



Home-Start UK

Annual report and group financial statements For the year ended 31st March 2022

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Home-Start UK, a company limited by guarantee, company no. 5382181
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Introduction from the Chair

In September 2021, I had the privilege of becoming the Chair of Home-Start UK. In a year dominated again by a global pandemic, I am delighted to be able to celebrate the achievements of Home-Start UK for families and our Home-Start network.

Since my early career working with young children and their families, I have been very clear about the importance of a supportive family environment to give children the best start in life and lay the foundations for their future development. It has been a pleasure to join Home-Start and learn more of the distinctive relational, compassionate support that our Home-Start network provides for thousands of families each year across the UK.

I was delighted this year to launch Together with Families – a Strategic Framework for our Home-Start network that has been developed in consultation with families, volunteers, funders and our local Home-Starts. It sets out an ambitious vision for our next five years to double the number of families and volunteers we work with. We know this will be a challenge, but there are too many parents and children across the UK not getting the support we know can make a difference, and so it feels imperative that as a federation we strive together to meet this ambition. I was particularly pleased that the strategy acknowledges that as a charity and federation we need to drive further action on diversity in order to ensure that we are fully inclusive and accessible to all across our community activity.

This annual report highlights so many successes – including our continued partnerships with John-Lewis Partnership and White Stuff and our new partnership with the BT Group. The funding we have secured this year across the UK from trusts and foundations, statutory partners and corporate relationships, has been used to great effect to support the sustainability of the Home-Start network.

But above all, I am most proud of the strides we have made this year to enable even greater impact for the families we support across our Home-Start work. We developed and have now launched a new Home-Start Agreement and Home-Start handbook underpinning the relationships across our federation of local Home-Starts to achieve great impact for families. We have refreshed so much work on governance, sustainability, volunteer support and quality in our work support local Home-Starts.

As a federation of local charities across the UK, we are particularly concerned at the impact of the cost of living crisis we face. Families, already so fragile after an extended period of pandemic, uncertainty and preceding austerity, are now facing inflation, rising bills and huge pressures. These same pressures will hugely challenge local charities and communities' ability to respond - as the funding landscape gets harder and the time and resources of volunteers and supporters is under pressure. We will remain hopeful that the community spirit and passion so abundant during the pandemic, will be our source of response as we stand alongside families in these difficult times. My thanks and gratitude go to all the volunteers, staff, funders and families that make our work possible.

Lin Hinnigan
Chair of Trustees

Introduction

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2022. Reference and administrative information set out on pages 9-10 forms part of the report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

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

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

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

Our story

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

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

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

Why we do it

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

How we do it

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

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

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

Trustees' annual report

For the year ended 31st March 2022

Our strategy

In April 2021, we began a process of developing a new five-year vision with the Home-Start federation. In May 2022, we launched [Together with Families](#), the Home-Start Strategic Framework for 2022-2027. Together With Families helps align our work for families as a network, ensuring Home-Start UK's priorities are shaped by a shared vision; and alongside this offers the autonomy local Home-Starts require to adapt their plans to the strengths, needs and contexts of their communities.

Our conversations with Home-Starts, partners, families and volunteers all confirmed that Home-Start support makes a difference. Our research found nine out of ten parents believing that Home-Start made a positive difference to their family and eight out of ten parents said they felt more comfortable getting support from a volunteer than a professional. So, our collective ambition as a federation is to ensure our relational, compassionate support is available to more families and in more communities at the earliest moments of needing support.

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

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

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

- Work directly with 50,000 families each year through home visiting and group work (currently 26,000).
- Be powered by 20,000 active volunteers underpinning our Home-Start movement across the UK (currently 10,000).
- Achieve greater diversity across Home-Start volunteers, trustees, staff and leadership, and in access to our support from under-represented groups (with work in 2022/23 to establish baselines and set measurable outcomes).
- Work with our network to develop new models of partnership, delivery and services with the potential to radically scale our reach and accessibility for 200,000 families.

