

Charity registration number 276899

Company registration number 01396139 (England and Wales)

FAMILIES NEED FATHERS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

FAMILIES NEED FATHERS LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Current trustees

Paul O'Callaghan (Chair)
Emlyn Jones (Vice Chair)
John Baker
Greg Downing
Ian Findlay
Lee Grice
Wayne Martin
Oleg-Serguei Schkoda
Greg Cavadino
Samuel Morfey
Sergio Martinez-Lopez

Charity number 276899

Company number 01396139

Registered office

Unit Pb.501
The Pill Box
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Independent examiner

Katherine Dee FCA
9 Bonhill Street
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FAMILIES NEED FATHERS LIMITED

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FAMILIES NEED FATHERS LIMITED

Introduction from the Chair

FOR THE YEAR ENDED 31 MARCH 2022

Introduction from the Chair

During 2021-22 we saw the end of COVID-19 lockdowns. The effect of the pandemic has continued to massively disrupt post-separation arrangements for children. Delays that were wholly unacceptable prior to the pandemic are now even worse. Cafcass report that in cases involving them children are waiting, on average, approximately two years for courts to finalise arrangements for them. In their Evidence to the House of Lords Children and Families Act 2014 Committee,¹ Cafcass have said that the backlog of children awaiting outcome increased since Covid by about 7,000 adding "we do not have a solution for that". The President of the Family Division, Sir Andrew McFarlane, told the Committee *"the amount of resource that has been put into family justice has gone up by about 25% in terms of sitting days; we measure what judges do by how often they sit. Yet the output of the system, the ability of the system to complete cases, has gone down in that it now takes more hearings per case to get to the end of it."* We are hearing from members and non-members, of applicants to family courts having hearings delayed by well over six months. It is a deeply depressing picture that demands exposure to the glare of media scrutiny – 81,000² children are being harmed by these delays. We continue our call for urgent action to be taken, to support safe and loving non-resident parents to maintain healthy relationships with their children.

For Families Need Fathers (FNF) too, the pandemic has presented challenges. Some of our volunteers have opted to retire from front line services and we thank them for their tireless efforts supporting those forced to make applications to court to see their children. Despite challenges, other branches have begun this year, most significantly in Manchester and others have flourished with online meetings or more recently hybrid meetings. Our Helpline, we are pleased to say, has gone from strength to strength. We currently have 13 Helpline Volunteers and introduced additional training sessions for them to enable them to provide better support to callers. Post year-end we were delighted to learn that Joyce Brown has been shortlisted for the Helpline Partnerships Volunteer of the Year award.

This year we also began to regularly run courses designed to support parents and even grandparents through the trauma of separation and family courts. In the coming year we expect to expand the range of courses and further develop our branch network.

Our external lobbying work has continued. However, with the Government focused on Covid-19 and its internal difficulties, it has been difficult getting the necessary focus from policy makers. That said, we have maintained good stakeholder relationships with key family justice practitioners such as the Judiciary, Cafcass and the Department of Work and Pension (DWP). We have continued to make significant progress in shaping narratives, particularly in relation to Child Maintenance. Our work in this field over the last few years has influential a number of authoritative reports that have agreed with our analysis that not only are many aspects of the way Child Maintenance is worked out fuelling family conflict, but also that the majority of those with payment arrears are themselves in poverty and unable to meet their own cost of living whilst trying to make unaffordable payments.³ We continue to be collaborative with similar organisation with a goal of positive shared parenting.

The Domestic Abuse Bill was passed in April 2021. FNF are clear, domestic abuse must be addressed, but so must false allegations and psychological abuse of children caught-up in family separation. With this in mind, in March 2022 we published our own statement on this. We are also very encouraged by research coming out of Spain⁴ where several regions have implemented Equal Parenting Time laws. The results show a quadrupling of equal parenting time after separation to 40% and, crucially, an almost halving of domestic abuse. We have much to learn and potentially implement from such international examples of best practice and evidence.

¹ Sir Andrew McFarlane, President of the Family Division and Jacky Tiotto, CEO of Cafcass – oral evidence to Children and Families Act 2014 Committee – 27th June 2022.

