to be the earlier of the date on which with the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from an estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities are included as 'income from donations and legacies' at their estimated value to the Charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. No amounts are included in the financial statements for services donated by volunteers.

(f) Expenditure

All expenditure is accounted for on accruals and has been classified under headings that aggregate all costs related to the category.

1. ACCOUNTING POLICIES (continued)

Fundraising and publicity costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Direct expenditure on charitable activities includes all costs directly relating to delivering the Charity's principal activities of providing services and financial support to families, individuals and groups within the community. Grant expenditure includes those grants awarded to individuals under the charity's grant programme and those direct and allocated support costs incurred in relation to the award and monitoring of grants. Grant expenditure is recognised once an offer has been awarded and communicated to the recipient.

Support costs are those costs incurred directly in support of the expenditure on the objects of the Charity and governance costs and have been allocated, together with overheads, based on the head count. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements of the Charity.

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at purchase cost and any incidental expenses of acquisition or deemed cost less accumulated depreciation and accumulated impairment losses. Amounts financed by unrestricted funds and costing more than £500 are capitalised.

Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold and Leasehold property – 75 years;
Leasehold Property Improvements – 20 years
Leasehold Improvements – term of the Lease
Equipment – 4 years;
Computers – 3 years;
Furniture – 10 years
IT infrastructure – 5 years

(h) Fixed asset investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in unlisted investments and subsidiary undertakings are stated at cost, less provision for diminution in value.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

(j) Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans obtained by the Charity to further its charitable purposes at rates below prevailing market rates are classified as concessionary loans and accounted for in accordance with Section 34 of FRS 102. Such loans are initially

recognised and measured at the amount received and subsequently adjusted to reflect any repayments, accrued interest and any subsequent impairment.

(k) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Termination costs

All costs included in terminating an employee contracts are accounted for on an accruals basis and disclosed in aggregate in staff costs. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

Defined contribution pension plans

The Charity contributes to a Group Personal Pension arrangement administered by Aviva (merged with Friends Life). New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out. The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the Council in independently administered funds.

Defined benefit pension scheme

Family Action operates a defined benefit pension scheme, which closed, to future accruals in May 2012, the assets of which are administered by Trustees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the scheme assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Charity engages an independent actuary to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future periods ("discount rate").

The fair value of the schemes assets are measured in accordance with the FRS 102 fair value hierarchy, and include the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "re-measurement of net defined benefit pension liability".

The cost of the defined benefit plan is recognised in the SOFA as employee costs and comprises:

- The increase in the pension benefit liability arising from employee service during the year; and
- The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. The cost is recognised in the SOFA within "expenditure on charitable activities".

Details of the scheme assets and liabilities and major assumptions are shown in Note 9.

(l) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are the unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

Restricted funds are funds that are used in accordance with the specific instructions imposed by the donors or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the appropriate fund.

(m) Leasing

Rentals in respect of operating leases are charged on a straight line basis over the lease term.

Incentives received to enter into an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Defined benefit pension scheme
The Charity has obligations to pay pension benefits under a defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Trustees, in consultation with the scheme's actuary, agree the key factors and estimates that determine the net pension obligation in the balance sheet on the basis of historical experience and current trends.

3. DONATIONS AND LEGACIES

	2022 £'000	2021 £'000
Individuals	679	1,190
Charitable trusts	809	951
Companies	1,129	1,472
	2,617	**3,613**

4. INVESTMENT INCOME

	2022 £'000	2021 £'000
Interest receivable	1	3
Dividends receivable from investments	287	238
	288	**241**

5. INCOME FROM CHARITABLE ACTIVITIES - 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income					
Statutory, Lottery & Trusts Funding	5a/b/c	2	29,319	-	29,321
Rent and Fees		71	1,007	-	1,078
Trusts and Administered Funds		-	577	-	577
Other Income		794	333	-	1,127
		867	**31,236**	**-**	**32,103**

Included within restricted other income is £11k (2021: £101k) received from CJRS Government grants.

INCOME FROM CHARITABLE ACTIVITIES BY SERVICE TYPE

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2022 £'000
Income					
Early Years Work		-	3,982	-	3,982
Children and Families Work		71	17,326	-	17,397
Adult Mental Health & Wellbeing		-	2,179	-	2,179
Educational & Alleviation of need			577	-	577
National Services		796	7,172	-	7,968
Total		**867**	**31,236**	**-**	**32,103**

INCOME FROM CHARITABLE ACTIVITIES – 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Income					
Statutory, Lottery & Trusts Funding	5a/b/c	-	32,137	-	32,137
Rent and Fees		95	930	-	1,025
Trusts and Administered Funds		-	2,648	-	2,648
Other Incoming Resources		752	652	-	1,404
		847	**36,367**	**-**	**37,214**

INCOME FROM CHARITABLE ACTIVITIES BY SERVICE TYPE - 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Income					
Early Years Work		-	4,240	-	4,240
Children and Families Work		95	18,263	-	18,358
Adult Mental Health & Wellbeing		-	2,936	-	2,936
Educational &Alleviation of need			2,648	-	2,648
National Services		752	8,280	-	9,032
Total		**847**	**36,367**	**-**	**37,214**

5a. LOTTERY FUND, TRUSTS & GRANTS These funds are part of statutory funding in restricted funds	Project Ref. Number	Balance 31 March 2021	Movement in Funds Incoming Resources	Outgoing Resources	Balance 31 March 2022
		£	£	£	£
Big Lottery Reaching Communities - Friendship Works	10302129	15,530	34,809	(35,362)	14,977
National Lottery Community Fund- Southend Families Together	10305962	187	-	(187)	-
National Lottery Community Fund- Medway Perinatal	0010322373	18,119	52,178	(70,297)	-
National Lottery -Sport England	N\A	-	71,950	(70,957)	994
National Lottery Community Fund - Sandwell helping hands	0010347649	4,707	71,912	(74,083)	2,536
National Lottery Community Fund - BAND buddying project	0010352061	53	12,562	(10,848)	1,767
National Lottery Community Fund - PARCS	20104822	23,813	75,360	(89,148)	10,025
Department of Health & Social Care - Bradford		1,491	33,334	(33,334)	1,491
Department of Health & Social Care - Hackney		(37,443)	97,425	(59,982)	0
Department of Health & Social Care - Stockton Enhanced Perinatal Project	SW0081	8,542	195,285	(192,305)	11,522
Department of Health & Social Care - Suicide Prevention Fund	209	-	3,518	(3,518)	-
NHS England	C40608	-	190,040	(154,064)	35,976
		34,998	**838,374**	**(798,713)**	**79,289**

5b. STATUTORY FUNDING

Adoption Support Fund	Hull City Council	NHS Morecombe Bay CCG
Ashfield District Council	Isle of Man Government	NHS Wandsworth CCG
Barnsley MBC	Isle Of White Council	NHS West London CCG
Barrow-in-Furness Borough Council	Kent CC	Norfolk County Council
Bedford Borough Council	Kingston Upon Hull City Council	North Ayrshire Council
Birmingham City Council	Lancashire County Council	North East Lincolnshire Council
Bolton Metropolitan Borough Council	Leeds City Council	North East London CCG
Bradford Metropolitan District Council	Lincolnshire County Council	North Lincolnshire Council
Bradford Trident	London Borough of Camden	North Tyneside Council
Cambridgeshire County Council	London Borough of Ealing	North Yorkshire County Council
Carmarthenshire County Council	London Borough of Enfield	Nottinghamshire County Council
Central Manchester NHS, Manchester Children's Hospital	London Borough of Hackney	Oldham Council
Ceredigion Council	London Borough of Harrow	One Adoption South Yorkshire
Children & Family Court Advisory & Support Service (CAFCASS)	London Borough of Havering	One Adoption West Yorkshire
City and Hackney GP Confederation	London Borough of Islington	Peterborough City Council
City of Westminster	London Borough of Lambeth	Plymouth City Council
City of York Council	London Borough of Lewisham	Portsmouth City Council
Cornwall Council	London Borough of Newham	Rochdale Metropolitan Borough Council
Cumbria County Council	London Borough of Redbridge	Royal Borough of Greenwich
Department for Education	London Borough of Southwark	Royal Borough of Windsor & Maidenhead
Department of Health & Social Care	London Borough of Tower Hamlets	Sefton Council
Devon County Council	London Borough of Waltham Forest	Solihull Metropolitan Borough Council
Dorset Council	Luton Borough Council	Southampton City Council
Dudley MBC	Manchester City Council	Southend on Sea Borough Council
Durham County Council	Mansfield District Council	Staffordshire County Council
East Leicestershire CCG	Medway Council	Stockton Borough Council
East Riding of Yorkshire Council	Milton Keynes Council	Swaffham and Downham
Gedling Borough Council	National Children's Bureau	Thurrock County Council
Greater London Authority	NHS Birmingham and Solihull CC	Torbay Council
Greater Manchester MH NHS FT	NHS Bolton CCG	West Leicestershire CCG
Harrogate and District NHS Foundation	NHS Bradford CCG	Westminster CC
Havering Health GP Federation	NHS City & Hackney CCG	Wigan Council
Hertfordshire County Council	NHS England	Wiltshire County Council

5c. Income & Expenditure for Isle of Man Government Funding **(Family Action registered Charity No 1206, Family Action Foreign Company No: 6009F):**

	2022 £'000	2021 £'000
Turnover	806	786
Expenditure	(723)	(684)
Surplus/(Deficit)	**83**	**102**

6. INCOME ARISING FROM ACQUISITION OF BUSINESS

On the 1st of April 2022, Family Action agreed to take over the ownership, control and management of Portsmouth Abuse & Rape Counselling Service (PARCS) Company No (3643599) and Charity No (1079950). The transactions will be accounted for in accordance with acquisition accounting principles.

As the transfer of control obtained by Family Action was for nil consideration, the fair value of the net assets acquired has been recognised as income in the year on the dates the assets and liabilities were transferred to Family Action.

The transaction have been accounted for in accordance with acquisition accounting principles.

The fair value of the assets acquired and liabilities as at the date of acquisition and the gain therefore recognised is summarised as follows

	Book value immediately before acquisition	Fair value adjustments	Fair value at the date of acquisition
	£'000	**£'000**	**£'000**
Fixed assets	327	-	327
Debtors	39	-	39
Cash at bank and in hand	197	-	197
Creditors Amounts falling due within one year	(340)	-	(340)
	223	-	**223**

Included in the above were cash balances of £197k. Also included in current liabilities is a balance of £181k owed to Family Action as a result of Family Action paying off mortgage to Charity bank on 31 March 2021.

For the period since acquisition, PARCS contributed income of £654k, expenditure of £446k and a net surplus of £208k. These amounts are included with the statement of financial activities.

7a. ALLEVIATION OF NEED

The Charity made 1,678 (2021: 4,341) grants to individuals and families in the year that totalled £481k (2021: £2.9m). The Charity has opted to take the exemption available under Charity Law not to disclose the names of grants recipients in these financial statements.

7b. ANALYSIS OF TOTAL EXPENDITURE - 2022

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2022 £'000	2021 £'000
Raising funds					
Fundraising and publicity costs	415	-	166	581	537
Cost of charitable activities					
Early Years work	3,753	-	132	3,885	4,147
Children and Families work	17,730	-	623	18,353	17,098
Adult Mental Health & Wellbeing	2,876	-	101	2,977	2,953
Educational & Alleviation of need	63	481	63	607	2,958
National Services*	6,237	-	144	6,381	10,420
	30,659	481	1,063	32,203	37,576
	31,074	**481**	**1,229**	**32,784**	**38,113**

*National services includes Food clubs and the Nationwide Breakfast provisions etc. see page 4

The analysis of expenditure has been updated to provide a more useful and better understanding of Family Action's activities and how its expenditure furthers its charitable objectives. The prior year has been adjusted for comparison.

ANALYSIS OF TOTAL EXPENDITURE – 2021

	Activities Undertaken Directly £'000	Grant Funding Activities £'000	Support Costs £'000	2021 £'000	2020 £'000
Raising funds					
Fundraising and publicity costs	408	-	129	537	732
Cost of charitable activities					
Early Years work	4,019	-	129	4,147	3,817
Children and Families work	16,569	-	529	17,098	15,737
Adult Mental Health & Wellbeing	2,862	-	91	2,953	2,718
Educational & Alleviation of need	75	2,879	4	2,958	419
National Services	10,026	-	394	10,420	12,387
	33,550	2,879	1,147	37,576	35,078
	33,958	**2,879**	**1,276**	**38,113**	**35,810**

7b. ANALYSIS OF TOTAL EXPENDITURE

	2022	2021
Support costs include:	**£'000**	**£'000**
Staff Costs	829	765
Office Premises	38	150
Rates	20	29
Cleaning & materials	37	33
Office Equipment	10	21
Telephone	17	29
Depreciation	157	177
Governance	32	32
Others	88	40
	1,229	**1,276**

The above expenditure includes the following charges:

	£'000	£'000
	2022	2021
Auditor's remuneration – Statutory audit	28	20
Auditor's remuneration – non audit services:		
Taxation advisory services	-	3
Assurance services	-	11
Depreciation	157	177
Interest costs on Bank Loan	-	108
Operating lease rentals:		
- Buildings	449	440
- Other	45	44

8. STAFF COSTS

	2022	2021
Staff costs consist of:	**£'000**	**£'000**
Wages and salaries	19,467	19,220
Redundancy	222	125
Social security costs	1,610	1,592
Employer's Pension costs	858	837
	22,157	21,774
Agency costs	574	337
	22,731	**22,111**
The monthly average number of employees was	**904**	**890**

*Annual deficit contribution payment deducted from wages and salaries.

The numbers of employees with emoluments over £60,000 were as follows:

	2022	2021
	No	**No**
£60,000 - £70,000	5	-
£70,000 - £80,000	1	1
£80,000 - £90,000	2	2
£90,000 - £100,000	1	1
£160,000 - £170,000	1	1

The Directors consider the Board of Directors, who are the Trustees, and the Senior Management Team as comprising the key management personnel of the Charity.

The Senior Management Team of the group comprises the Chief Executive Officer, Director of Services & Innovation, General Counsel & Director of Systems, Director of Finance and Director of Development & External Affairs. The total compensation of the Senior Management Team was £597,737 (2021: £582,523).

9. TRUSTEES' REMUNERATION AND EXPENSES

The Charity's Trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No Charity Trustee received payment for professional or other services supplied to the Charity (2021: £nil).

10. PENSION COSTS

Pension Arrangements

The group has two pension arrangements, a defined contribution and defined benefits schemes.

The defined contribution scheme is a Group Personal Pension arrangement administered by Friends Life, now Aviva. New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out.

The total defined contribution payable and recognised as an expense in the SOFA was £858,081 (2021: £836,494).

The administration of the closed defined benefits scheme changed during the year from Capita Hartshead Limited to Cartwright Group. The scheme closed to future accruals on 31 May 2012 except for payments due under a Recovery Plan agreed with the pension Trustees. There is an obligation to fund the ongoing administration costs of the pension scheme.

The disclosures, set out below, are based on calculations carried out as at 31 March 2022 by a qualified independent Actuary.

The Scheme's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the Projected Unit Method, which is a method suitable for a scheme that was closed to new entrants. The liabilities set out in this note have been calculated based on the full valuation as at 1 January 2020, updated to 31 March 2022. The results of the calculations and the assumptions adopted are shown below.

The Charity's contributions expected to be made in the year commencing 1 April 2022 are approximately £715k based on the revised schedule of contributions agreed at the 1 January 2020 valuation.

The Trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members of the Trustee Board is determined by the trust documentation. Trustees have received actuarial advice and the overall expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Changes in Defined Benefits Obligation:	**2022 £'000**	**2021 £'000**
Benefits obligation, beginning of the year	42,541	33,167
Interest cost	842	721
Actuarial (gains)/losses arising from changes in demographic assumptions	(571)	717
Actuarial (gains)/losses arising from changes in financial assumption	(3,280)	5,538
Actuarial losses on experience adjustments	1,534	3,206
Benefits payments	(910)	(808)
Benefits obligation, end of year	**40,156**	**42,541**

10. PENSION COSTS (continued)

Assumptions used to determine defined benefit obligation at end of year:

	2022	2021
Discount rate	2.65%	2.00%
Rate of retail price inflation (non-pensioner)	3.60%	3.25%
Rate of consumer price inflation (non-pensioner)	n/a	n/a
Nominal rate of increase in pension payments (pensioners)		
- RPI 5% pa	3.45%	3.15%
- RPI 3% pa	2.70%	2.55%

Post-retirement mortality assumption:	2022	2021
-Base table	100% S3PXA	100% S3PXA
-Projections for future improvements	CMI 2021 projections, with a long term improvement rate of 0.5% p.a.	CMI 2020 projections, with a long term improvement rate of 0.5% p.a.
Commutation allowance	80% of maximum cash at retirement	80% of maximum cash at retirement

	Years	Years
Life expectancy from 65 for a male currently aged 65	21.3	21.6
Life expectancy from 65 for a male currently aged 45	21.6	22.0
Life expectancy from 65 for a female currently aged 65	23.7	23.9
Life expectancy from 65 for a female currently aged 45	24.3	24.5

Changes in Scheme assets are as follows:	2022 £'000	2021 £'000
Fair value of Scheme assets, beginning of the year	28,570	27,709
Interest Income	567	606
Return on plan assets in excess of interest income	(998)	570
Employers' Contributions	695	675
Administration Expenses	(243)	(182)
Benefits payments	(910)	(808)
Fair value of Scheme assets, end of year	**27,681**	**28,570**

Scheme Assets Allocation, End of Year	31 March 2022 £'000	31 March 2021 £'000
Diversified Growth Funds	12,056	17,467
Absolute Return Bonds	6,904	1,986
Liability Driven Investment	8,550	6,448
Property	-	2,576
Cash	171	93
Total	**27,681**	**28,570**

10. PENSION COSTS (continued)

Amount recognised in the balance sheet

	31 March 2022 £'000	31 March 2021 £'000
Fair value of Scheme assets	27,681	28,570
Present value of funded defined benefit obligation	(40,156)	(42,541)
Deficit recognised in scheme	(12,475)	(13,971)

Components of benefit cost recognised in Income & Expenditure	31 March 2022 £'000	31 March 2021 £'000
Net interest cost on net defined liability	275	115
Administration Expenses	243	182
Net benefit cost in SOFA before other recognised gains and losses	518	297

	2022 £'000	2021 £'000
Actual return on plan assets	(431)	1,176

Amount recognised in other recognised gains and losses:	2022 £'000	2021 £'000
Actuarial losses/(gains) arising from changes in demographic assumptions	(571)	717
Actuarial losses arising from changes in financial assumptions	(3,280)	5,538
Actuarial losses on experience adjustments	1,534	3,206
Return on plan assets in excess of interest income	998	(570)
Gains/(Loss) recognised in other recognised gains and losses	(1,319)	8,891

11. TANGIBLE FIXED ASSETS

	Freehold Property	Leasehold Property	Leasehold Improvements	IT Infrastructure	Computers Equipment & Furniture	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 April 2021	-	3,900	746	161	155	4,962
Additions	-	-	-	-	11	11
Additions-business combinations	313	-	-	-	-	313
Disposal	-	-	-	-	-	-
At 31 March 2022	**313**	**3,900**	**746**	**161**	**166**	**5,286**
Depreciation						
At 1 April 2021	-	104	105	98	68	375
Charge for the year	4	52	41	32	28	157
Disposal	-	-	-	-	-	-
At 31 March 2022	**4**	**156**	**146**	**130**	**96**	**532**
Net Book Value at 31 March 2022	**309**	**3,744**	**600**	**31**	**70**	**4,754**
Net Book Value at 1 April 2021	-	3,796	641	63	87	4,587

12. FIXED ASSETS & INVESTMENTS

All trust fund investments were revalued to the quoted price on 31 March 2022.

The investments of the Endowed Trusts and administered funds are held in a broadly diversified multi-manager portfolio devised and run by Brewin Dolphin.

	2022 £'000
Market value at 1 April	11,061
Disposal in year	(1,412)
Acquisitions in year	1,294
Net cash movement in year not yet invested	118
Investment management fees	(119)
Gains/(losses) on revaluation in year	265
Market value at 31 March	**11,207**
Historical cost at 31 March	**10,247**

Splits:	2022 £'000
Listed Investment	10,852
Investment cash	355
	11,207

13. SUBSIDIARY UNDERTAKINGS

Friendship Works:
Friendship Works is a dormant charitable company incorporated in England and Wales (Charity no: 1017460, Company no: 2754587) controlled by Family Action by virtue of being its sole member.

Building A New Direction (BAND):
BAND is a dormant charitable company incorporated in England and Wales (Charity no: 1060822, Company no: 03284504) controlled by Family Action by virtue of being its sole member.

PAC-UK Ltd:
PAC-UK is a dormant charitable company incorporated in England and Wales (Charity no: 294998, Company no: 2040322) controlled by Family Action by virtue of being its sole member.

Portsmouth Abuse & Rape Counselling Service (PARCS)
PARCS is a dormant charitable company incorporated in England and Wales (Charity no: 1079950, Company no: 3643599) controlled by Family Action by virtue of being its sole member.

The registered office address of each subsidiary undertaking is 34 wharf Road, London N1 7GR.

14. DEBTORS

	2022	2021
	£'000	£'000
Amounts invoiced to funders	4,129	3,685
Prepayments and accrued income	518	458
Other Debtors	9	181
	4,656	**4,324**

15. CREDITORS: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade Creditors	2,423	961
Payment received on account for contracts	26	26
Accruals and Deferred Income	369	271
Tax and social security	566	577
Other creditors	561	709
	3,945	**2,544**

Deferred income represents funding received in advance of the provision of the related services. All deferred income held at the end of the previous financial year has been recognised within the current financial year.

16. UNRESTRICTED FUNDS AS AT MARCH 2022

	Balance 31 March 2021 £'000	Movement in Funds: Incoming Resources £'000	Gains and transfers £'000	Expenditure £'000	Balance 31 March 2022 £'000
General funds	4,213	1,751	(713)	(726)	4,525
Fixed Assets fund	662	-	4	(48)	618
Property Improvement fund	150	-	-	-	150
Service Development Funds	325	-	500	(6)	819
Staff Contingency	548	-	209	(221)	536
	5,898	**1,751**	**-**	**(1,001)**	**6,648**

The general funds represent the free funds of the Charity, which are not designated for any particular purpose. The balance as at 31 March 2022 is: £4,525K (2021: £4,213k).

The fixed assets fund represents leasehold improvements of the Charity's offices used for charitable activities. The balance as at 31 March 2022 is £618k (2021: £662k).

Property improvements fund is a designated fund set aside for the purchase of our Head Office. This is for cyclical repairs and maintenance of the Head Office property. The balance as at 31 March 2022 is £150k (2021:£150k).

A Service development fund has been set up to enable the Charity to invest in the development of new service models, planned payment of liabilities and budget deficits. This is essential for the future of the Charity and is designated, so excluded from free reserves. The balance as at 31 March 2022 is £819k (2021: £325k).

The staff contingency fund has been set up to enable the Charity to meet its contracted obligations where services experience staff absences due to sickness, redundancy or maternity for which additional funding is not available. The balance as at March 2022 is £536k (2021: £548k).

16. UNRESTRICTED FUNDS AS AT MARCH 2021

	Balance 31 March 2020 £'000	Movement in Funds: Incoming Resources £'000	Gains and transfers £'000	Expenditure £'000	Balance 31 March 2021 £'000
General funds	2,378	1,778	551	(494)	4,213
Fixed Assets fund	706	-	-	(44)	662
Property Improvement fund	150	-	-	-	150
Service Development Funds	294	-	75	(44)	325
Staff Contingency	405	-	241	(98)	548
	3,933	**1,778**	**867**	**(680)**	**5,898**

17. RESTRICTED FUNDS AS AT March 2022

	Balance 31 March 2021 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2022 £'000
Operational services	9,459	32,615	-	(31,312)	10,762
Other restricted funds:					
New Day	(1)	175	-	(70)	104
Other Trust funds	94	413	-	(186)	321
Nora Henry Trust	11	46	-	(54)	3
Other Trust funds	303	230	-	(219)	314
Edith & W Morgan Mental Health	354	-	6	-	360
Other Trust funds	195	-	(143)	-	52
	956	864	(137)	(529)	1,154
Restricted income funds	**10,415**	**33,479**	**(137)**	**(31,841)**	**11,916**
Pension scheme reserve	**(13,971)**	-	**1,319**	**177**	**(12,475)**
Total restricted funds including pension scheme reserve	**(3,556)**	**33,479**	**1,182**	**(31,664)**	**(559)**

Restricted funds comprise two main elements:

1. The unexpended income from Operational Services of £10,762k as at 31 March 2022 (2021: £9,459k) These restricted funds represent funded projects and services run by Family Action. The balance consists mainly of start-up funding on new projects not yet spent and funding to be carried forward as agreed with individual funders.

2. Family Action administers endowed and non-endowed trust funds. It distributes this income in the form of grants to individuals. The unexpended income from the funds is carried forward under its restricted purpose. This amounts to £1,154k as at March 2022 (of which £411k is held as investment in our portfolio) compared with £956k in 2021 (£549k in 2021 held as investment). Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

17. RESTRICTED FUNDS AS AT March 2021

	Balance 31 March 2020 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2021 £'000
Operational services	8,748	36,404	(867)	(34,826)	9,459
Other restricted funds:					
New Day	-	22	-	(23)	(1)
Other Trust funds	88	2,625	-	(2,619)	94
Nora Henry Trust	15	38	-	(42)	11
Other Trust funds	323	201	-	(221)	303
Edith & W Morgan Mental Health	303	-	51	-	354
Other Trust funds	167	-	28	-	195
	896	2,886	79	(2,905)	956
Restricted income funds	9,644	39,290	(788)	(37,731)	10,415
Pension scheme reserve	(5,458)	-	(8,891)	378	(13,971)
Total restricted funds including pension scheme reserve	4,186	39,290	(9,679)	(37,353)	(3,556)

18. ENDOWMENT FUNDS AS AT MARCH 2022

	Charity Reg. Number	Balance 31 March 2021	Movement in Funds: Additions	Movement in Funds: Expenditure and Unrealised Gains/(losses)	Balance 31 March 2022
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	768	-	10	778
Eleanor Ponsonby Trust	275060	1,231	-	16	1,247
FWA Greater London Relief in Need Charity	1006487	885	-	60	945
FWA National Relief in Need	231205	852	-	215	1,067
FWA Relief in Need Charity for the Aged	237118	1,028	-	14	1,042
FWA Relief in Sickness Charity	264713	386	-	345	731
Women's Holiday Fund	207455	987	-	13	1,000
Metropolitan Visiting and Relief Association	251586	390	-	5	395
Queen Adelaide Fund	207228	278	-	4	282
Bishop Andrews Charity	205288	129	-	2	131
Other funds (balances < £100,000)		448	-	(135)	313
		7,382	**-**	**549**	**7,931**
Expendable endowments					
Nora Henry Trust	313949	1,809	-	50	1,859
Fenton Trust	247552	652	-	(549)	103
Lamming Will Trust	216257	204	-	(69)	135
Alfred de Rothschild Trust	202225	328	-	(328)	-
Other funds (balances < £100,000)		138	-	631	769
		3,131	**-**	**(265)**	**2,866**
Total endowment funds		**10,513**	**-**	**284**	**10,797**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds (including endowments) as at March 2022 is £11,207k compared with £11,061k in 2021. The increase in market value, which are unrealised gains, amounts to £146k compared with an increase in value in 2021 of £1,602k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

18. ENDOWMENT FUNDS AS AT MARCH 2021

	Charity Reg. Number	Balance 31 March 2020	Movement in Funds: Additions	Movement in Funds: Expenditure and Unrealised Gains/(losses)	Balance 31 March 2021
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	657	-	111	768
Eleanor Ponsonby Trust	275060	1,053	-	178	1,231
FWA Greater London Relief in Need Charity	1006487	757	-	128	885
FWA National Relief in Need	231205	729	-	123	852
FWA Relief in Need Charity for the Aged	237118	879	-	149	1,028
FWA Relief in Sickness Charity	264713	330	-	56	386
Women's Holiday Fund	207455	844	-	143	987
Metropolitan Visiting and Relief Association	251586	333	-	57	390
Queen Adelaide Fund	207228	238	-	40	278
Bishop Andrews Charity	205288	110	-	19	129
Other funds (balances < £100,000)		383	-	66	449
		6,312	**-**	**1,070**	**7,382**
Expendable endowments					
Nora Henry Trust	313949	1,547	-	262	1,809
Fenton Trust	247552	558	-	94	652
Lamming Will Trust	216257	175	-	29	204
Alfred de Rothschild Trust	202125	281	-	47	328
Other funds (balances < £100,000)		117	-	21	138
		2,678	**-**	**453**	**3,131**
Total endowment funds		**8,990**	**-**	**1,523**	**10,513**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds as at March 2021 is £11,061k compared with £9,459k in 2020. The increase in market value, which are unrealised gain, amounts to £1,602k compared with a decrease in value in 2020 of £1,146k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 MARCH 2022

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2022				
Are represented by:				
Tangible fixed assets	4,754	-	-	4,754
Investments	-	410	10,797	11,207
Current assets	2,685	14,660	-	17,345
Current liabilities	(791)	(3,154)	-	(3,945)
Pension scheme deficit	-	(12,475)	-	(12,475)
Total net assets	**6,648**	**(559)**	**10,797**	**16,886**
Unrealised gains included above:				
Investment assets		(129)	1,090	961
Total unrealised gains at 31 March 2022		(129)	1,090	961

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 MARCH 2021

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2021				
Are represented by:				
Tangible fixed assets	4,587	-	-	4,587
Investments	-	548	10,513	11,061
Current assets	1,820	11,902	-	13,722
Current liabilities	(509)	(2,035)	-	(2,544)
Pension scheme deficit	-	(13,971)	-	(13,971)
Are represented by:				
Total net assets	**5,898**	**(3,556)**	**10,513**	**12,855**
Unrealised gains included above:				
Investment assets		(136)	1,007	871
Total unrealised gains at 31 March 2021		(136)	1,007	871

20. LEASING COMMITMENTS

At 31 March 2022 the charitable company had future minimum rentals payable under non-cancellable operating leases as detailed below:

	2022 Property £'000	2022 Other £'000	2021 Property £'000	2021 Other £'000
Minimum lease payments due within:				
- one year	449	45	440	44
- within two to five years	383	34	489	55
- over five years	14	-	18	-
	846	79	947	99

The Charity carefully manages its lease obligations to ensure that the lease terms closely match the length of service contracts and for non-service related properties that appropriate break clauses are in place to safeguard the Charity's resources.

21. CONDUIT FUNDS

Family Action manages and disburses funds on behalf of a number of organisations. These are held in separate bank accounts and subject to Family Action's internal controls and procedures to ensure that these assets are safeguarded. The value of these funds at 31 March 2022 is stated below:

	Balance 31 March 2021 £'000	Incoming Funds £'000	Outgoing Funds £'000	Balance 31 March 2022 £'000
Motor Insurance Bureau	46	-	(5)	41
Deputy and Trustee Services	35	-		35
CAMHS Alliance Fundholder	1,349	3,087	(3,438)	996
	1,430	**3,087**	**(3,443)**	**1,072**

Motor Insurance Bureau: Family Action acts as custodian trustee for minors in respect of awards made by the Motor Insurance Bureau. These funds are paid out to the individual benefactors on reaching the age of maturity.