We know that it continues to be a tough environment for families. The cost of living crisis is escalating and families are still affected by the long-term impact of the pandemic. This will make it difficult for many local charities to survive. A central part of Home-Start UK's work will be to ensure that every Home-Start is supported and equipped to thrive in their communities so that they can be there for families in the challenging years ahead.

Our previous three-year strategy came to an end in 2019-20. For this report, and the financial statements prepared for 2021-22, we report our activities under our new strategic commitments, and 2020-21 accounts have been re-stated alongside for comparison. We align our work and expenditure against three of our four commitments (Growth, Impact & Voice) weaving our intersecting work on equity and diversity (Inclusion) within each of these.

In 2021-22, we are proud of the following achievements:

GROWTH

- With funding from the Pears Foundation and the Department for Digital, Culture, Media and Sport for a Volunteering Futures Fund, and funding from Amazon for volunteer recruitment, we have developed an e-learning platform for volunteers and a hybrid approach to the Volunteer Course of Preparation so we can do more to support increases in volunteer recruitment and retention.
- In July 2021, BT announced Home-Start as its new UK Charity Partner. Since then this exciting new partnership has seen Home-Start and BT working together on a range of employee fundraising and volunteering initiatives under the banner of 'Play your part for Home-Start'. In 2022, Home-Start UK and BT will also be supporting families worst hit by the cost of living crisis by offering 2,500 households free devices and free connectivity, with an in kind donation of £1.3m to those most in need. This ambitious new aspect of our partnership will help meet the costs of digital data and kit for families currently excluded from digital access, and build digital confidence and skills.
- Our Build Back Better Programme funded by Brook Trust, awarded 25 grants to local Home-Starts so they could commission experienced external associates to help them address challenges around sustainability, governance, growth and strategic planning. In January 2022, we were delighted to welcome Home-Start Jersey as a new local Home-Start. Home-Start Carrickfergus expanded and renamed as Home-Start East Antrim.
- In Scotland, we were invited to work directly with the Scottish Government on the delivery group of the Promise and received funding of an initial £50,000 for a development role to support local activity across the network in Scotland. A further £99,412 was granted towards the end of 2021-22 for *A Good Childhood* extending this work to support necessary shifts that will help children and young people grow up loved, safe and respected.
- With support from the Charles Gordon Foundation, White Stuff Foundation and the Rayne Foundation (Mental Health Work Inside Lives), we have been able to invest in a number of new roles to extend perinatal and mental health support across the network. Meanwhile a successful pilot project 'Connecting from the Start' funded by the Kristian Gerhard Jebsen Foundation provided trained volunteers to support 84 families across six London sites. During the year, we also secured a further grant of £164,000 to extend this training to volunteers nationally as we built our capacity to provide direct support for new parents at risk of developing mental health issues.
- Fidelity UK Foundation awarded a grant of £148,000 during the year towards our business intelligence project, which will assist growth on our digital transformation journey as we build our business intelligence capabilities. We implemented a new cloud based HR & Payroll system. The system will create significant efficiencies when rolled out in April 2022, plus future opportunities to digitise learning and development, objective setting and performance management processes.