² MoJ Family Court Statistics Quarterly: April to June 2022 - GOV.UK (www.gov.uk)

³ Public Accounts Committee – Child Maintenance Inquiry Ninth Report – June 2022

National Audit Office (NAO) report into value for money of the Child Maintenance Service (CMS). - March 2022
SSAC Occasional Paper 22: Separated parents and the social security system – 22 October 2019

⁴ Bargaining under Threats: The Effect of Joint Custody Laws on Intimate Partner Violence
IZA - Institute of Labor Economics - Daniel Fernandez-Kranz, Natalia Nollenberger and Jennifer Roff and

The impact of equal parenting time laws on family outcomes and risky behavior by teenagers: Evidence from Spain – March 2022 - Daniel Fernandez-Kranz, Natalia Nollenberger

FAMILIES NEED FATHERS LIMITED

Introduction from the Chair

FOR THE YEAR ENDED 31 MARCH 2022

Finally, once again, I would like to thank our dedicated volunteers, our Members, our donors and our staff for their ongoing commitment and support all of whom provide insight and support ensuring we are able to continue our valuable work.



Paul O'Callaghan - Chair
October 2022

FAMILIES NEED FATHERS LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Families Need Fathers is a charitable company limited by guarantee and not having share capital.

The Trustees are legally responsible for the governance and management of FNF. The Board consists of a maximum of 12 trustees.

Governing Document

The Charity is governed by its Memorandum and Articles and these were the objects during the year under review:

Objectives and activities

1. For the relief of parents and their children and other close family members suffering from the consequences of separation by providing advice, assistance and other support and in so doing, helping parents stay in touch with their children after divorce or separation;
2. To further the emotional development of children whose parents have divorced or separated by encouraging shared parenting arrangements;
3. To conduct study and research into problems concerned with children who are deprived of the presence of a parent in their families, and into the problems concerned with establishing good relations between parents living apart from their children, and to publish the useful results of all such study and research in order to encourage appropriate changes in professional and public opinion;
4. To relieve poor parents by helping to obtain and promoting the provision of legal advice, assistance and other legal services which such persons would be unable to obtain by reason of their lack of means.

FNF promote the sharing of legal advice. We provide support and the benefit of members' extensive experience. However, we are not able to offer legal 'advice' ourselves as we do not employ lawyers.

Additionally, the 2020 AGM agreed to the following FNF Charter:

We work for the well-being of children in separated families to ensure they have meaningful relationships with both parents, wider family and friends.

We do this by:

1. providing and encouraging the provision of guidance, support, education and assistance;
2. campaigning to raise awareness and address the issues and challenges facing separated families;
3. promoting and undertaking research into the issues and challenges facing separated families;
4. emphasising that children need love and care from both parents and their wider families.

Structure of Governance and Management

The National Council consists of up to 12 trustees. It meets approximately half a dozen times a year to discuss Charity business. Decisions are made at these meetings. Trustees are elected at the Annual General Meeting but can be co-opted by the National Council when vacancies occur. Appointments last for three years. Officers are elected at the first trustee meeting after the AGM.

Decisions are made by a majority vote, including trustees who attend via electronic means. The Chair or Vice Chair acting as Chair can use a casting vote in the case of tied voting.

FAMILIES NEED FATHERS LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Working parties and Committees

The National Council appoints trustees and staff to work on individual committees and working groups appropriate to specific tasks, e.g. finance, governance, publications, fundraising. Finance, Risk and Governance Committee The Finance, Risk and Governance Committee meets at least four times a year, ahead of full meetings of the National Council. Its main responsibility is to advise trustees on their duty to ensure all assets of Families Need Fathers are safeguarded and that funds are spent effectively and efficiently in the course of its activities and in line with the charity's objects. It also reviews the governance of the charity, make recommendations to manage risks, improve skills on the board and reviews policies.

Membership, staff and volunteers

Our number of fully paid-up members stands at around 1,528. The number of full time staff by the year end was 2.8, but is just one at the time of writing with recruitment starting.

Families Need Fathers was founded by volunteers and volunteering remains critical to our service delivery, especially in organising local meetings and our national Helpline. Our volunteers make a unique contribution with their peer support and knowledge of the family justice system. We estimate that this year our volunteers continued to contribute over 10,000 hours to our work. We thank our volunteers for their amazing work and continued dedication.