Deputy and Trustee Services: The Head of Deputy and Trustee Services acts as deputy for people who do not have the capacity to manage their own financial affairs and undertakes the day to day management of their financial affairs in line with guidelines provided by the Office of the Public Guardian. During the year a majority of the clients were moved with orders from the court to firms of solicitors with only the accounts of deceased clients left. These will be resolved by the courts with balance on the accounts paid out accordingly.

CAMHS Alliance Fund Holder: Family Action are the Fund holder for City & Hackney Child and Adolescent Mental Health Service (CAMHS) Alliance. Family Action is responsible for payment of invoices on behalf of the alliance to various service providers commissioned by the NHS City & Hackney CCG.

22. RELATED PARTY TRANSACTIONS

David Holmes, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with £3,937 (2021: £3,750) annual subscription.

In April 2021, Brewin Dolphin completed the acquisition of Epoch Wealth Management, who were the adviser and investment managers for the Family Action investment portfolio. Siobhan Boylan, a trustee (Treasurer) on the Board of Family Action joined Brewin Dolphin as the Finance Director in March 2021. Prior to the acquisition, Siobhan rescinded her membership of the Investment Committee in line with our Governance Policy and Procedure. She retired as a Trustee in December 2021.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which run Research in Practice, a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. A valuable professional online resource for all of Family Action staff. During the year, Family Action has an active membership subscription at a cost of £11,700 (2021: £10,370) per annum. This transaction was carried out at an arm's length basis.

Donations made by Trustees totalled £7.4k as at 31 March 2022 (2021: £5.6k). There are no other related party transactions to report.

23. CONTINGENT ASSET:

At the Balance Sheet date, the Charity was notified of a 10% beneficiary interest in the residual value of a legacy. An interim payment of 250k was received and recognised in the accounts. The final payment from the legacy has not been recognised due to the uncertainty of the total residual value of the legacy.

24. POST BALANCE SHEET EVENT:

In 2021 Family Action was notified of a potential legacy income. There is no executor as the law firm that drafted the will is no longer in business. Following the conclusion of the due diligence by a law firm, we now have confirmation of grant of probate. The value to Family Action, who is the only beneficiary is in the region of £570k and will be recognised as income in 22/23 accounts.

FAMILY ACTION

England & Wales - Charity number 264713

Accounts

FAMILY ACTION
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity number: 264713
Company number: 01068186
Isle of Man Charity Number: 1026

FAMILY ACTION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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FAMILY ACTION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

Welcome from Mary Fulton, Chair of Family Action

I am delighted to present the Family Action Trustees' report for 2020/21. This has been an extraordinary year for the charity. I said in my foreword to this report last year that Covid would be a huge test for Family Action. I am glad to report that the charity, through excellent planning and management, kept our essential frontline services open while taking the rest of its provision online. At the same time Family Action created a wide range of new services and fundraised millions of pounds so that it could provide additional direct support to tens of thousands of vulnerable people as we all navigated through one of the hardest years for our country in living memory.

I am proud of the leadership, drive and determination that Family Action has shown. The charity has been steadfast in its support for families and individuals affected by the pandemic and has done all it possibly could for those who have been affected the most.

At all times Family Action's work is driven by its values – Can Do, Excellence, People Focus and Mutual Respect and the way in which the charity lives by those values and demonstrates them in all that it does, has never been more evident.

Key achievements during the year included:

- Providing 200 community-based and national services that together reach hundreds of thousands of children, adults and families;
- Providing a nutritious breakfast to 350,000 children a day in over 2,400 schools, who would otherwise be too hungry to learn, through the National School Breakfast Programme;
- Managing a more than 200% increase in contacts to our FamilyLine service (a free telephone, text, webchat and email service for parents and carers) over the previous year;
- Distributing more than 3,000 financial grants to individuals and families in crisis as a result of the pandemic;
- Expanding our FOOD Clubs from eight in April 2020 to more than 80 by March 2021 in direct response to the food insecurity caused by the pandemic;
- Fundraising more than £4m to provide additional direct support to individuals and families worst affected by the pandemic; and
- Acquiring Portsmouth Abuse and Rape Counselling Service (PARCS) - a Portsmouth-based charity which works with women, men and children affected by rape, sexual abuse and domestic violence.

Family Action has weathered many storms in its 152 year history. As we emerge from Covid-19 please support this fantastic charity to do even more.

maryefulton

Mary Fulton
Chair of Trustees
30th September 2021

Our Objectives

To preserve and protect the good health (in particular mental health) and advance the education of families, individuals and groups within the community, the relief of poverty and the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage in such ways as the Trustees see fit.

Our Purpose and Activities

Family Action provides services and financial support to strengthen poor, disadvantaged and socially isolated families and children. Through our excellent services we empower our users and ensure that they are heard and listened to. We are committed to maximising our impact so that children and families can look forward to the future and not be defined by their past.

Family Action supports hundreds of thousands of families, adults and children a year through some 200 community-based services across England, Wales and the Isle of Man and a growing portfolio of national services. We help many more every year with financial assistance through our UK wide education and welfare grant programmes and through our FamilyLine. We provide services to strengthen families and communities and to build skills, resilience and improve outcomes for children and their parents and carers.

Our services transform lives and are grouped under the following themes:

Early Years work

Family Action supports families from preparation for the birth of their child to their child going to school through:

- Perinatal services working with women at risk of post-natal depression from pregnancy to the child's first birthday;
- Evidence based parenting programmes to support children's emotional and social development; and
- Managing high quality nurseries, pre-schools and Children's Centres, particularly in disadvantaged areas.

Children and Families work

Family Action offers services to children, parents and to whole families:

- Family Support from short term targeted interventions to support with specific issues to intensive support for families with complex and enduring needs;
- Specialist work with domestic violence and abuse;
- Behaviour outreach support and emotional wellbeing services in schools;
- SEND information, advice and guidance, and support to families of children and young people;
- Emotional health and wellbeing services including counselling and therapeutic work for children who have suffered trauma, bereavement or abuse, Multi Systemic Therapy and other specialist services for children and families;
- Mentoring and emotional support services for disadvantaged children, young people and care leavers;
- Young Carers services including working with schools to identify and support young carers and their families;
- Relationship Support including supervised contact, working with separated parents and co-parenting;
- WellFamily services in GP surgeries offering advice, support and counselling for patients with non-medical issues; and
- Welfare benefits, debt and housing advice.

Adult Mental Health and Wellbeing work

Family Action works to support and sustain adult recovery through:

- A range of services that provide practical, emotional and financial support; and
- Mentoring and befriending services

National Services

Our growing portfolio of national services includes:

- PAC-UK: specialist adoption support for adopted children and adults, adoptive families, birth families and special guardianship services;

- FamilyLine: a national helpline, text, webchat and email advice service with befriending, counselling and coaching;
- Provision of the National School Breakfast Programme which feeds hundreds of thousands of children who would otherwise be too hungry to learn;
- Provision of holiday hunger schemes and FOOD Clubs to alleviate family hunger;
- Provision of grants for families and individuals in need;
- Supporting young people with work experience and into employment through the HeadStart programme; and
- Training and Consultancy services.

Our Staff

Family Action is committed to encouraging diversity, promoting equal opportunities, and providing fair treatment in all that we do. We strive for a working environment that is inclusive, free from discrimination and where everyone is treated with dignity and respect.

We believe that people with different backgrounds, skills, attitudes and experiences bring fresh ideas and perspectives to the workplace. We seek to encourage and harness these differences in order to meet the changing needs and requirements of our staff, volunteers, service users, governance, partners, funders and supporters. We were delighted this year to be named, for a fourth year running, in The Sunday Times Best 100 List of Not for Profits to work for at No.7 in that List (up from 53 last year). For the first time we were also listed in The Sunday Times Best 100 List of Large Companies at No. 55. The Sunday Times Best 100 this year also awarded Family Action three stars, the highest rating possible, for our "world-class level of employee engagement".

We hold the Investors in Diversity Accreditation Level 2 for our commitment to Equality & Diversity. We also hold the Level 2 – Disability Confident Employer status which confirms that Family Action is committed to the recruitment and retention of disabled people, and that we do the following to enable this:

- Interview all applicants with a disability who meet the minimum criteria for a job vacancy and consider them on their abilities. We operate a guaranteed interview process for any candidate who meets the essential criteria for a role, and ensure that where candidates require reasonable adjustments in the selection process, that these are implemented. All recruiting managers receive training in our recruitment processes.

- Ensure there is a mechanism in place to discuss, at any time, but at least once a year, with disabled employees what can be done to make sure they can develop their abilities. We do this through monthly supervision with all staff and an annual appraisal review, where career development is discussed with every employee at Family Action. There are many opportunities for staff to get involved in exciting projects, and all staff are encouraged to do this.

- Make every effort when employees become disabled to make sure they stay in employment. We discuss with employees any reasonable adjustments needed to support them during the course of their employment, and ensure appropriate support is put in place to accommodate these requirements where feasible.

- Take action to ensure all employees develop the appropriate awareness needed to make these commitments work. We promote this through our organisational policies and through the work of the Equality, Diversity and Inclusion Steering Group.

We have a dedicated Equality, Diversity and Inclusion role within our Senior Leadership Group. The post holder leads all of our organisation-wide EDI work in close collaboration with a range of staff diversity networks.

Good communication is integral to all that we do at Family Action. There are a number of ways in which staff and managers are kept informed:

- Our staff intranet is regularly updated to ensure that all employees are kept informed about important news, strategic developments, training opportunities, compliments received or key organisational initiatives such as our regular staff engagement surveys and recognition awards. We also produce a regular and very popular health and safety/legal/safeguarding/data protection bulletin for the whole organisation, called "Safe & Sound". During the Covid-19 crisis we have produced a daily e-bulletin for all staff to keep the organisation together and functioning as one big family.

- Information on progress against our strategic objectives, growth, and financial progress is communicated and cascaded up and down the organisation through a range of fora including; senior leadership meetings, regional and team meetings, and individual supervisions, so everyone in the organisation is kept informed. Our Covid response has been led by a virtual Coronavirus Response Group with membership from across the organisation.

- Our Chief Executive regularly communicates from his own e-mail on important organisational matters. He personally inducts all new staff into the organisation and keeps a highly visible profile within the organisation through regular communication, through celebrating successes and keeping everyone informed on key news, opportunities and challenges. He has communicated directly and frequently with the whole staff group throughout the Covid-19 crisis to help people feel reassured at all times.

- Our Chief Executive provides regular updates on progress towards our strategic objectives whenever there is an opportunity, be that at monthly corporate induction of new staff, meetings or during his visits (currently virtual) to services.

- We hold regular Joint Negotiating Committee meetings with our recognised unions (Unite and Unison) and staff representatives to discuss issues that impact upon staff including policies and procedures, organisational changes, and health and safety issues.

During the Covid-19 crisis we have communicated with our workforce by issuing and keeping updated helpful and easily accessible guidance on all the key topics; setting up a daily e-bulletin to all staff to help everyone to get through the crisis together, creating an in-house corona advice service so that all queries and questions from staff go through the same email gateway and can be answered quickly and consistently and by hosting regular internal webinars. We have also introduced an extensive wellbeing and staying connected programme with a focus on supporting the physical, emotional and financial wellbeing of our staff whilst also keeping the whole organisation together at all times. We have taken an organisation-wide approach to all health and safety issues in the context of the pandemic from ensuring that our workplaces are Covid-secure, to the introduction of rapid testing in our workplaces, to encouraging our workforce to be vaccinated in accordance with job roles and eligibility criteria, to the reopening of our workplaces as restrictions ease. The Chief Executive has written personally and frequently to the staff group throughout the pandemic to ensure that everyone knows what is going on at all times and we have surveyed the staff group several times so that we understand how people are feeling and can respond sensitively and appropriately. These efforts have been hugely appreciated by the staff group.

Our Volunteers

Family Action is fortunate to have more than 460 volunteers across our range of services. Our volunteers support our work in so many different ways e.g.:

- as befrienders in our Perinatal Services;
- in parent support roles in our Children's Centres;
- as advisers, counsellors and befrienders in our FamilyLine Service;
- as mentors to disadvantaged children and young people and care leavers accessing our Friendship Works and Listening Works services;
- through the provision of practical support in our Emotional Health and Wellbeing services for adults; and
- as fundraisers for us.

Family Action is hugely grateful for the amazing contribution of all of our volunteers.

Our Values

Our Values and Behaviours underpin all that we do. Family Action staff demonstrate our values and behaviours in their work and in their professional relationships with colleagues, volunteers, partners and service users.

We are **People Focused**;
We have a **Can Do** attitude;
We strive for **Excellence** in everything we do; and
We have **Mutual Respect** for colleagues, volunteers, partners and service users.

Our Impact

Family Action is committed to measuring the impact of our work. We seek to triangulate the impact of our services through service user feedback, compliance with contractually agreed outcomes and independent evaluation of the effectiveness of our service models.

We publish regular Impact Reports and develop Theories of Change for our different service models as a matter of course. We have an internal Evaluation and Impact team that commissions independent evaluations of our services. We also have an externally chaired Evaluation and Impact Board that oversees our research, evaluation and impact work.

Many of Family Action's services receive wonderful feedback. Here are just a few examples of the feedback received from our service users and partners for some of our service provision:

Stockton upon Tees 0-19 Family Support and Volunteer Outreach Service

Thank you so much Emma, Really do appreciate everything you have done for us, we wouldn't be where we are now if it wasn't for you.
'Thank you so much for all of your help. The money will make a massive difference to our family' (after receiving grant from Family Action to help with rent arrears and basic essential needs due to dad being furloughed)
'Oh my god that's amazing thank you so much it's already spent. Rent, water bill, gas and electric and shopping. It's gonna help so much. Especially this time of year too and losing my job it's definitely going to help loads. Thank you so much"
"They have been so supportive. Sarah has been a lifeline. I can't recommend the service enough"

Birmingham Think Family Service

Gemma, one of our workers from this intensive family support service received the following feedback:
I just wanted to say thank you for all your support during the last 6 months. Before the first sessions started, I was slightly nervous about meeting you but after sitting down with you every week I realised that you were a very kind and positive person and most of all supportive at all times this was important for me and the children… To say thank you to you Gemma only takes a moment but your thoughtfulness will last a lifetime. Sometimes the best things in life are not things at all they are people.

Lovely comments from grateful parents for our Peterborough Pre-Schools Service

It's been such a crazy year but no matter what you stuck by what's best for the children. I can't thank you all enough for giving T the confidence he has now, he's so different from the shy, timid boy he was last September! He loves every one of the staff and will miss you all so much!!

Thank you all so much, H has had a fab time at pre school and has come on in leaps and bounds since he first started, thank you for everything supporting us and H, we will see you all again soon when little B is ready to join xx

Some positive feedback for Lisa and Caroline from our Medway SENDIAS Service

Lisa has been very helpful and informative. Helps calm my anxieties down. Thank you.
The service I was given was brilliant from start to finish.

I was very happy with the support with the help I received. They were very understanding and listened.
Caroline made me feel completely comfortable and gave me lots of info.
Wonderful service. Very understanding and professional

Some wonderful feedback received for Hackney WellFamily Plus team from their service users:

"I feel incredibly blessed to have been able to have these counselling sessions with Rhonda. At the beginning of these sessions, it was my goal to gather the strength, self worth and confidence to leave an unhealthy relationship. Rhonda has been able to support me during this difficult period in my life and has helped me discover these qualities within myself, such that I was able to leave this relationship of two years after only my second session with Rhonda.

"Now that we've come to the end of our sessions, I want to thank you properly for all your staunch and sensitive work with me. Your constructive insights, empathy and support have enabled me to survive a severe life crisis. You have stood by me in extreme personal circumstances which I wouldn't have got through without you. I'm so grateful for everything you've done for me and I've learned a lot! I feel I'm in recovery now, in a place where I hope I can manage on my own.