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

- Pears Foundation built on their previous support with a grant of a further £125,000 to improve the resilience and sustainability of the network. Overall, this allowed us to provide 75 grants to local Home-Starts in England and 24 grants in Wales, Scotland and Northern Ireland to support their pandemic recovery.
- We launched a Recovery and Resilience programme to support the network, investing in fixed term roles to support local Home-Starts and engaging with our network through a series of events with chairs, trustees, staff and volunteers. This work included over 60 webinars on practice development, learning and guidance attended by over 1,100 staff and trustees. We expanded our network team with staff based in all four nations to support quality, governance, financial stability, and local practice. We were proud to secure renewed accreditation of the ISO9001 quality mark.
- Our *Healthy Happy Homes* programme with the John Lewis Partnership gave Home-Start volunteers access to new online resources to help them support parents in laying the foundations for a healthy, happy family life. The new on-line training is based on insights from volunteers across the country around three key areas that families often struggle with – sleep, healthy eating and finance. The Healthy Happy Home programme will provide a real boost to family wellbeing and help parents with the everyday challenges that all families face.
- We also worked with the John Lewis Partnership and our network to increase support for families through the *Super Charged Communities* programme that built grass-roots activities and sustainable projects in 10 local communities across 29 local Home-Starts. Overall, 1,100 children and 750 families have so far benefitted from these activities, and we have recruited 100 new local volunteers. The most popular activities have been pram walk and talks, family yoga sessions and employability sessions. Practical support has include donations of bedding, clothing, toys, books and games to families.
- 28 local Home-Starts participated in our *Big Hopes Big Future* school readiness programme, which is funded by the Masonic Charitable Foundation. Big Hopes Big Future trains Home-Start's volunteers to use original, specially produced materials for working directly with the young children in the families they are supporting. They help develop reading, writing, numeracy, and understanding of the routines of the school day.
- Dulverton Trust supported Home-Start UK's early years projects and services, strengthening how early years needs are integrated across our programmes and platforms and ensuring a coordinated approach throughout Home-Start UK.
- The Army Central Fund awarded a small grants scheme for local Home-Starts working with armed forces families which was distributed to 11 local Home-Starts who received grants ranging from £500 to £10,000.

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

- In 2021, we commissioned the social enterprise consultancy ChangeOut to support Home-Start UK's work on equality, diversity and inclusion. ChangeOut conducted desk research, held 14 key stakeholder interviews and two focus groups (one of network volunteers and one of staff/trustees). Their recommendations have led to commitments including:
 - Placing equality, diversity and inclusion at the heart of our strategic framework.
 - Develop an Action Plan focused on building a stronger profile and voice to challenge inequality, using data to build understanding and action, becoming a more inclusive employer and improving accessibility through our recruitment processes, enhancing the representativeness of our Boards and instilling greater cultural confidence within Home-Start UK and the wider network.
- In March 2022, we secured re-accreditation Investors in People. This externally recognised quality marks helps demonstrate our commitment to being an inclusive and supportive employer.
- Our Home-Start intranet, @Home, won 'Best Stakeholder' in the global Interact Excellence Awards 2021. This award was in recognition of our work to drive inclusive and accessible engagement across our federation through our intranet, including weekly video updates from our CEO to keep our network connected on news from Home-Start UK and the senior leadership team.
- Volant Charitable Trust generously supported 19 Home-Starts with their work to help families facing loneliness and isolation. A further £150,000, awarded toward the end of 2021-22, will be used to further support this local work. We were also able to invest in local work to combat loneliness and isolation with a Scottish Government grant of £150,000 that we distributed across 27 local Home-Starts in Scotland. A grant of £30,000 from The Pilgrim Trust to 18 local Home-Starts in England also helped young parents to overcome loneliness and isolation.
- We secured a £150,000 grant from the STV Children's Appeal to target our support to families and children affected by poverty in Scotland and worked with Russell & Bromley to distribute over 40,000 pairs of shoes (with a value of over £1.4m) to low income families through our network of local Home-Starts. In April 2022, this won a *Third Sector Business Charity Award*.
- The COVID-19 pandemic was a crisis like no other for families and we sought to illustrate the unequal impact on families. Families with particular pressures such as poor mental health, illness and low wages were hit hardest by the crisis. Home-Starts across the country moved fast to provide support for these and other families affected. During the pandemic 94% of Home-Starts delivered telephone support to parents, 68% delivered groceries to families and 60% worked in partnership with Local Authority Children's Services to support families at risk. Our Covid Year report looked back at this work and marked the impact our staff volunteers had made in a year when families needed us more than never.