Trustees

The following Trustees served office during the year to 31 March 2022:

Paul O'Callaghan (Chair) (also Company Secretary since 16 September 2020)
Greg Cavadino (appointed 19 February 2022 and took over as Treasurer from Phil Markham))
Emlyn Jones (Vice Chair)
Greg Downing
Ian Findlay
Wayne Martin
Lee Grice
John Baker
Oleg-Serguei Schkoda (appointed 1 July 2021 and re-elected 19 February 2022)
Sergio Martinez (since 19 February 2022)
Sam Morfey (since 19 February 2022)
Alison Bushell (resigned 3 March 2022)
Mairead McKeever (resigned 14 April 2021)
Andrew Crumpton (resigned 16 September 2021)
Jerry Karlin (until 19 February 2022)
Phil Markham (until 19 February 2022)
Paul O'Callaghan took over from Greg Downing as Chair in 21st November 2021

FAMILIES NEED FATHERS LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Risk Management

The charity has a risk management strategy established to protect the charity as far as possible from any risks including financial and reputational.

We have continued to protect FNF's data and IT structures, ensure that the charity is properly covered by appropriate insurance, and to make sure that we comply with all aspects of revised charity and company legislation. The charity has a risk management strategy established to protect the charity as far as possible from any risks including financial and reputational. We have continued to protect FNF's data and IT structures, ensure that the charity is properly covered by appropriate insurance, and to make sure that we comply with all aspects of revised charity and company legislation.

A Risk Register is reviewed at least annually by management and trustees. Risks are prioritised and plans to manage these based the impact these might have on the charity and the likelihood of their occurrence. No system of internal control is ever able to give absolute assurance against material misstatement or loss. However, the following systems are in place to mitigate major risks:

- An annual strategic plan, approved by trustees.
- Quarterly review of financial targets, variance from budgets and non-financial performance indicators by staff and trustees.
- In-depth review of financial performance by the Finance, Risk and Governance sub-committee.
- Identification, and management of risks, reviewed, prioritised and approved by trustees.

The Trustees have reviewed the major risks that the charity is exposed to and systems and procedures are either in place to manage these risks or being developed.

How we Deliver Public Benefit

As detailed in the objectives and principal activities report our services are available to all and as such the charity is believed to have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission.

The loss of legal aid funding for private family cases starting in April 2013 has driven growth of litigants in person (LiPs). Latest figures suggest that numbers of applications to family courts are

increasing and Government plans to encourage mediation have not been effective. The 'professional' McKenzie friend industry remains a significant part of the family justice landscape.

Families Need Fathers continue to be under pressure to provide more and better support to the growing number of LiPs requiring both practical and emotional support.

Over the next few years, we will develop in the following ways to better meet the needs of non-resident parents:

An Inclusive organisation

- We remain supporters of everyone affected by family separation.
- We will increase our reach locally, regionally and nationally both online and through addressing geographic gaps between local meetings.

A Sustainable Organisation

- We will seek ways of developing our membership income.
- We will identify and pursue key funding partners for larger projects.

FAMILIES NEED FATHERS LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

- We will continue to develop our website, technology and systems to improve access to our services and develop better communication with our service users.
- We will retain, develop and support our talented and dedicated volunteers and staff.

A leading organisation

- We will increasingly measure the impact of our services.
- We will work in partnership with other organisations to reach people and increase our impact.
- We will share our knowledge nationally and internationally. We will use our experience and expertise to help other organisations deliver high quality services for people with facing the difficulties of family separation.
- We will promote international best practice in all relevant areas that influence outcomes for children in separated families.

Activities Undertaken During the Year

In response to COVID-19 we urgently prepared and promoted guidance for parents to assist with difficulties as some parents chose to use the pandemic as a pretext for denying their children contact time with a non-resident parent, despite the Government advice being clear on the matter.

We also increased our focus to strengthen our Helpline with additional training and recruitment. By December 2021 the Helpline was supported by 18 volunteers and branches received support in running online meetings. We adapted well in the circumstances, but the pandemic laid bare the fragility of our services network. Branches have started to meet in-person since the end of lockdowns, but we have not yet fully recovered from this to full strength and geographic gaps have widened.