BAND's service users share their thoughts on the invaluable support they have received during lockdown:

"My calls have been very important to me. I have looked forward to chatting as this has lifted my low mood and made me feel more positive"
"Having my weekly call each week being able to talk and get things off my chest has really helped me."

"Thank you for my support and help I have had during lockdown, it has helped with my confidence and kept me positive."
"I have been grateful for my phone support and the zoom meetings and foodshare. I have met new people over the zoom activities which has helped me. I am looking forward to meeting everyone when lockdown is over."

Our Southend Children's Centre Family Support Team received this heart warming feedback:

'It is amazing how much support Family Action offer the families and how dedicated they are to helping them overcome some of the challenges they have.'

Praise for Kate from our Ealing I-SAID service that testifies to the positive impact the service has for children and young people with special educational needs and disabilities:

"Kate has been helping me since October 2018 and has been so supportive, patient and informative each time. I have learnt a great deal through her and it is making my journey a bit less stressful. She is an asset to the organisation."

Praise for our Listening Works Service

It's so refreshing to not be made to feel like you're taking up too much of someone's time. That's just what care experienced people need - to not feel like a burden.'
'... on the chat the person helped me look at it from a different angle so instead of getting more wound up at the whole thing I realised I needed to just leave it and I think that was v good advice so I can move on and not make things worse on myself!'

Praise for our Covid Survival and Recovery Grants Scheme funded by Barclays

"I let one of my clients know that she was successful in receiving her grant and she immediately burst into tears. The first thing she said was that she would put up her decorations, the reason why she was not planning to until much later was because she was worried about the additional cost of electric for the Christmas tree lights, she was so very grateful and has cried every call I have made to her"

"I can't remember the last time I felt this warm. Getting under a quilt that is not damp and smelly is wonderful"

"I don't know what I would have done over the past few months without your support, it has been a godsend. Thank you to the people who have given me this help. It is amazing"

"I didn't realise how low I had got, until I was helped up. I feel so much better, like the wheels are actually turning and we are moving forward now. I don't know if I could have achieved this without your support"

Strategic Report

Achievements and Performance

The Trustee Board worked with the senior management of the organisation to develop a new five year strategy, *Building on 150 Years*, for the period 2019-2024. The strategy was launched in April 2019. Examples of our progress against the five agreed strategic objectives over the second year of the strategy to March 2021 are given below:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities

   During the year Family Action continued to **look ahead** by anticipating the continuing impact of the pandemic on our service users and developing new services in response, by growing our income from corporate supporters and individual donors and by evidencing to policy makers and politicians why a national societal recovery strategy is needed to ensure that everyone has the best chance of getting through the pandemic; to **innovate** by launching a range of Covid rapid response services tackling food insecurity, isolation and family pressures; and **to seize opportunities** e.g. by acquiring Post Sexual Abuse and Rape Counselling Service (PARCS) a specialist charity working with adults and children affected by rape, sexual abuse and domestic violence. We were also pleased during the year to be able to pay off the outstanding mortgage on our head office premises which reduces in turn our ongoing head office costs.

2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives

   Despite the pandemic, Family Action continued to grow over the last 12 months. The charity achieved its highest ever turnover in this financial year (£41.1m) and now works with over 60,000 families a year through some 200 services. We also ensured that some 350,000 children who would otherwise be too hungry to learn, received a nutritious breakfast every school day when the National School Breakfast Programme reached its peak of provision in October 2020 and increased our FOOD Clubs tenfold from eight to over 80 during the year. Our fundraising team raised more than £4m during the year for Covid-related emergency support (principally financial grants to particularly vulnerable individuals and families) and we also were contracted to provide, or secured funding ourselves to provide, a range of Covid emergency support services including emotional support, additional family support and additional therapeutic support.

3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users

   We made good progress during the year on our quality improvement agenda. We increased the size of our central Quality and Performance team and developed a Quality Assurance Framework that is now being rolled out across our range of service provision. This team is also focusing on ensuring that all of our services are capturing bespoke service performance data that will enable us to monitor closely the effectiveness of service provision both at a service level and centrally for ongoing audit purposes. Our work on quality improvement has the overarching goal of ensuring that Family Action is a learning organisation and is led by a Quality and Performance Business Group chaired by the Director of Services and Innovation and involving colleagues from across the organisation. During the year we made good progress on practice development, on rolling out our Core Curriculum, on practice development seminars for staff (led by our internal Q&P team and by services) and we also focused on supporting and skilling up our managers to increase their accountability in terms of the leadership and management of all our services.

4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact

   Over the last 12 months Family Action has worked very hard to continue to shine a bright spotlight on contemporary family pressures. We have been careful to highlight the differential impact of the pandemic on different families. We have also pressed for Government policy and investment that is nuanced and thought-through enough to recognise and address those differences through a coherent and adequately resourced societal recovery strategy that will tackle the inequalities caused or made worse by the pandemic. All year we provided rich online content to support individuals and families to manage the challenges of successive lockdowns, to reduce stress and to try and normalise the tensions we were all feeling as we struggled to balance our personal and working lives. A key achievement during the year was research jointly published with our valued corporate partner LV General Insurance which examined the impact of the pandemic on different aspects of family resilience. This report had extensive media pick up and we hope to repeat it next year. During the year Family Action's highly active response to the pandemic also brought us a number of new corporate partners who were keen to support our work both financially and in kind e.g., through generous donations of food, toiletries and resources that we could in turn distribute to our most vulnerable service users to help them to get through.

5. **Valuing Our People -** investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

   By the end of the reporting year, Family Action's workforce numbered on average 890 staff and over 460 volunteers. As part of our aspiration to be the best employer that we can be we invested in the appointment of an Equality, Diversity and Inclusion Manager to enhance our work and practice in this area. During the year we have also set up new staff diversity networks, surveyed our staff on EDI issues and established a network of EDI Champions across the organisation and announced our commitment to the Race at Work Charter.

   This year, Family Action was delighted to once again be listed in the Top 100 Not for Profits to work for moving up to No. 7 in the list from No.53 the previous year and making the Top 100 Large Companies List (at No.55) for the first time. We further invested in our learning and development and practice sharing offers to staff in 2020/21 and continued our leadership training programme. We continued to implement our new core curriculum for our frontline staff which ensures they all have a consistent level of training appropriate to their individual roles. We also completed a programme of work on succession planning for people in business critical roles across the organisation. As noted in the Covid-19 section below, staff wellbeing has been a major concern and focus all year as the pandemic has had an impact on our staff and volunteers personally as well as on our service users. We have implemented a comprehensive staff wellbeing programme that has focused on emotional, physical and financial wellbeing, on training our staff to practice well and safely in the context of the pandemic and to keep them connected despite the challenges of reduced "in person" contact and remote working. We have also been careful to give them the space and support to process and reflect on a very challenging year.

Our Response to Covid-19

The Covid-19 pandemic has dominated the entire reporting year. From the very beginning, Family Action was resolute in our determination to keep our services open so that we were still there for the service users that rely on us. Many of our workplaces remained open due to the frontline nature of much of our work and many of Family Action's staff were classified as critical workers. Where workplaces needed to close and our staff had to work from home, we quickly found ways to provide our services virtually, creatively and with the minimum of fuss to ensure the least possible disruption to our service users. In addition, all of our back office functions were provided to the same high level throughout the pandemic. Our previous investment in modernising our IT systems and infrastructure, as described in this report last year, gave us the platform we needed to be able to take our services virtual, wherever needed, quickly and efficiently. As a result of staying open throughout, Family Action was able to bring in additional work and fundraised income in order to enhance the effectiveness of our response to the pandemic.

During the year we have rapidly scaled up our FOOD Club programme from eight to more than 80 Clubs thereby ensuring that we were quickly feeding many thousands of families rather than the hundreds we had supported before. We also expanded the capacity of our free FamilyLine service which saw a more than 200% increase in contacts over the year from parents and carers under increasing stress. We were delighted to be selected by The Times newspaper as one of two charities that it had chosen to be beneficiaries of its public appeal to support the response to the Covid-19 crisis. Funding from the Times and from Barclays enabled us to innovate at pace and to make more than 3,000 individual grants to families and individuals who were worst affected by the pandemic. We know that these grants saved many people in crisis situations.

Family Action has worked very hard to support all of our workforce through the pandemic and the organisational imperative has been for us all to get through this extraordinary situation together. The organisation has prioritised effective and consistent leadership and communication at all times. An internal Coronavirus Response Group (CRG) chaired by the CEO has met several times a week throughout the pandemic to coordinate our organisational response, guidance to staff and consideration of all emerging issues. Together we have managed the impact of successive lockdowns and the gradual reopening of our workplaces in Summer 2020 and again in late Spring 2021. We have invested in staff wellbeing throughout the pandemic and this has been hugely appreciated by the staff group. It is pleasing to note that in the midst of this pandemic Family Action's employee engagement was judged to be world-class by the Sunday Times 100 Best Companies.

At the time of writing this report it is still hard to judge what the long term impact of the pandemic will be on Family Action, our staff, volunteers and service users. What we can say is that Family Action rose to the many challenges of this pandemic and we made things better for many people who were struggling. We are proud of that.

Financial Review

Family Action's total income for the year was £41.1m (2020: £37.3m). 96% of our income was restricted to funding specific services. Income for Operational Services came from Local Authorities, central government and NHS Trusts for the provision of specific services. These funders are listed in the accounts (Note 5a, b & c).

The pandemic has had a positive impact on our turnover and has highlighted the importance of our work in supporting families. Our fundraising team was able to successfully run various appeals which led to increased funding as well as a wider reach and support for our families during the pandemic. We have continued to grow our core work with yet more new contracts won during the year. We had a maximum of over 2,400 schools by October 2020 in the DfE funded National School Breakfast Programme providing breakfast for 350,000 children per day. The programme has been extended until July 2021.

Overall, we employed a monthly average of 890 (2020: 847) staff in the year. Total expenditure amounted to £38.1m (2020: £35.8m), with £37.4m (2020: £34.5m) relating to restricted charitable activities.

Total Funds at year-end were £12.9m (2020: £17.1m). There was an increase in the Pension deficit valuation at year-end from £5.5m to £14.0m (see pension fund statement for further details). We have also seen an increase in the capital value of the Endowment funds from £8.9m in 2020 to £10.5m in 2021. The net reduction in total funds was £4.2m.

Fundraising approach and performance

The charity undertakes fundraising activity to its supporters via a range of methods, including but not exclusively direct mail, fundraising events, challenge events, corporate fundraising, crowd funding, Trusts and Grants fundraising and email fundraising in line with the Fundraising Code of Practice set by Fundraising Regulator. Our fundraising promise, (which is available on our website to reassure supporters of our approach), is:

When you support us, you can be sure of the following:

- We will never sell your contact details to anyone
- If you are an individual supporter, we will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door-to-door or street fundraising. We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal

In 2020/21, the charity did not work with any third party fundraising organisations.

All our fundraising staff have regular supervision and appraisals, as well as a development plan, to ensure we are working to best practice standards and regularly reinforcing our fundraising ethics. We have an Ethical Fundraising Policy which is reviewed at least annually.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. No complaints about fundraising activity were received in the current or previous year.

Reserves Policy

The Trustees have considered their policy on building up reserves and established that the appropriate level of free reserves is one that allows the Charity to continue its normal activities in the event of a significant drop in funding or loss of projects with contribution toward the closure costs if the project cannot absorb its own closure costs. In considering the nature and diversity of our income, the Trustees believe the appropriate level of free reserves should be 6 months running costs of the central operation which runs the Charity. i.e., Head Office; the running costs of which is £4.59m for 2021/22 and a contribution towards potential project closure costs including the total lease obligations payable of £1m.

Our freely available general funds as at 31 March 2021 were £4.21m (2020: £2.38m). This covers the required level of reserve of 6 months running costs of the Head Office, it also covers any potential project closure costs and continuing lease obligations.

General Funds form part of our Unrestricted Reserves which, totalled £5.89m at 31 March 2021 compared with last year £3.93m. Funds designated for specific purposes stood at £1.68m (2020: £1.55m).

Notes 16-18 of the accounts show the various funds or reserves by type and summarise the year's movements on each fund. Note 20 shows the assets and liabilities attributable to the various funds.

Going Concern

The Trustees have reviewed the projected operations and activities of the company, including consideration of the existing contracts and a two year projected cash flow forecast. Based on the available financial information, we are of the opinion that adequate resources will continue to be available to fund the activities and operations of the company, therefore Family Action is a going concern.

Pension Fund

In common with other Charities with final salary schemes, our pension scheme shows a deficit which stood at £14.0m at 31 March 2021 (£5.5m last year) and under UK accounting standards, we are required to account for this deficit on the balance sheet (Note 9).

The deficit on the defined benefit pension scheme increased by £8,513k in the year to 31 March 2021 compared with a decrease of £1,855k last year.

The main financial assumptions as at 31 March 2021 have changed since 31 March 2020: Discount rate reduced from 2.20% to 2.00%. Inflation expectations increased to 3.25% from 2.50%. In combination, these resulted in a loss of £5,538k.

There has been a change in demographic assumptions at 31 March 2021 with the Charity using the updated CMI 2020 model for future mortality improvements. This has led to a loss of £717k.

There has been an experience loss of £3,206k. In addition, there was gain on assets in excess of interest income of £570k.

The funding status of the Scheme over the period is as shown in the table below.

	31 March 2021 £'000	**31 March 2020 £'000**	**Change £'000**
Present value of liabilities	42,541	33,167	9,374
Market value of assets	28,570	27,709	861
Funding deficit	**(13,971)**	**(5,458)**	**(8,513)**

The triennial valuation due in January 2020, was completed and a new repayment plan agreed with the Pension regulator. The Charity continues to make significant annual payments towards the deficit under the agreed repayment plan made with the Pension Regulator in March 2021.

The Trustees are aware that the deficit on the scheme on FRS102 basis will fluctuate with changing market conditions and that their responsibility is to meet the required contributions. There are active options being considered with the Pension Scheme Trustees as we continue to manage the deficit. The Trustees do not consider this deficit to represent an immediate demand on the Charity's funds and do not, therefore, consider that there are any resultant limitations on resources available for general application or on the application of any restricted income funds.

Investment Policy and Performance

The Trustees primary aim is to achieve sufficient income and capital growth from the investments so as to permit without interruption the continued provision of the Charities core services.

In 2019, there was a review of the Investment Strategy with a change to the objectives.

More specifically the objectives have been prioritised in the form of 'Primary' and 'Secondary':

Primary
- The target is that the value of the portfolio will be maintained at a minimum of £10m

Secondary
- To generate £225,000 to £275,000 per annum of 'clean' income available to distribute as Grants
- Diversification
- Capital growth to keep pace with inflation (CPI)

The Investment Portfolio is managed by Brewin Dolphin generating investment income during the year of £234k, a reduction of £103k compared with last year. This was due to falling yields from mainstream asset classes caused by prolonged low interest rates, challenging market conditions due to the pandemic and a strategic decision to reduce portfolio risk to focus on capital preservation at the end of 2019 (ahead of the start of the pandemic). The forecast income for 2021/22 is expected to be £255k.

The capital value of funds increased to £11.1m at the end of the financial year compared with £9.5m in 2020, an increase of £1.6m. With income at 2.47% of capital value and capital value increase of 16.94%, the overall return (growth over inflation) in the year was an increase of 16.48%, compared with a decrease of 12.1% in 2020.

The performance of this strategy continues to be reviewed by Trustees, the Investment Committee and Brewin Dolphin on a quarterly basis, with a more in-depth review annually. The Investment Committee continues to have oversight in respect of the management of the endowment portfolio and relationship with the investment managers, to provide assurance to the Board of Trustees in respect of the strategies and management of the endowment portfolio in accordance with the agreed Investment Strategy.