More critically the unprecedented demand on family courts which has proven to be an unsustainable model for the resolution of children's arrangements post separation (private law), which Cafcass now state involves 102,496 children and 149,018 in total (including those in public law proceedings). The strains on litigants in the family justice system are being felt by FNF as more separated parents seek support from us and other agencies. In response to this we developed new content for our website that was re-launched during the year, however, post year-end progress on further development has slowed due to reduced office resource and personal circumstances of key volunteers who were assisting us. Our Surviving Separation course was also trailed last year and has been delivered three times during the year and once since the year end..

During the year and since the year we and our members contributed to a number of important consultations:

Ministry of Justice/Cafcass

- Involvement in the Ministry of Justice review of the Presumption of Parental Involvement (ongoing).
- Ministry of Justice consultation response on court fees.
- Response to Minister of Justice, Dominic Raab's call for suggestions for improving family justice.
- Ministry of Justice consultation on Dispute Resolution in England and Wales.
- Cafcass complaints process.
- Working with the Cafcass Learning and Improvements Board.
- Assisting Cafcass with their Family Forum.
- Major article for The Magistrate magazine identifying key issues for improving family justice.
- Contributed to discussions with the Family Justice Council (post year-end)

FAMILIES NEED FATHERS LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

Parliament

- Contributions to Lord Farmer's consultation to a House of Lords debate on Child Maintenance.
- FNF submitted written and gave oral evidence to the Work and Pensions Committee Inquiry into Child Maintenance and Child Poverty (post year-end).
- Submission to call for evidence by the House of Lords Children and Families Act Committee (post year-end).

DWP

- Increased frequency of meetings with the Child Maintenance Service in light of pandemic related operational difficulties for parents.
- Response to DWP's consultation on Modernising and Improving the CMS Service.
- Provided feedback to DWP's consultation on CMS and Domestic Abuse.
- Responded to DWP consultation on introduction of Curfews for those with Child Maintenance arrears (post year-end).

Other

- Feedback to Nuffield Family Justice Observatory on effect of Covid-19 on family justice.
- Responses to Victims' Commissioner survey of experience of domestic abuse.
- Feedback to the National Audit Office inquiry into the value for money of the Child Maintenance Service
- Feedback to Home Office on Statutory Guidance on Domestic Abuse Act.
- Responses to Domestic Abuse Commissioner's call for evidence.
- Submission to the Public Accounts Committee's call for evidence on CMS.
- Submission to the Archbishops' Commission on Families and Households Call for Evidence. FNF's Central London Branch (CLB) held a successful workshop in May 2022.

We also attended and contributed to many other webinars and discussions related to family justice.

Review of Financial Position

During the year, FNF received income of £161,056 (2020-21 £116,689). FNF's expenditure was £125,634 (2020-21 £99,379). This resulted in a surplus of £35,422 (2020-21 £17,310). Membership income was £50,375 (2020-21 £47,818). Total reserves carried forward are £290,842 of which £252,832 are unrestricted (2020-21 £216,145 were unrestricted).

In the year to 31 March 2022, the charity's regular income contracted by £14,488 to £86,056. However, post-year end we were notified of a legacy estimated to be £75,000 that has not yet been received at the time of writing, but is recognised in these accounts under SORP accounting regulations, resulting in us reporting an overall increase of income of £44,367 to £161,056 (+38%).

In June 2021 we employed a Director of Operations on a fixed-term contract, to assist us in improving the workings of the Charity and service delivery. The position was extended, but has now ceased. As a result we incurred a budgeted loss for the year of £39,578, prior to the legacy.

FAMILIES NEED FATHERS LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2022

The main risk affecting charities like ours continues to be subscriptions and donations, as our local branch meetings have yet to recover from the Covid-19 pandemic. With reserves still high, we are still very well positioned to develop the Charity.

Investment Policy

The charity's funds continued to be held in diversified accounts to reduce any potential impact from the structural risks in the banking sector. Minimum balances were maintained in current accounts whenever this was practical.

Reserves Policy and Funding Sources

The National Council policy is to keep at least six months running costs plus redundancy and exit costs for the charity in reserves and this has been met. This policy was changed in 2020-21, after observing the effects of COVID, to increase the charity's cover. These mainly unrestricted funds are available to invest in furthering the charity's aims and objectives, such as branch support and member help facilities, for example.

Unrestricted reserves stood at £252,832 for use on general charitable activities and £38,010 are restricted, mainly for use in the branches. However, unless substantial further income is secured the charity anticipates deficit budgets for the next two years as this money is invested in resources with the objective of growing both our reach and potential recurring income.

Statement of trustees' responsibilities

The Trustees, who are also the directors of Families Need Fathers Limited for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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


Paul O'Callaghan (Chair)

Trustee

Dated: 9/6/11/2022

FAMILIES NEED FATHERS LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FAMILIES NEED FATHERS LIMITED

I report to the Trustees on my examination of the financial statements of Families Need Fathers Limited (the charity) for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).


Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



Katherine Dee FCA
9 Bonhill Street
London
EC2A 4DJ

Dated: 16/11/22

FAMILIES NEED FATHERS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	2	158,890	-	158,890	97,152
Charitable activities	3	-	2,029	2,029	3,601
Other trading activities	4	117	-	117	657
Investments	5	20	-	20	134
Other income	6	-	-	-	15,145
Total Income		159,027	2,029	161,056	116,689
<u>Expenditure on:</u>					
Raising funds	7	4,143	-	4,143	1,726
<u>Charitable activities</u>					
Media Awareness and Policy	8	40,733	-	40,733	44,166
Public support & assistance	8	78,264	2,494	80,758	53,487
Total charitable expenditure		118,997	2,494	121,491	97,653
Total expenditure		123,140	2,494	125,634	99,379
Net Income/(expenditure) for the year/ Net movement in funds		35,887	(465)	35,422	17,310
Fund balances at 1 April 2021		216,945	38,475	255,420	238,110
Fund balances at 31 March 2022		252,832	38,010	290,842	255,420

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

All income and expenditure derive from continuing activities.

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

FAMILIES NEED FATHERS LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year				
		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	2	97,152	-	97,152
Charitable activities	3	-	3,601	3,601
Other trading activities	4	657	-	657
Investments	5	134	-	134
Other income	6	15,145	-	15,145
Total Income		113,088	3,601	116,689
<u>Expenditure on:</u>				
Raising funds	7	1,726	-	1,726
<u>Charitable activities</u>				
Media Awareness and Policy	8	44,166	-	44,166
Public support & assistance	8	51,602	1,885	53,487
Total charitable expenditure		95,768	1,885	97,653
Total expenditure		97,494	1,885	99,379
Net Income/(expenditure) for the year/ Net movement in funds		15,594	1,716	17,310
Fund balances at 1 April 2020		201,351	36,759	238,110
Fund balances at 31 March 2021		216,945	38,475	255,420

FAMILIES NEED FATHERS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		1,934		-
Investments	14		24		24
			<u>1,958</u>		<u>24</u>
Current assets					
Debtors	15	90,881		20,862	
Cash at bank and in hand		221,301		261,274	
		<u>312,182</u>		<u>282,136</u>	
Creditors: amounts falling due within one year	16	(23,298)		(26,740)	
Net current assets			<u>288,884</u>		<u>255,396</u>
Total assets less current liabilities			<u>290,842</u>		<u>255,420</u>
Income funds					
Restricted funds	21		38,010		38,475
Unrestricted funds			252,832		216,945
			<u>290,842</u>		<u>255,420</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 26/4/2022

Paul O'Callaghan (Chair)
Trustee

Company registration number 01396139

FAMILIES NEED FATHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Families Need Fathers Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit Pb.501, The Pill Box, Coventry Road, London, E2 6GG.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 not to prepare a Statement of Cash Flows.

The charity had two subsidiaries during the year which remain dormant. Accordingly no consolidated accounts have been prepared.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

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

Membership subscriptions are in substance donations and are recognised when received.

FAMILIES NEED FATHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Resources expended

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

Costs of raising funds comprise the costs of collecting donations, including applicable bank charges, operating fundraising and sponsorship events and associated support costs.

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

Costs have been apportioned between the two different activities of the charity where they are separately identifiable. Where costs span more than one charitable activity an estimate is used to apportion the cost incurred.

Those costs incurred in supporting the charitable activities are posted to support costs. Support costs also includes governance costs which are purely those necessary for the charity to meet the administrative requirements of the Charity Commission and other governing documents.