Plans for the Future

In 2021/22 Family Action will continue to take forward the 5 strategic objectives in our 5 year strategy, *Building on 150 Years.* These 5 priorities are:

1. **Agile and Responsive** - always able to look ahead, to innovate and to seize opportunities
2. **Managed Growth** - continue to grow in a managed, sustainable way so that we can help more children, adults and families to have better lives
3. **Improved Quality** - to ensure that our services are of the highest possible quality so that we can maximise the difference made to our service users
4. **Better Known with a Bolder, Stronger Voice for Families** - to build our national profile and positioning and to ensure we have increased influence and impact
5. **Valuing Our People** - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

Particular challenges in the year ahead include dealing with the continuing impact of the pandemic including reopening all of our 230 workplaces by June 2021. We are expecting the 21/22 financial year to be challenging as many public authorities are struggling to manage their budgets and finances in the context of the pandemic. It is inevitable that this will impact on Family Action's funding and we are already starting to see this. Our successful year in 2020/21 in financial terms will help us to bridge these challenges but the imperative is for us to continue to win new work in this difficult climate whilst also retaining as many of our existing services as possible. This will require us to continue to highlight to those who buy our services the false economy of cutting high quality early intervention and preventative services such as those we provide across the country. We know from long and bitter experience that cuts to early intervention and preventative services will only result in higher costs down the line if emerging problems are not tackled quickly and are instead just left to escalate.

Another challenge in 21/22 will be to determine and manage the "new normal" in terms of our service provision and to consider the best ways for us to operate as an organisation more generally post-pandemic. Inevitably, this will mean a blend of in person and virtual service provision and office/remote working for our staff combining the best of what existed before the pandemic and what we learnt worked well during it. In campaigning terms, we will be doing everything we can to persuade the Government to have as strong a focus on societal recovery as it does on economic recovery – the aim must be to ensure that everyone emerges from the pandemic in one piece and that we reduce the inequalities that have only widened over the last year. A continuing focus for the charity in the coming year will be the rolling out and embedding of our in house quality assurance programme. New major projects will include the insourcing of our IT provision and further work on enhancing individual and corporate giving.

Post Balance Sheet Events

There are post balance sheet event details of which are disclosed in Note 19 to these accounts.

Structure, Governance and Management

Governing Document and group structure

Family Action has its origins in the Charity Organisation Society, which was established in 1869. Today, Family Action is a Company Limited by Guarantee governed by its Articles of Association last amended on 25 April 2019. It is registered as a Charity with the Charity Commission and as a Company with Companies House. Family Action subsidiaries include Friendship Works, BAND and PAC-UK which are registered and charitable companies that are now dormant following their mergers and transfers of trade and assets to Family Action in the previous year.

Appointment of Trustees

Our Articles of Association provide that Family Action may have up to 15 Trustees and the present members of the Board are listed in this report. The recruitment of Trustees is steered through the Governance Committee, chaired by the Chair of Trustees. We assess the strengths of the Board and the skills that we need for effective governance on an ongoing basis.

Trustee Induction and Training

All new Trustees receive a bespoke induction plan according to individual need. As a minimum, this includes meetings with the Chair, CEO, Director of Finance and other key staff, the opportunity to observe a Board meeting before joining the Board, a visit to a Family Action service and the opportunity to attend the monthly corporate induction session for new staff where the CEO presents in detail on the charity's history, strategy, services, finances and current operating environment. We also have a standard Trustee Induction Pack which we keep updated that contains key information about Trustees' legal duties and responsibilities under Charity and Company Law, the Charity Commission guidance on public benefit, the Charity's Articles of Association and detailed organisational information. New Trustees are paired with a Trustee mentor. We provide training as necessary to ensure that all Trustees are kept up to date with changing requirements. Trustees have also been kept aware of the changing landscape around the regulation of Charity fundraising and GDPR.

Organisation

The Board of Trustees administers the Charity. The Chief Executive is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees under its Executive Limitations, for operational matters including finance, contracts, service provision and employment. The Board meets five times a year and there are five Board sub committees: Audit Committee, Quality & Performance Committee, Governance Committee, Investment Committee and Remuneration Committee, which can meet up to four times a year under their respective terms of reference.

Related Parties and Co-operation with other Organisations

Any interest between a Trustee or senior manager and the Charity must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party.

David Holmes, the CEO of Family Action, is the chair of Children England a membership organisation to which Family Action is a member with £3,750 annual subscription.

Brewin Dolphin are the advisers and investment managers for the Family Action investment portfolio, Siobhan Boylan, a trustee (Treasurer) on the Board of Family Action joined Brewin Dolphin as the Finance Director in March 2019. Siobhan has rescinded her membership of the Investment Committee in line with our Governance Policy and Procedure.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which run Research in Practice (RiP), a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. During the year Family Action had an active membership subscription to RiP at a cost of £10,370 per annum as this is a valuable professional resource for all Family Action staff. This transaction was carried out at an arm's length basis.

There are no other related party transactions to report.

Trustee Indemnity Insurance

Family Action provides insurance to its Trustees against liability in respect of actions brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity insurance remains in force as at the date of approving the Trustees' Report.

Key Management Personnel Remuneration

The Directors consider the Board of Directors, who are the Trustees, and the Executive Group as comprising the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of the Executive Group is reviewed annually. In view of the nature of the Charity, the Directors benchmark against pay levels in other Charities of similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting of up to 30% for any additional responsibilities.

Risk Management

The Trustees have a risk management strategy which comprises:

- a review of the principal risks and uncertainties faced by Family Action and the group as a standing agenda item at every Board meeting and Audit Committee meeting;
- regular review of the principal risks and uncertainties faced by Family Action and the group by the Executive Group, in line with its updated Building on 150 Years Strategy;
- well-established policies, systems and procedures to mitigate any risks identified; and
- clear processes designed to minimise or manage any potential impact on Family Action and the group should those risks materialise.

The main risks are identified within Family Action's Risk Register. At each Board and Audit Committee meeting we highlight the current highest risks that the Executive Group is concerned about (with commentary and controls). We have not added the Covid-19 pandemic as a risk in its own right as we feel the impact of the crisis is felt through other existing risks. Our Coronavirus Response Group - made up of the Executive Group and key senior leaders across Family Action - continues to meet weekly to manage current organisational and operational risks in light of the pandemic. The following top risks were identified over the last year:

- Failure to retain contracted services or win replacement work.
- Unstable external environment impacts on staff morale and engagement.
- The organisation becomes too reliant on the management charge earned against one significant contract, in funding central infrastructure.
- Risk to external service delivery reputation and goodwill from poor quality services (as a result of a lack of management or monitoring oversight).
- Death of, or serious harm to, a service user, due to poor safeguarding practice.
- Failure to manage effectively the wide range of concurrent organisational priorities.

Key factors in the management of these risks are also reflected in our Building on 150 Years strategy that was launched in 2019, and is updated annually to ensure it remains current. The strategy has five underpinning objectives to help us prioritise and manage ongoing organisational risks and opportunities, especially in light of the external environment (including the impact of Brexit and the Covid-19 pandemic). The five strategic objectives are as follows:

1. Agile and Responsive – always able to look ahead, to innovate and to seize opportunities
2. Managed Growth - continue to grow in a managed, sustainable way so that we can support more children, adults and families to have better lives
3. Improved Quality - to ensure that our services are of the highest possible quality so that we can maximise the difference made to the people we work with
4. Better Known with a Bolder, Stronger Voice for Families – to speak out for families through building our national profile and positioning and having increased influence and impact
5. Valuing Our People - investing in our staff and volunteers and their development so that Family Action becomes an even better place to work

Further to the above, there remains ongoing mitigation of other key risks such as those relating to Health & Safety, HR, IT, data protection, succession planning and the Family Action Pension Scheme.

Slavery and Human Trafficking Statement

The Modern Slavery Act 2015 introduced new obligations in relation to slavery and human trafficking. Family Action is fully supportive of the legislation as it is in keeping with our values. Family Action is committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. As an equal opportunities' employer, Family Action is committed to creating and ensuring a non-discriminatory and respectful working environment for its staff and volunteers. Family Action wants all its staff and volunteers to feel confident that they can expose wrongdoing without any risk to themselves.

The nature of our organisation and supply chains means Family Action has a low risk of being exposed to suppliers who utilise human trafficking or slavery. However, we are committed to improving our practices and processes to combat slavery and human trafficking, where we can.

Due Diligence Processes for Slavery and Human Trafficking

As part of our initiative to identify and mitigate risk, we are reviewing our Procurement Policy and processes, which will ensure we have in place systems to:

- identify and assess potential risk areas in our supply chains;
- mitigate the risk of slavery and human trafficking occurring in our supply chains; and
- monitor potential risk areas in our supply chains.

Supplier Adherence to our Values

We have a zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values, we will also develop a supply chain compliance programme. Family Action maintains the following policies which are accessible via the Family Action intranet:

- Employee Code of Conduct
- Anti-Bribery Policy
- Anti-Fraud Policy
- Ethical Fundraising Policy
- Health & Wellbeing Policy
- Whistleblowing Policy
- Anti-Bullying and Harassment Policy
- Equality, Diversity & Inclusion Policy
- Safer Recruitment Policy

Family Action does not enter into business with any organisation, in the United Kingdom or abroad, which knowingly supports or is found to be involved in slavery, servitude and forced or compulsory labour.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the financial year ended 31 March 2021.

Statement of Trustees' Responsibilities

The Trustees (who are also the Directors of Family Action for the purpose of Company Law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable Law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources including the income and expenditure of the Charitable Company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles of the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the Charity will continue on that basis.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charitable Company to 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, hence taking reasonable steps for the prevention, detection of fraud and other irregularities.

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

Public Benefit Statement

The Charities Act 2011 requires all charities to have a purpose that is for the public benefit. The public benefit requirement has two aspects: the "benefit" aspect and the "public" aspect.

All Family Action services provide an identifiable benefit that is capable of being proved by evidence and are made available to the public or sufficient sections of the public. This is entirely in accordance with the two aspects of the public benefit requirement.

The Trustees can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

Family Action's charitable purpose is enshrined in its vision of a society where all families are free from poverty, disadvantage and social exclusion. The Trustees ensure that this purpose is carried out for the public benefit by delivering services in accordance with our strategic aims. Many of our services are open to all and our awareness raising and campaigning work benefits everyone.

Carbon Performance 2020/21

Emissions are reported annually in June each year covering the previous financial year running April-March. These are calculated in accordance with the Carbon Trust Corporate Reporting and Accounting Standard using GOV.UK carbon conversion factors. The data includes all activities where we have operational control and specifically eliminates any energy that is procured by a third party. This will include any procured by a landlord and recharged to Family Action as part of a service charge (or similar). We have also adopted the 2015 WRI/ WBCSD Scope 2 Guidance on procured renewable energy. For our Efficiency Index we use 'per FTE'.

- **Gas combustion** (Scope 1 requirements) – includes gas consumed for stationary or mobile activities for which Family Action is responsible.
- **Electricity consumption** (Scope 2 requirements) – includes the purchase of electricity by Family Action for its own use, including for the purposes of transport.
- **Transport** (Scope 3 requirements) – includes energy consumption from transport where Family Action is responsible for purchasing the fuel e.g., fuel used in leased vehicles for business use, fuel used in personal cars for business use, including where Family Action reimburses staff for business mileage claims. This excludes where a transportation service is procured that includes an indirect payment for the fuel consumption e.g., train/plane/taxi or similar where Family Action does not operate the transport. However, Family Action are preparing a base line so we can elect to report them separately in future years (including as part of Scope 3 emissions).

	2019/2020	**2020/2021**
	Metric tonne C02e	Metric tonne C02e
Gas combustion (Scope 1 requirements)	156.19	116.19
Electricity consumption (Scope 2 requirements)	87.96	72.4
Transport (Scope 3 requirements)	108.87	25.38
Total	**353.02**	**213.97**
Carbon footprint per FTE	0.357	0.224

Family Action have set out targets out in our business assurance system processes to ensure that our carbon footprint decreases by 5% per annum per FTE.

Section 172 Companies Act 2006

Acting in accordance with Section 172 of The Companies Act 2006 ("Duty to promote the success of a company") Family Action's Trustees consider that they have complied with their duties with regard to Section 172 of The Companies Act 2006 by promoting the Charity's success in achieving its charitable purpose to build stronger families.

Specifically, Trustees, working closely with the Executive Group, have supported the Charity to continue to implement its 5 year (2019-2024) corporate strategy - Building on 150 Years - and to navigate the consequences of the Coronavirus pandemic (for more detail see the Trustees Report above).

Long-term consequences of decisions

Key decisions taken during the year included:

1) Paying off the mortgage on Family Action's London Head Office
   This decision relieved the Charity of a significant mortgage liability. It was made possible through prudent financial management and a strategic merger with PAC-UK that enabled Family Action to merge its Head Office with that of PAC-UK following the merger and then sell PAC-UK's building.
2) Agreeing future levels of historic pension deficit payments with The Corporate Trustee of The Family Action Pension Scheme (FAPS)
   This historic pension deficit is Family Action's single largest liability and these careful negotiations needed to balance planned repayment of the deficit with maintaining the Charity's ability to operate on a year to year basis.
3) Agreeing a strategic merger with the charity PARCS (Portsmouth Abuse and Rape Counselling Service)
   This merger brings Family Action new specialist experience in services to address sexual violence whilst also giving the Charity service presence in a new geographical area that is of strategic importance to us.
4) Deciding to keep all services open in the context of the Coronavirus pandemic. This was a crucial decision as it meant that Family Action remained open for business at all times and was able to bring in additional fundraised income and develop new services to benefit our beneficiaries.

As described above the Charity's response to the pandemic has been managed proactively at all times so that both the short and long term impact on the Charity's activities is both anticipated and mitigated wherever possible.

The development of our internal Coronavirus Response Group and a reworking of our standard Board agendas to balance our Covid response with usual Board business has enabled the Trustee Board to blend active crisis management with a continuing and robust focus on the Charity's strategic aims.

Interests of Employees

Trustees as well as the Executive Group have been actively involved in decisions affecting employees such as the approval of the 2020/21 Pay Award and through the work of the Governance and Remuneration Sub Committees of the Board. In 20/21 those Subcommittees have focused on succession planning and talent identification and management.

The Board of Trustees annually reviews Family Action's Gender Pay Gap data and Report. Family Action appointed an Equality, Diversity and inclusion (EDI) Manager during the year and the Trustees are taking a close interest in the organisation's EDI action plan which is being led by our EDI Manager and our EDI Steering Group. As also mentioned above Family Action has taken a very active role in developing an enhanced wellbeing support offer to all staff in the context of the pandemic.

Business Relationships with suppliers, customers and others; and reputation for high standards of business conduct

During the year Trustees and the Executive Group have overseen relationships with all our key commissioners and suppliers to ensure we maintain positive and effective relationships. The quality of these relationships was severely tested by the pandemic but the Charity's longstanding efforts to maintain good relationships with commissioners and suppliers meant that when put under pressure these relationships remained strong.

Fundraising

Family Action has a wide range of fundraising activities to generate voluntary donations towards our vital services for children, families and adults. Our Board of Trustees and Executive Group are committed to building relationships and trust with our supporters. The Board works closely with the Executive Group to ensure that the Charity remains compliant at all times with Fundraising regulations and best practice. We are member of the Fundraising Regulator.

Impact in the Community and Environment

Trustees and the Executive Group are committed to acting in accordance with our Environmental Policy and to identifying and seeking to minimise negative environmental impact. Family Action holds ISO 14001 (Environmental Management certification). Please also see our Carbon and Energy Report.

Acting fairly between members

Family Action is committed to ensuring all colleagues are treated fairly. To help achieve this we have appointed an Equality, Diversity and Inclusion Manager, have set in train an ambitious programme of EDI development work, have an active approach to staff wellbeing and maintain very positive relationships with our recognised trade unions. Family Action's status as an employer of choice was reflected in our high rating within the Top100 Best Not for Profits and Best Large Companies Lists 2021 as described above. These placings also recognised our world-class levels of employee engagement.