Support costs have been apportioned over charitable 29:71 (2021 44:56) between media awareness & policy: public support & assistance, in line with the estimated usage based on staff time.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	over 3 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

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

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

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

FAMILIES NEED FATHERS LIMITED

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

1 Accounting policies

(Continued)

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

FAMILIES NEED FATHERS LIMITED

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

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	33,515	38,334
Legacies receivable	75,000	1,000
Grant income	-	10,000
Membership fees	50,375	47,818
	<u>158,890</u>	<u>97,152</u>

During the prior year the Charity received £10,000 from the London Borough of Tower Hamlets for Coronavirus support. The Charity has been informed that they have been gifted a legacy during the 2022 financial year. The legacy has been included at an estimated value given by the solicitors administering the estate and had yet to be received as at the date of the approval of these accounts.

3 Charitable activities

	2022	2021
	£	£
Branch income	<u>2,029</u>	<u>3,601</u>

4 Other trading activities

	2022	2021
	£	£
Trading activity income: sale of FNF branded items	<u>117</u>	<u>657</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	<u>20</u>	<u>134</u>

FAMILIES NEED FATHERS LIMITED

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

6 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Refund of historic bank charges	-	15,145

7 Raising funds

	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Transaction charges in receiving donations, grants and legacies	1,321	1,726
Staff costs	2,822	-
Fundraising and publicity	4,143	1,726

Both current and prior year expenditure was from unrestricted funds. No allocation of general support costs is made to fundraising activities due to the low level of staff time incurred in this area.

FAMILIES NEED FATHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	Media Awareness and Policy 2022 £	Public support & assistance 2022 £	Total 2022 £	Media Awareness and Policy 2021 £	Public support & assistance 2021 £	Total 2021 £
Staff costs	24,858	39,928	64,786	28,227	30,532	58,759
Communications	775	1,350	2,125	594	1,015	1,609
Staff/volunteer training	-	533	533	-	1,187	1,187
Branch & affiliate meeting expenditure	-	2,494	2,494	-	1,885	1,885
Policy research costs	222	-	222	250	-	250
	<u>25,855</u>	<u>44,305</u>	<u>70,160</u>	<u>29,071</u>	<u>34,619</u>	<u>63,690</u>
Share of support costs (see note 10)	13,623	33,377	47,000	13,528	16,910	30,438
Share of governance costs (see note 10)	1,255	3,076	4,331	1,567	1,958	3,525
	<u>40,733</u>	<u>80,758</u>	<u>121,491</u>	<u>44,166</u>	<u>53,487</u>	<u>97,653</u>
Analysis by fund						
Unrestricted funds	40,733	78,264	118,997	44,166	51,602	95,768
Restricted funds	-	2,494	2,494	-	1,885	1,885
	<u>40,733</u>	<u>80,758</u>	<u>121,491</u>	<u>44,166</u>	<u>53,487</u>	<u>97,653</u>

9 Description of charitable activities

Media Awareness and Policy
Campaigning and influencing policy.

Public support & assistance
Public support & assistance via publications, website, helpline and meetings including branch activities.

FAMILIES NEED FATHERS LIMITED

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

10 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Staff costs	17,737	-	17,737	6,528
Depreciation	967	-	967	-
Bank charges	94	-	94	95
Computer expenses	3,706	-	3,706	3,602
Insurance	3,398	-	3,398	3,146
Office rent, rates and utilities	15,418	-	15,418	13,223
Printing, postage and stationery	63	-	63	(179)
Temporary staff costs	2,133	-	2,133	1,386
Travel and subsistence	10	-	10	9
Sundry expenses	1,523	-	1,523	727
Telephone & fax	1,951	-	1,951	1,901
Accounting	-	2,400	2,400	2,400
Legal fees	-	1,144	1,144	1,125
Trustee travel and training	-	787	787	-
	<u>47,000</u>	<u>4,331</u>	<u>51,331</u>	<u>33,963</u>
Analysed between				
Charitable activities	<u>47,000</u>	<u>4,331</u>	<u>51,331</u>	<u>33,963</u>

The charity pays for trustees insurance as part of the general office and commercial insurance. No estimate of the separate cost has been included in these accounts.

Governance costs includes payments to the independent examiners of £2,400 (2021- £2,400) for accounts preparation and examination fees. All amounts include VAT.