Appointment of Auditors

A resolution proposing the appointment of our auditors will be submitted at our AGM in 2021.

Our Thanks

Without doubt, 2020/2021 has been one of Family Action's most challenging years ever. Despite that, we have continued to deliver all services while introducing many new ones. Trustees recognise the exceptional leadership of Family Action's Chief Executive, David Holmes CBE, and the huge contribution of the Executive Group, Senior Leadership Group and all our excellent staff, volunteers and supporters. I would like to thank them all. I am proud that Family Action is celebrating its 152nd year with more services than ever before and I am confident that the charity will continue to go from strength to strength.

In approving this Trustees' Report, the Board is also approving the Strategic Report included herein in their capacity as Company Directors.

On behalf of the Board.

maryefulton

Mary Fulton
Chair of Trustees
30th September 2021

Family Action Trustees, Officers and Advisers

Patron
HRH The Duchess of Cambridge

Vice Patrons
Christine Davies CBE
Dr Andrew McCulloch
Dame Denise Platt DBE
Katie Vanneck-Smith
Professor Harriet Ward CBE

Trustees and Officers

Officials
Mary Fulton *** (Chair)
Paul Hayes (Vice Chair)
Siobhan Boylan (Honorary Treasurer)

Members
Aida Cable
Sophy Doyle*****
Robert Tapsfield*
George Dunnett
Phillip Bowkley
Dez Holmes
Philippe Broadhead****
Ian Hargrave **
Janet Kolind (resigned July 2021)
Barin Brian Roy (from 3 December 2020)
Ayodele Arogundade (from 11 February 2021)
Melanie Williams Browne (from 11 February 2021)

Chief Executive and Company Secretary
David Holmes CBE

Director of Finance
Funke Fatunla

General Counsel and Director of Systems
Ricardo Gomes Da Silva

Director of Services & Innovation
Helen Cantrell

Director of Development & External Affairs
Anja Bailey

***** Chair of Remuneration Committee
**** Chair of Investment Committee
*** Chair of Governance Committee
** Chair of Audit Committee
* Chair of Quality & Performance Committee

Family Action
Registered Office
34 Wharf Road
London N1 7GR
Tel: 020 7254 6251
E-mail: info@family-action.org.uk
Web: www.family-action.org.uk

Family Action is governed by its Articles of Association. It is a registered Charity (No 264713) and Company limited by guarantee not having a share capital (No 01068186) in England and Wales. Registered as a Foreign Company (N0 6009F) and Charity (No. 1206) in the Isle of Man.

Principal Advisers to Family Action

Bank
Coutts & Co
Commercial Banking
440 Strand
London
WC2R 0QS

Independent Auditor
Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Investment Advisor
Brewin Dolphin Ltd
12 Smithfield Street,
London EC1A 9LA

Lawyers
Foot Anstey LLP
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth, PL4 0BN

Stone King LLP
Boundary House
91 Charterhouse Street
London, EC1M 6HR

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAMILY ACTION

Opinion
We have audited the financial statements of Family Action for the year ended 31 March 2021, which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of the charitable company's net movement in funds, 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.

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

Conclusions relating to going concern
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 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 (which incorporates the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of Trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement**,** 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, corporation tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted that significantly impact on the result for the year, posting in areas subject to significant judgements or estimates, postings in accounts that are considered to be higher risk; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located 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. 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kathryn Burton (Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP, Statutory Auditor

Date: 30th September 2021

10 Queen Street Place
London
EC4R 1AG

FAMILY ACTION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000	Total 2020 £'000
Income and Endowments from:						
Donations and legacies	3	928	2,685	-	3,613	1,296
Investment	4	3	238	-	241	364
Charitable activities	5	847	36,367	-	37,214	35,633
Total		**1,778**	**39,290**	**-**	**41,068**	**37,293**
Expenditure on:						
Raising funds:		457	-	80	537	732
Charitable activities		223	37,353	-	37,576	35,078
Total	6	**680**	**37,353**	**80**	**38,113**	**35,810**
Net income before investments gains/(losses)		1,098	1,937	(80)	2,955	1,483
Gains/(Losses) on investments		-	79	1,603	1,682	(1,072)
Net income before transfers		**1,098**	**2,016**	**1,523**	**4,637**	**411**
Transfers between Funds		867	(867)	-	-	-
Net income before other recognised gains and losses		**1,965**	**1,149**	**1,523**	**4,637**	**411**
Remeasurement on net defined benefit pension liability	9	-	(8,891)	**-**	(8,891)	1,571
Net movements in funds		**1,965**	**(7,742)**	**1,523**	**(4,254)**	**1,982**
Fund balance brought forward at 1 Apri1 2020		**3,933**	**4,186**	**8,990**	**17,109**	**15,127**
Fund balances carried forward At 31 March 2021		**5,898**	**(3,556)**	**10,513**	**12,855**	**17,109**

All amounts relate to continuing activities. Conduit activities are not included above but are set out in **Note 22.**

The attached notes form part of the financial statements.

FAMILY ACTION

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	2021 £'000	2020 £'000
Total income	41,068	37,293
Total expenditure excluding endowment funds charges	(38,033)	(35,735)
Net income before investments gains/(losses)	3,035	1,558
Gains/ (losses) on investments (excluding endowment funds)	79	(75)
Net income for the year	**3,114**	**1,483**

Total income comprises £1,778k (2020: £1,227k) unrestricted funds and £39,290k (2020: £36,066k) restricted funds.

A detailed analysis of expenditure is available in the Statement of Financial Activities and Note 5.

The Summary Income and Expenditure Accounts are derived from the Statement of Financial Activities with movements in endowment funds excluded to comply with Company Law. All income and expenditure are derived from continuing activities.

The Statement of Financial Activities, together with the notes to the accounts, provides full information on the movements during the year on all the funds of the charitable company.

The attached notes form part of the financial statements.

FAMILY ACTION

BALANCE SHEET

AT 31 MARCH 2021 **Company Number: 01068186**

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
FIXED ASSETS					
Tangible assets	10		4,587		6,623
Trust and Investments	11		11,061		9,459
CURRENT ASSETS					
Debtors	13	4,324		5,654	
Cash		9,398		6,999	
		13,722		12,653	
CREDITORS: amounts falling due within one year	14	(2,544)		(3,575)	
NET CURRENT ASSETS			11,178		9,078
TOTAL ASSETS LESS CURRENT LIABILITIES			26,826		25,160
CREDITORS: amounts falling due after one year	15		-		(2,593)
Pension scheme deficit	9		(13,971)		(5,458)
NET ASSETS	20		**12,855**		**17,109**
FUNDS					
Unrestricted funds:					
General funds	16		4,213		2,378
Designated reserve	16		1,685		1,555
			5,898		3,933
Restricted funds					
Income funds – including revaluation reserve of (£136k) (2020: (£42k))	17		10,415		9,644
Pension Reserves	9		(13,971)		(5,458)
Endowment Funds - including revaluation reserve of £1,009k (2020: (£799k))	18		10,513		8,990
			12,855		**17,109**

The Financial Statements on pages 24 to 52 were approved and authorised for issue by the Board of Trustees, and signed on its behalf on 30th September 2021 by:

maryefulton

Mary Fulton
Chairman of Trustee Board

Siobhan Boylan
Honorary Treasurer

The attached notes form part of the financial statements.

FAMILY ACTION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	£'000	2021 £'000	£'000	2020 £'000
Net cash provided by operating activities		3,052		108
Cash flow from investing activities:				
Dividends and interest received	241		364	
Purchase of tangible assets	(41)		(712)	
Proceeds from sale of property	1,817		-	
Proceeds from sale of investments	1,299		8,904	
Purchase of investments	(2,098)		(7,700)	
Net movement in cash held not yet invested	786		(1,204)	
Net cash used in investing activities		2,004		(348)
Cash flow from financing activities:				
Repayments of borrowing	(2,657)		(63)	
Net cash (used in) financing activities		(2,657)		(63)
Change in cash and cash equivalents in the year		**2,399**		**(303)**
Cash and cash equivalents at the beginning of the year		6,999		7,302
Cash and cash equivalents at the end of the year		**9,398**		**6,999**

FAMILY ACTION

NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net income for the year before investment gains/ (losses)	**2,955**	**1,483**
Depreciation	177	163
Loss on disposal of assets	-	122
Decrease in debtors	1,329	(860)
Decrease in creditors	(1,031)	(224)
Decrease in pension scheme deficit, net of gains/losses	(133)	(287)
Net investment income	(241)	(364)
Investment manager fees	80	75
Loss on sale of property	(84)	-
Net cash provided by operating activities	**3,052**	**108**

ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £'000	2020 £'000
Cash in hand	9,398	6,999
	9,398	6,999

ANALYSIS OF CHANGES IN NET FUNDS

	At start of year £'000	Cash flows £'000	Other non-cash changes £'000	At end of year £'000
Cash	6,999	2,399	-	9,398
	6,999	2,399	-	9,398
Loans falling due within one year	(63)	63	-	-
Loans falling due in more than one year	(2,594)	2,594	-	-
TOTAL	**4,342**	**5,056**	**-**	**9,398**

1. ACCOUNTING POLICIES

(a) General information

Family Action is a charitable company limited by guarantee incorporated in England and Wales (co. number 01068186) and registered with the Charity Commission (Charity Registration no. 264713). The Charity's registered office address is 34 Wharf Road, London N1 7GR. The members of the company are the Trustees. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

(b) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, which are carried at fair value and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition effective 1 January 2019, applicable accounting standards (FRS 102) and the Companies Act 2006. Family Action is a public benefit entity as set out in section 3 of FRS 102.

(c) Going concern

Following a thorough review of projections, including consideration of the delivery costs of existing contracts, a two year projected cash flow forecast and the impact of the Covid-19 pandemic on the company's operations, the Trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

(d) Entity combinations

Entity combinations are the effect on the accounts of Family Action of changes to the structure of the Charity and the group that may arise from the acquisition of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Family Action applies the requirements of Sections 19 and PBE34.75 – PBE34.86 of FRS 102 and the guidance set out in the Charity SORP.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company. The assets and liabilities of the entity joining the group at the date of combination or being transferred to the parent charitable company are initially recognised in Family Action's accounts at their fair values. After that date, the accounting policies of Family Action are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, the fair value of the net assets and liabilities acquired is recognised as a gain or loss within the Statement of Financial Activities.

(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 the amount can be measured reliably.

Income is deferred when the charity has to fulfil conditions before becoming entitled or where the donor or contracting party has specified the income be expended in a future period.

Grants from government and other agencies amounting to a contract for services are recognised as income as the charity earns the right to the consideration by its delivery of those services. Income received in advance of the provision of a specified service is deferred until the service is delivered.

Legacies are recognised on notification of an impending distribution or on receipt. For the purposes of entitlement this is considered to be the earlier of the date on which with the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from an estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services and facilities are included as 'income from donations and legacies' at their estimated value to the Charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. No amounts are included in the financial statements for services donated by volunteers.

(f) Expenditure

All expenditure is accounted for on the accrual basis and has been classified under headings that aggregate all costs related to the category.

1. ACCOUNTING POLICIES (continued)

Fundraising and publicity costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Direct expenditure on charitable activities includes all costs directly relating to delivering the Charity's principal activities of providing services and financial support to families, individuals and groups within the community.

Support costs are those costs incurred directly in support of the expenditure on the objects of the Charity and governance costs and have been allocated, together with overheads, based on the head count. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements of the Charity.

(g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at purchase cost and any incidental expenses of acquisition or deemed cost less accumulated depreciation and accumulated impairment losses. Amounts financed by unrestricted funds and costing more than £500 are capitalised.

Depreciation is provided on all tangible assets, other than freehold land, to write off the cost, less estimated residual value of each asset over its expected useful life on a straight-line basis. The estimated useful lives are as follows:

Freehold and Leasehold property – 75 years;
Leasehold Property Improvements – 20 years
Leasehold Improvements – term of the Lease
Equipment – 4 years;
Computers – 3 years;
Furniture – 10 years
IT infrastructure – 5 years

(h) Fixed asset investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in unlisted investments and subsidiary undertakings are stated at cost, less provision for diminution in value.

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

(j) Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at the amortised cost using the effective interest method, less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, with subsequent changes in fair value recognised in the SOFA, except investments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the established cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the SOFA.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from third parties are initially recognised at transaction price.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans obtained by the Charity to further its charitable purposes at rates below prevailing market rates are classified as concessionary loans and accounted for in accordance with Section 34 of FRS 102. Such loans are initially recognised and measured at the amount received and subsequently adjusted to reflect any repayments, accrued interest and any subsequent impairment.

1. ACCOUNTING POLICIES (continued)

(k) Employee benefits

The charity provides a range of benefits to employees including paid holiday arrangements and defined benefit and defined contribution pension plans.

Short-term benefits

Short-term benefits, including holidays and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Defined contribution pension plans

The Charity contributes to a Group Personal Pension arrangement administered by Aviva (merged with Friends Life). New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out. The contributions are recognised as an expense when they fall due. The assets of the pension plans are held separately from the Council in independently administered funds.

Defined benefit pension scheme

Family Action operates a defined benefit pension scheme, which closed, to future accruals in May 2012, the assets of which are administered by Trustees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the scheme assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Charity engages an independent actuary to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future periods ("discount rate").

The fair value of the schemes assets are measured in accordance with the FRS 102 fair value hierarchy, and include the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as "re-measurement of net defined benefit pension liability".

The cost of the defined benefit plan is recognised in the SOFA as employee costs and comprises:

- The increase in the pension benefit liability arising from employee service during the year; and
- The cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the scheme assets. The cost is recognised in the SOFA within "expenditure on charitable activities".

Details of the scheme assets and liabilities and major assumptions are shown in Note 9.

(l) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are the unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the Notes to the Financial Statements.

Restricted funds are funds that are used in accordance with the specific instructions imposed by the donors or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the appropriate fund.

(m) Leasing

Rentals in respect of operating leases are charged on a straight line basis over the lease term.

Incentives received to enter into an operating lease are credited to the SOFA, to reduce the lease expense, on a straight-line basis over the period of the lease.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charity's accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key areas subject to judgement and estimation are as follows:

Defined benefit pension scheme
The Charity has obligations to pay pension benefits under a defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. The Trustees, in consultation with the scheme's actuary, agree the key factors and estimates that determine the net pension obligation in the balance sheet on the basis of historical experience and current trends.

3. DONATIONS AND LEGACIES

	2021 £'000	2020 £'000
Individuals	1,190	323
Charitable trusts	951	725
Companies	1,472	248
	3,613	**1,296**

4. INVESTMENT INCOME

	2021 £'000	2020 £'000
Interest receivable	3	17
Dividends receivable from investments	234	337
Investment income from NatWest	4	10
	241	**364**

5. INCOME FROM CHARITABLE ACTIVITIES - 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2021 £'000
Income					
Statutory, Lottery & Trusts Funding	**5a/b/c**	-	32,137	-	32,137
Rent and Fees		95	930	-	1,025
Trusts and Administered Funds		-	2,648	-	2,648
Other Income		752	652	-	1,404
		847	**36,367**	**-**	**37,214**

Included within restricted other income is £101k (2020: £nil) received from CJRS Government grants.

5. INCOME FROM CHARITABLE ACTIVITIES – 2020

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total 2020 £'000	Total 2019 £'000
Income						
Statutory, Lottery & Trusts Funding	**5a/b/c**	-	32,610	-	32,610	23,688
Rent and Fees		144	1,516	-	1,660	1,627
Trusts and Administered Funds		-	26	-	26	8
Other Incoming Resources		764	573	-	1,337	3,168
		908	**34,725**	**-**	**35,633**	**28,491**

5a. LOTTERY FUND, TRUSTS & GRANTS **Movement in Funds**

These funds are part of statutory funding in restricted funds	Project Ref. Number	Balance 31 March 2020*	Incoming Resources	Outgoing Resources	Balance 31 March 2021
		£	**£**	**£**	**£**
Big Lottery Reaching Communities - Friendship Works	10302129	13,054	99,992	(97,516)	15,530
National Lottery Community Fund- Sandwell DVA	10277423	0	4,629	(4,629)	0
National Lottery Community Fund- Southend Families Together	10305962	46,853	67,338	(114,004)	187
National Lottery Community Fund- Medway Perinatal	00103223 73	17,598	167,762	(167,241)	18,119
National Lottery -Sport England	N\A	0	103,270	(103,270)	0
National Lottery Community Fund - Sandwell Helping Hands	00103476 49	4,145	69,672	(69,110)	4,707
National Lottery Community Fund - BAND buddying project	00103520 61	(2,393)	49,857	(47,411)	53
Department of Health & Social Care - Bradford		1,491	83,272	(83,272)	1,491
Department of Health & Social Care - Hackney		55	112,485	(149,983)	(37,443)
Department of Health - Stockton Enhanced Perinatal Project	SW0081		58,728	(50,186)	8,542
		80,803	**817,005**	**(886,622)**	**11,186**
		=======	========	========	======

***** excludes funding that does not require disclosure on the face of the accounts.

5b. STATUTORY FUNDING

Adoption Support Fund	London Borough of Redbridge
Barnsley MBC	London Borough of Tower Hamlets
Birmingham City Council	London Borough of Waltham Forest
Bolton Metropolitan Borough Council	London Borough of Wandsworth
Bradford Metropolitan District Council	Manchester City Council
Bradford Trident	Medway Council
Bristol City Council	National Children's Bureau
Cambridgeshire & Peterborough City Council	NHS Bradford CCG
Central Manchester NHS, Manchester Children's Hospital	NHS City & Hackney CCG
Child & Adult Mental Health Service Alliance	NHS Heywood, Middleton & Rochdale CCG
Children & Family Court Advisory & Support Service (CAFCASS)	NHS Norfolk and Waveney CCG
City and Hackney GP Confederation	NHS North East Hampshire & Farnham CCG
City of Westminster	NHS Wandsworth CCG
City of York Council	NHS West London CCG
Cumbria Council	Norfolk County Council
Department for Education	North Lincolnshire Council
Department of Health & Social Care	North Tyneside Council
Department of Justice (Styal)	Nottinghamshire County Council
Derbyshire County Council	Nottinghamshire NHS Trust
Devon County Council	One Adoption Agency
Durham County Council	One Adoption Beverley
East Leicestershire CCG	One Adoption North & Humber
East Leicestershire & Rutland CCG	One Adoption North East Lincoln
East Riding of Yorkshire Council	One Adoption North Yorkshire
Greater London Authority	One Adoption West Yorkshire
Harrogate and District NHS Foundation	Pennine Care NHS Trust Salford
Havering Health GP Federation	Peterborough City Council
Hull City Council	Rochdale Metropolitan Borough Council
Isle of Man Government	Rotherham Metropolitan Borough Council
Leeds City Council	Royal Borough of Kensington & Chelsea
Leicestershire County Council	Royal Borough of Windsor & Maidenhead
Lincolnshire County Council	Sefton Council
London Borough of Camden	Sheffield County Council
London Borough of Ealing	Solihull Metropolitan Borough Council
London Borough of Hackney	Southend on Sea Borough Council
London Borough of Hammersmith	Staffordshire County Council
London Borough of Harrow	Stockton Borough Council
London Borough of Islington	Walsall Council
London Borough of Lambeth	West Leicestershire CCG
London Borough of Lewisham	Wigan Council
London Borough of Newham	Wiltshire County Council

5c. Income & Expenditure for Isle of Man Government Funding (Family Action registered Charity No 1206):

	2021 £'000	2020 £'000
Turnover	786	780
Expenditure	(684)	(646)
Surplus/(Deficit)	**102**	**134**

6a. ALLEVIATION OF NEED

The Charity made 4,341 (2020: 1,559) grants to individuals and families in the year that totalled £2.9m (2020: £0.3m). The Charity has opted to take the exemption available under Charity Law not to disclose the names of grants recipients in these financial statements.

6b. ANALYSIS OF TOTAL EXPENDITURE - 2021

	Direct Costs £'000	Allocated costs £'000	Support Costs £'000	2021 £'000	2020 £'000
Raising funds					
Fundraising and publicity costs	408	-	129	537	732
Cost of charitable activities					
Operational services	32,341	1,134	1,143	34,618	34,659
Educational grants advice	75	-	4	79	57
Alleviation of need	2,879	-	-	2,879	362
	35,295	1,134	1,147	37,576	35,078
	35,703	**1,134**	**1,276**	**38,113**	**35,810**

6b. ANALYSIS OF TOTAL EXPENDITURE - 2020

	Direct Costs £'000	Allocated costs £'000	Support Costs £'000	2020 £'000	2019 £'000
Raising funds					
Fundraising and publicity costs	594	-	138	732	692
Cost of charitable activities					
Operational services	32,216	1,402	1,041	34,659	27,331
Educational grants advice	27	-	30	57	94
Alleviation of need	362	-	-	362	606
	32,605	1,402	1,071	35,078	28,021
	33,209	**1,402**	**1,209**	**35,810**	**28,713**

6b. ANALYSIS OF TOTAL EXPENDITURE

Support costs include:	**2021 £'000**	**2020 £'000**
Staff Costs	765	683
Office Premises	150	177
Rates	29	39
Cleaning & materials	33	31
Office Equipment	21	16
Telephone	29	26
Depreciation	177	163
Governance	32	31
Others	40	43
	1,276	**1,209**

The above expenditure includes the following charges:

	£'000	**£'000**
Auditor's remuneration – Statutory audit	20	22
Auditor's remuneration – non audit services:		
Taxation advisory services	3	1
Assurance services	11	4
Depreciation	177	163
Interest costs on Bank Loan	108	114
Operating lease rentals:		
- Buildings	440	416
- Other	44	55

7. STAFF COSTS

Staff costs consist of:	**2021 £'000**	**2020 £'000**
Wages and salaries	19,220	17,990
Redundancy	125	257
Social security costs	1,592	1,505
Employer's Pension costs	837	832
	21,774	20,583
Agency costs	337	336
	22,111	**20,920**
The monthly average number of employees was	**890**	**847**

*Annual deficit contribution payment deducted from wages and salaries.
The numbers of employees with emoluments over £60,000 were as follows:

	2021 No	**2020 No**
£60,000 - £70,000	-	1
£70,000 - £80,000	1	1
£80,000 - £90,000	2	2
£90,000 - £100,000	1	-
£150,000- £160,000	-	1
£160,000-£170,000	1	-

The Directors consider the Board of Directors, who are the Trustees, and the Senior Management Team as comprising the key management personnel of the Charity.

The Senior Management Team of the group comprises the Chief Executive Officer, Director of Services & Innovation, General Counsel & Director of Systems, Director of Finance and Director of Development & External Affairs. The total compensation of the Senior Management Team was £582,523 (2020: £555,727).

8. TRUSTEES' REMUNERATION AND EXPENSES

The Charity's Trustees were not paid or received any other benefits from employment with the Charity or its subsidiary in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No Charity Trustee received payment for professional or other services supplied to the Charity (2020: £nil).

9. PENSION COSTS

Pension Arrangements

The group has two pension arrangements, a defined contribution and defined benefits schemes.

The defined contribution scheme is a Group Personal Pension arrangement administered by Friends Life, now Aviva. New members are auto enrolled into the GPP based on eligibility except where employees choose the option to opt out.

The total defined contribution payable and recognised as an expense in the SOFA was £836,494 (2020: £831,366).

The administration of the closed defined benefits scheme changed during the year from Capita Hartshead Limited to Cartwright Group. The scheme closed to future accruals on 31 May 2012 except for payments due under a Recovery Plan agreed with the pension Trustees. There is an obligation to fund the ongoing administration costs of the pension scheme.

The disclosures, set out below, are based on calculations carried out as at 31 March 2021 by a qualified independent Actuary.

The Scheme's assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the Projected Unit Method, which is a method suitable for a scheme that was closed to new entrants. The liabilities set out in this note have been calculated based on the full valuation as at 1 January 2020, updated to 31 March 2021. The results of the calculations and the assumptions adopted are shown below.

The Charity's contributions expected to be made in the year commencing 1 April 2021 are approximately £557k based on the revised schedule of contributions agreed at the 1 January 2020 valuation.

The Trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members of the Trustee Board is determined by the trust documentation. Trustees have received actuarial advice and the overall expected rate of return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period.

Changes in Defined Benefits Obligation:	**2021 £'000**	**2020 £'000**
Benefits obligation, beginning of the year	33,167	34,169
Interest cost	721	827
Actuarial losses arising from changes in demographic assumptions	717	127
Actuarial losses/(gains) arising from changes in financial assumption	5,538	(1,142)
Actuarial losses on experience adjustments	3,206	-
Benefits payments	(808)	(814)
Benefits obligation, end of year	**42,541**	**33,167**

9. PENSION COSTS (continued)

Assumptions used to determine defined benefit obligation at end of year:

	2021	2020
Discount rate	2.00%	2.20%
Rate of retail price inflation (non-pensioner)	3.25%	2.50%
Rate of consumer price inflation (non-pensioner)	n/a	1.60%
Nominal rate of increase in pension payments (pensioners)		
- RPI 5% pa	3.15%	2.50%
- RPI 3% pa	2.55%	2.15%

Post-retirement mortality assumption:	2021	2020
-Base table	100% S3PXA	100% S2PXA
-Projections for future improvements	CMI 2020 projections, with a long term trend rate of 0.5% p.a.	CMI 2019 projections, with a long term trend rate of 0.5% p.a.
Commutation allowance	80% of maximum cash at retirement	85% of maximum cash at retirement
	Years	**Years**
Life expectancy from 65 for a male currently aged 65	21.6	21.1
Life expectancy from 65 for a male currently aged 45	22.0	21.5
Life expectancy from 65 for a female currently aged 65	23.9	23.0
Life expectancy from 65 for a female currently aged 45	24.5	23.7

Changes in Scheme assets are as follows:	**2021 £'000**	**2020 £'000**
Fair value of Scheme assets, beginning of the year	27,709	26,856
Interest Income	606	654
Return on plan assets in excess of interest income	570	556
Employers' Contributions	675	656
Administration Expenses	(182)	(199)
Benefits payments	(808)	(814)
Fair value of Scheme assets, end of year	**28,570**	**27,709**

9. PENSION COSTS (continued)

Scheme Assets Allocation, End of Year	**31 March 2021 £'000**	**31 March 2020 £'000**
Diversified Growth Funds	17,467	14,884
Absolute Return Bonds	1,986	1,879
Liability Driven Investment	6,448	8,290
Property	2,576	2,521
Cash	93	135
Total	**28,570**	**27,709**

Funded Status

The funded status at the end of the year, and the related amounts recognised on the balance sheet, follow:

	31 March 2021 £'000	**31 March 2020 £'000**
Fair value of Scheme assets	28,570	27,709
Present value of funded defined benefit obligation	(42,541)	(33,167)
Deficit recognised in scheme	(13,971)	(5,458)

Components of benefit cost recognised in Income & Expenditure	**31 March 2021 £'000**	**31 March 2020 £'000**
Net interest cost on net defined liability	115	173
Administration Expenses	182	199
Net benefit cost in SOFA before other recognised gains and losses	297	372

	2021 £'000	**2020 £'000**
Actual return on plan assets	**1,176**	**1,210**

Amount recognised in other recognised gains and losses:	**2021 £'000**	**2020 £'000**
Actuarial losses/(gains) arising from changes in demographic assumptions	717	127
Actuarial losses arising from changes in financial assumptions	5,538	(1,142)
Actuarial losses on experience adjustments	3,206	-
Return on plan assets in excess of interest income	(570)	(556)
Loss/(gains) recognised in other recognised gains and losses	**8,891**	**(1,571)**

10 TANGIBLE FIXED ASSETS

.

	Freehold Land and Buildings £'000	Leasehold Property £'000	Leasehold Improvements £'000	IT Infrastructure £'000	Computers Equipment & Furniture £'000	Total £'000
Cost						
At 1 April 2020	1,950	3,900	746	161	114	6,871
Additions	-	-	-	-	41	41
Disposal	(1,950)	-	-	-	-	(1,950)
At 31 March 2021	**-**	**3,900**	**746**	**161**	**155**	**4,962**
Depreciation						
At 1 April 2020	26	52	63	66	41	248
Charge for the year	24	52	42	32	27	177
Disposal	(50)	-	-	-	-	(50)
At 31 March 2021	**-**	**104**	**105**	**98**	**68**	**375**
Net Book Value at 31 March 2021	**-**	**3,796**	**641**	**63**	**87**	**4,587**
Net Book Value at 1 April 2020	**1,924**	**3,848**	**683**	**95**	**73**	**6,623**

11. FIXED ASSETS & INVESTMENTS

All trust fund investments were revalued to the quoted price on 31 March 2021.

The investments of the Endowed Trusts and administered funds are held in a broadly diversified multi-manager portfolio devised and run by Brewin Dolphin.

	2021 **£'000**
Market value at 1 April	9,459
Disposal in year	(1,299)
Acquisitions in year	2,098
Net cash movement in year not yet invested	(866)
Investment management fees	(80)
Net gain/(losses) on revaluation in year	1,749
Market value at 31 March	**11,061**
Historical cost at 31 March	**10,190**

	2021 **£'000**
Splits:	
Listed Investment	10,705
Investment cash	356
	11,061
Investments in Endowed Trusts and Administered Funds-Capital at Valuation	11,061

12. SUBSIDIARY UNDERTAKINGS

Friendship Works:
Friendship Works is a dormant charitable company incorporated in England and Wales (Charity no: 1017460, Company no: 2754587) controlled by Family Action by virtue of being its sole member.

Building A New Direction (BAND):
BAND is a dormant charitable company incorporated in England and Wales (Charity no: 1060822, Company no: 03284504) controlled by Family Action by virtue of being its sole member.

Post Adoption Centre UK (PAC-UK):
PAC-UK is a dormant charitable company incorporated in England and Wales (Charity no: 294998, Company no: 2040322) controlled by Family Action by virtue of being its sole member.

13. DEBTORS

	2021	2020
	£'000	£'000
Amounts invoiced to funders	3,685	4,778
Prepayments and accrued income	458	876
Other Debtors	181	-
	4,324	**5,654**

14. CREDITORS: amounts falling due within one year

	2021	2020
	£'000	£'000
Trade Creditors	961	1,075
Payment received on account for contracts	26	22
Accruals and Deferred Income	271	387
Tax and social security	577	1,082
Other creditors	709	946
Bank Loans	-	63
	2,544	**3,575**

Deferred income represents funding received in advance of the provision of the related services. All deferred income held at the end of the previous financial year has been recognised within the current financial year.

15. CREDITORS: amounts falling due after one year

	2021	2020
Bank loans amounts falling due:	£'000	£'000
- within two to five years	-	261
- over five years	-	2,333
	-	**2,594**

A decision was made by the Board of Family Action to acquire a new property for the Head Office of the Charity. The property was part funded with a mortgage from Charity Bank. The purchase was completed on the 15th of March 2020 at a cost of £3.9m.

Amounts due to Charity Bank are disclosed as bank loans in Notes 14 and 15. The loan is secured by fixed charge over the charity's freehold and long leasehold properties. The loan is repayable by monthly instalment over 25 years. Interest is charged at 2.15% per annum above Bank of England Base rate. The loan was repaid in February 2021.