11 Trustees

One trustee was reimbursed travel, subsistence and accommodation expenses during the year at a cost of £81 (2021- none).

FAMILIES NEED FATHERS LIMITED

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

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total full or part time employees	3	2

Employment costs

	2022 £	2021 £
Wages and salaries	78,028	60,182
Social security costs	3,667	2,104
Pension costs	3,650	3,001
	85,345	65,287

There were no employees whose annual remuneration was £60,000 or more. Social security cost is stated after the deduction of the Employment Allowance.

13 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2021	15,483
Additions	2,901
Disposals	(1,950)
At 31 March 2022	16,434
Depreciation and Impairment	
At 1 April 2021	15,483
Depreciation charged in the year	967
Eliminated in respect of disposals	(1,950)
At 31 March 2022	14,500
Carrying amount	
At 31 March 2022	1,934
At 31 March 2021	-

FAMILIES NEED FATHERS LIMITED

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

14 Fixed asset investments

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries		24	24

Both the subsidiaries are dormant and have never traded. Accordingly, no consolidated accounts are prepared.

15 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Gift Aid due	6,562	11,222
Legacy pending	75,000	-
Other debtors	6,351	6,839
Prepayments and accrued income	2,968	2,801
	90,881	20,862

16 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,168	2,408
Trade creditors	1,641	3,095
Other creditors	9,760	9,760
Accruals and deferred income	9,729	11,477
	23,298	26,740

17 Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,650 (2021 - £3,001). £7,329 is accrued in respect of current and historic contractual contributions payable on behalf of employees (2021 - £7,415).

18 Operating lease commitments

The office premises are occupied under an occupation agreement with a current passing rent of £1,234 per month. The licence is short-term and is subject to six months' notice. Accordingly, the non-cancellable commitment at the balance sheet date equalled £7,404 (2021 - £7,404).

FAMILIES NEED FATHERS LIMITED

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

19 Related party transactions

There were no disclosable related party transactions during the year (2021- none) further than those described in note 11, and no trustees received remuneration from the charity.

During the 2019 year FNF Both Parents Matter Ltd and Both Parents Matter Ltd were formed with a share capital of £12 each. The shares were held on behalf of the charity by a trustee, J Karlin, until they could be re-registered in the name of the charity. This liability was settled on the 7th May 2021.

Key management personnel - One member of staff provided key management services to the charity during the year with a total cost, including Employers National Insurance and pension contributions of £41,591 (2021- £41,769).

20 Analysis of net assets between funds

	General Fund 2022 £	Restricted funds 2022 £	Total 2022 £	General Fund 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	1,934	-	1,934	-	-	-
Investments	24	-	24	24	-	24
Current assets/(liabilities)	250,409	38,475	288,884	216,921	38,475	255,396
	<u>252,367</u>	<u>38,475</u>	<u>290,842</u>	<u>216,945</u>	<u>38,475</u>	<u>255,420</u>

FAMILIES NEED FATHERS LIMITED

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

21 Restricted funds

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

	Balance at 1 April 2020 £	Movement in funds		Balance at 1 April 2021 £	Movement in funds		Balance at 31 March 2022 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
Sir James Rickett	2,500	-	-	2,500	-	-	2,500
ST - I Mackay	2,479	-	-	2,479	-	-	2,479
Branch Funds	16,298	2,659	(650)	18,307	1,129	(1,744)	17,692
Central London Branch Funds	15,482	942	(1,235)	15,189	900	(750)	15,339
	<u>36,759</u>	<u>3,601</u>	<u>(1,885)</u>	<u>38,475</u>	<u>2,029</u>	<u>(2,494)</u>	<u>38,010</u>

The restricted funds represent income funds expendable at the discretion of the trustees in furtherance of the charity's pursuits in accordance with the conditions imposed. The purpose of each fund is set out below:

Name of Restricted Fund	Purpose of Fund
Sir James Rickett	To fund volunteer training in the North East.
ST- I Mackay	To support the McKenzie Friend Assistance Scheme.
Branch Funds	Funds held and collected by branches for the delivery of branch services.
Central London Branch Funds	Funds held and collected by the Central London branch for the delivery of branch services and national communication Charity services

FAMILIES NEED FATHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22 Limited by Guarantee

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up each member is liable to contribute to any deficit to a maximum of £10 per member.