16. UNRESTRICTED FUNDS AS AT MARCH 2021

	Balance 31 March 2020	Movement in Funds: Incoming Resources	Movement in Funds: Gains and transfers	Movement in Funds: Expenditure	Balance 31 March 2021
	£'000	£'000	£'000	£'000	£'000
General funds	2,378	1,778	551	(494)	4,213
Fixed Assets fund	706		-	(44)	662
Property Improvement fund	150		-	-	150
Service Development Funds	294		75	(44)	325
Staff Contingency	405		241	(98)	548
	3,933	**1,778**	**867**	**(680)**	**5,898**

The general funds represent the free funds of the Charity, which are not designated for any particular purpose. The balance as at 31 March 2021 is: £ 4,213k (2020: £2,378k).

The fixed assets fund represents leasehold improvements of the Charity's offices used for charitable activities. The balance as at 31 March 2021 is £662k (2020: £706k).

Property improvements fund is a designated fund set aside for the purchase of our Head Office. This is for cyclical repairs and maintenance of the Head Office property. The balance as at 31 March 2021 is £150k (2020:£150k).

Service developments fund has been set up to enable the Charity to invest in the development of new service models. This is essential for the future of the Charity and are designated, so excluded from free reserves. The Board approved expenditure for the 150th Anniversary, a balance of £131k was spent in 19/20. The Board also approved a sum of £75k towards Fundraising – individual giving project of which £26k is spent with the balance to be spent in 20/21. The balance as at 31 March 2021 is £325k (2020: £294k).

The staff contingency fund has been set up to enable the Charity to meet its contracted obligations where services experience staff absences due to sickness, redundancy or maternity for which additional funding is not available. The balance as at March 2021 is £548k (2020: £405k).

16. UNRESTRICTED FUNDS AS AT MARCH 2020

	Balance 31 March 2019	Movement in Funds: Incoming Resources	Movement in Funds: Gains and transfers	Movement in Funds: Expenditure	Balance 31 March 2020
	£'000	£'000	£'000	£'000	£'000
General funds	1,960	1,227	(1,649)	840	2,378
Fixed Assets fund	160		963	(417)	706
Property Improvement fund	-	-	150	-	150
Service Development Funds	444		7	(157)	294
Staff Contingency	265		529	(389)	405
Property fund	1,112		-	(1,112)	-
	3,941	**1,227**	**-**	**(1,235)**	**3,933**

17. RESTRICTED FUNDS AS AT March 2021

	Balance 31 March 2020 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2021 £'000
Operational services	8,748	36,404	(867)	(34,826)	9,459
Other restricted funds:					
New Day	-	22	-	(23)	(1)
Other Trust funds	88	2,625	-	(2,619)	94
Nora Henry Trust	15	38	-	(42)	11
Other Trust funds	323	201	-	(221)	303
Edith & W Morgan Mental Health	303	-	51	-	354
Other Trust funds	167	-	28	-	195
	896	2,886	79	(2,905)	956
Restricted income funds	**9,644**	**39,290**	**(788)**	**(37,731)**	**10,415**
Pension scheme reserve	**(5,458)**	**-**	**(8,891)**	**378**	**(13,971)**
Total restricted funds including pension scheme reserve	**4,186**	**39,290**	**(9,679)**	**(37,353)**	**(3,556)**

Restricted funds comprise two main elements:

1. The unexpended income from Operational Services of £9,459k as at 31 March 2021 (2020: £8,748k)
   These restricted funds represent funded projects and services run by Family Action. The balance consists mainly of start-up funding on new projects not yet spent and funding to be carried forward as agreed with individual funders. It also includes an exceptional item of the restricted property fund for Torriano Mews (the former head office of PAC-UK when it was a separate charity).
   A clear agreement for the treatment of the net sale proceeds of Torriano Mews was included in the 2018 merger agreement between PAC-UK and Family Action namely:
   a. repay Family Action for paying off the Lloyds mortgage on Torriano Mews (paid off by Family Action in 2018).
   b. acquire a property to serve as a head office and London service delivery centre for both Family Action and PAC-UK (upfront deposit of £1m paid by the charity to acquire the current head office at 34 Wharf Road in March 2019 in addition to Charity Bank Mortgage of £2.72m)
   Following the sale of Torriano Mews in February 2021, the charity applied the net sale proceeds as per the merger agreement resulting in the transfer of £867k from the restricted operational services to unrestricted funds. There is a balance of £358k carried forward in the restricted operational services to support the continuation and delivery of PAC-UK's therapeutic services.

2. Family Action administers endowed and non-endowed trust funds. It distributes this income in the form of grants to individuals. The unexpended income from the funds is carried forward under its restricted purpose. This amounts to £956k as at March 2021 (of which £549k is held as investment in our portfolio) compared with £896k in 2020 (£470k in 2020 held as investment). Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed.

17. RESTRICTED FUNDS AS AT March 2020

	Balance 31 March 2019 £'000	Movement in Funds: Incoming Resources £'000	Gains/(losses) and transfers £'000	Expenditure £'000	Balance 31 March 2020 £'000
Operational services	7,395	35,694	-	(34,341)	8,748
Other restricted funds:					
New Day	13	-	-	(13)	-
Other Trust funds	77	39	-	(28)	88
Nora Henry Trust	22	55	-	(62)	15
Other Trust funds	386	278	-	(341)	323
Edith & W Morgan Mental Health	340	-	(37)	-	303
Other Trust funds	204	-	(37)	-	167
	1,042	372	(74)	(444)	896
Restricted income funds	**8,437**	**36,066**	**(74)**	**(34,785)**	**9,644**
Pension scheme reserve	**(7,313)**	**-**	**1,570**	**285**	**(5,458)**
Total restricted funds including pension scheme reserve	**1,124**	**36,066**	**1,496**	**(34,500)**	**4,186**

18. ENDOWMENT FUNDS AS AT MARCH 2021

	Charity Reg. Number	Balance 31 March 2020	Movement in Funds Additions	Movement in Funds Expenditure and Unrealised Gains/(losses)	Balance 31 March 2021
Permanent Endowments		**£'000**	**£'000**	**£'000**	**£'000**
Caterham Whyteleafe Trust	272724	657	-	111	768
Eleanor Ponsonby Trust	275060	1,053	-	178	1,231
FWA Greater London Relief in Need Charity	1006487	757	-	128	885
FWA National Relief in Need	231205	729	-	123	852
FWA Relief in Need Charity for the Aged	237118	879	-	149	1,028
FWA Relief in Sickness Charity	264713	330	-	56	386
Women's Holiday Fund	207455	844	-	143	987
Metropolitan Visiting and Relief Association	251586	333	-	57	390
Queen Adelaide Fund	207228	238	-	40	278
Bishop Andrews Charity	205288	110	-	19	129
Other funds (balances < £100,000)		383	-	66	449
		6,312	**-**	**1,070**	**7,382**
Expendable endowments					
Nora Henry Trust	313949	1,547	-	262	1,809
Fenton Trust	247552	558	-	94	652
Lamming Will Trust	216257	175	-	29	204
Alfred de Rothschild Trust	202125	281	-	47	328
Other funds (balances < £100,000)		117	-	21	138
		2,678	**-**	**453**	**3,131**
Total endowment funds		**8,990**	**-**	**1,523**	**10,513**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds as at March 2021 is £11,061k compared with £9,459k in 2020.
The increase in market value, which are unrealised gains, amounts to £1,602k compared with a decrease in value in 2020 of £1,146k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

18. ENDOWMENT FUNDS AS AT MARCH 2020

	Charity Reg.	Balance 31 March	Movement in Funds		Balance 31 March
	Number	2019	Additions	Expenditure and Unrealised Gains/(losses)	2020
Permanent Endowments		£'000	£'000	£'000	£'000
Caterham Whyteleafe Trust	272724	736	-	(79)	657
Eleanor Ponsonby Trust	275060	1,180	-	(127)	1,053
FWA Greater London Relief in Need Charity	1006487	440	-	317	757
FWA National Relief in Need	231205	435	-	294	729
FWA Relief in Need Charity for the Aged	237118	986	-	(107)	879
FWA Relief in Sickness Charity	264713	370	-	(40)	330
Limpsfield Convalescence Fund	208536	161	-	(161)	0
Women's Holiday Fund	207455	946	-	(102)	844
Green Bequest Fund	252152	124	-	(124)	-
Metropolitan Visiting and Relief Association	251586	373	-	(40)	333
Queen Adelaide Fund	207228	267	-	(29)	238
Bishop Andrews Charity	205288	123	-	(13)	110
Cumberland Benevolent Fund	231206	120	-	(120)	0
Other funds (balances < £100,000)		531	-	(149)	383
		6,792	**-**	**(480)**	**6,312**
Expendable endowments					
Nora Henry Trust	313949	1,734	-	(187)	1,547
British War Refugees Fund	251578	192	-	(192)	-
Fenton Trust	247552	626	-	(68)	558
Lamming Will Trust	216257	196	-	(21)	175
Alfred de Rothschild Trust	202025	315	-	(34)	281
Other funds (balances < £100,000)		207	-	(90)	117
		3,270	**-**	**(592)**	**2,678**
Total endowment funds		**10,062**	**-**	**(1,072)**	**8,990**

Family Action manages trust funds with or without endowments. These are permanent and expendable endowment trust funds. The general policy is not to spend the fund's capital even if permitted to do so within the terms of the trust deed. The capital is invested and income is disbursed. The trust deed specifies the purpose for which the income can be used.

The market value of the invested funds as at March 2020 is £9,459k compared with £10,605k in 2019.
The decrease in market value, which are unrealised losses, amounts to £1,146k compared with a decrease in value in 2019 of £59k.

Family Action Trustees have established a grant allocation team to approve the disbursal of grants in line with the terms of the trusts. All unexpended income is held as restricted funds for the purpose specified.

Family Action presents investment management fees on endowment funds separately on the face of the SOFA but as these are linked to the movements in the value of the underlying investments, the costs and unrealised gains and losses reported in the year are combined under one column.

19. POST BALANCE SHEET EVENTS

After the balance sheet date, Family Action entered into a number of business arrangements with organisations as follows:

Portsmouth Abuse & Rape Counselling Service (PARCS)

On the 1st of April 2021, Family Action agreed to take over the ownership, control and management of PARCS Company No (3643599) and Charity No (1079950). The transactions will be accounted for in accordance with acquisition accounting principles.

As the transfer of control obtained by Family Action was for nil consideration, the fair value of the net assets acquired will be recognised as income in the next financial year on the dates the assets and liabilities of the individual businesses were transferred to Family Action.

The book value of the acquired assets and liabilities as at the date of acquisition are summarised as follows:

	Fixed Assets	Current Assets	Current Liabilities	Book value at the date of acquisition
	£'000	£'000	£'000	£'000
Portsmouth Abuse & Rape Counselling Service (PARCS)	327	237	(342)	222
	327	**237**	**(342)**	**222**

A review of the fair value of the acquired assets and liabilities as at the date of acquisition will be undertaken and incorporated in the 2022 Accounts. Included in the above were cash balances of £197k. Also included in current liabilities is a balance of £181k owed to Family Action as a result of Family Action paying off mortgage to Charity bank on 31 March 2021.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 MARCH 2021

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2021				
Are represented by:				
Tangible fixed assets	4,587	-	-	4,587
Investments	-	548	10,513	11,061
Current assets	1,820	11,902	-	13,722
Current liabilities	(509)	(2,035)	-	(2,544)
Pension scheme deficit	-	(13,971)	-	(13,971)
Total net assets	**5,898**	**(3,556)**	**10,513**	**12,855**
Unrealised gains included above:				
Investment assets		(136)	1,007	871
Total unrealised gains at 31 March 2021		(136)	1,007	871

ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 31 MARCH 2020

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 March 2020				
Are represented by:				
Tangible fixed assets	6,623	-	-	6,623
Investments	-	469	8,990	9,459
Current assets	578	12,075	-	12,653
Current liabilities	(3,268)	(307)	-	(3,575)
Long term liabilities	-	(2,593)	-	(2,593)
Pension scheme deficit	-	(5,458)	-	(5,458)
Total net assets	**3,933**	**4,186**	**8,990**	**17,109**
Unrealised gains included above:				
Investment assets		(42)	(799)	(841)
Total unrealised gains at 31 March 2020		(42)	(799)	(841)

21. LEASING COMMITMENTS

At 31 March 2021 the charitable company had future minimum rentals payable under non-cancellable operating leases as detailed below:

	2021 Land and Buildings £'000	2021 Other £'000	2020 Land and Buildings £'000	2020 Other £'000
Minimum lease payments due within:				
- one year	440	44	416	55
- within two to five years	489	55	518	108
- over five years	18	-	54	-
	947	**99**	**988**	**163**

The Charity carefully manages its lease obligations to ensure that the lease terms closely match the length of service contracts and for non-service related properties that appropriate break clauses are in place to safeguard the Charity's resources.

22. CONDUIT FUNDS

Family Action manages and disburses funds on behalf of a number of organisations. These are held in separate bank accounts and subject to Family Action's internal controls and procedures to ensure that these assets are safeguarded. The value of these funds at 31 March 2021 is stated below:

	Balance 31 March 2020 £'000	Incoming Funds £'000	Outgoing Funds £'000	Balance 31 March 2021 £'000
Motor Insurance Bureau	65	-	(19)	46
Deputy and Trustee Services	36	-	(1)	35
CAMHS Alliance Fundholder	1,074	2,410	(2,135)	1,349
	1,175	**2,410**	**(2,155)**	**1,430**

Motor Insurance Bureau: Family Action acts as custodian trustee for minors in respect of awards made by the Motor Insurance Bureau. These funds are paid out to the individual benefactors on reaching the age of maturity.

Deputy and Trustee Services: The Head of Deputy and Trustee Services acts as deputy for people who do not have the capacity to manage their own financial affairs and undertakes the day to day management of their financial affairs in line with guidelines provided by the Office of the Public Guardian. During the year a majority of the clients were moved with orders from the court to firms of solicitors with only the accounts of deceased clients left. These will be resolved by the courts with balance on the accounts paid out accordingly.

CAMHS Alliance Fund Holder: Family Action are the Fund holder for City & Hackney Child and Adolescent Mental Health Service (CAMHS) Alliance. Family Action is responsible for payment of invoices on behalf of the alliance to various service providers commissioned by the NHS City & Hackney CCG.

23. RELATED PARTY TRANSACTIONS

David Holmes, the CEO of Family Action, is the chair of Children England, a membership organisation to which Family Action is a member with £3,750 (2020: £3,000) annual subscription.

In April 2020, Brewin Dolphin completed the acquisition of Epoch Wealth Management, who were the adviser and investment managers for the Family Action investment portfolio. Siobhan Boylan, a trustee (Treasurer) on the Board of Family Action joined Brewin Dolphin as the Finance Director in March 2020. Prior to the acquisition, Siobhan rescinded her membership of the Investment Committee in line with our Governance Policy and Procedure.

Dez Holmes, a trustee of Family Action, is also a member of the key management personnel of The Dartington Hall Trust which run Research in Practise, a membership organisation providing online resources supporting evidence-informed practice with children and families, young people and adults. A valuable professional online resource for all of Family Action staff. During the year, Family Action has an active membership subscription at a cost of £10,370 (2020: £9,750) per annum. This transaction was carried out at an arm's length basis.

Donations made by Trustees totalled £5.6k as at 31 March 2021 (2020: £10k). There are no other related party transactions to report.

24. CONTINGENT ASSET:

Family Action was notified of a potential legacy income. There is no executor as the law firm that drafted the will is no longer in business. We have appointed a lawyer to carry out all necessary due diligence. We are in the process of obtaining a copy of the original registered will and grant of probate. The asset of the potential legacy is a one bed property. We have not been able to establish the Charity's entitlement and quantify the amount for accounting purposes. Thus, we have a contingent asset with a nil value. We have not been able to recognise this asset in the accounts as there is insufficient certainty as to the amount and the charity's right to the income. It does not meet the criteria for income recognition.