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

- We published Home is Where we Start From report in June 2021. 1,200 families supported by Home-Start illustrated the devastating impact of lockdown and feelings of isolation, anxiety about child development and concern about finances.
- Home-Start UK worked with the Parent-Infant Foundation and Best Beginnings, to produce “No one wants to see my baby” in November 2021. It evidenced how parents were still struggling to access essential services through pregnancy and beyond, with problems accessing face-to-face medical care, reduced access to health visitors and a lack of community groups. The story was covered by 1,700 key national, regional and local media titles reaching an audience of 1.4m. MPs cited the report during a House of Commons debate on Giving Children the Best Start in Life.
- Popular prime-time ITV show, The Masked Singer, chose Home-Start UK as one of its three charity partners. We launched our #BehindTheMask social media campaign on Boxing Day 2021 to break down the myths of a picture-perfect family life. The campaign saw 50,000 shares and likes, coverage in 7 national and 32 local media outlets and over 1,000 new followers and was shortlisted in the Third Sector Business Charity Awards.
- We released a set of short ‘Tips for parents’ films. The six films gave insights into everyday issues, providing simple tips on common challenges such as coping with your baby crying, and ways to bond with your unborn baby. Funded by Rescue Remedy and designed to be easily shareable, the films have received great feedback from local Home-Starts, who have shared them extensively.
- We supported various policy and campaigns during the year, including:-
 - The #SummerOfPlay campaign led by Save the Children UK to give children the space, time and freedom to play this summer as the Covid-19 restrictions eased.
 - A letter to Matt Hancock, then Secretary of State for Health, to put children at the heart of the Health and Care Bill.
 - A joint letter across Home-Starts in Northern Ireland to the Minister for Health asking for infant mental health to be prioritised in the NI Mental Health Strategy.
 - Welcoming the first 10 Maternal Mental Health hubs across England.
 - The #KeepTheLifeline campaign coordinated by Save the Children to end the cut to the £20 uplift in Universal Credit.
- In June 2021, over 300 staff and volunteers joined a thank you event in Volunteers Week to celebrate our volunteers and their impact for families. Other Volunteers’ Week activity included twitter parties, a volunteer voices day and virtual meet-ups.
- Home-Start’s family and volunteer voices contributed to the Independent Review of Children’s Social Care, aimed to improve life for children and families. We chaired a group on the “Early Years Recovery” that sets out the sector’s collective concerns about the impact of Covid-19 on children under 5 and their families.
- For 12 days in December, the BT Tower was lit up with messages of thanks to Home-Start volunteers who helped families during the pandemic. In a Big Christmas Give campaign, BT staff from the digital network collected 25,000 gifts for families, which they distributed to over 60 local

Home-Starts. The campaign was shortlisted in the Employee Engagement category of the Third Sector Business Awards.

Our plans for the future

Our business plan for the first year of our new Strategic Framework will mainly comprise of delivering our existing/funded projects alongside putting the building blocks in place to move forward with our new strategy from 2023 onwards. In 2022-23 this will include:-

Growth:

- Supporting our network to recruit and train more volunteers.
- Build our funding and strategic partnerships.
- Designing and testing of new models to extend our services and reach more families.

Voice:

- Building our brand and supporter engagement work as we approach our 50th anniversary year.
- Influencing policy across the four nations and making the case for investment in compassionate support for families.

Impact

- Supporting Home-Starts to evidence quality, improve practice and governance and be financially sustainable.
- Strengthening our approach to the safeguarding and protection of vulnerable groups.
- Developing our impact reporting and use of data.
- Building network relationships and encouraging collective commitment to our shared ambitions.

Inclusion

- Progressing on Home-Start UK's journey towards being more inclusive, antiracist and diverse.
- Use our voice to address inequalities for families.
- Support the network to build diverse and inclusive practice.

Reference and administrative information

Company number	England and Wales: 5382181
Charity number	England and Wales: 1108837, Scotland: SC039172
Registered office and operational address	Arnhem House, Waterloo Way, Leicester, LE1 6LP

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Bushra Ahmed	Appointed 8 th December 2021
Ray Ayivor	Appointed 8 th December 2021
Deborah Bennett	* Retired 22 nd June 2021
Sheena Bolland	
Sophie Castell	Appointed 8 th December 2021
Felicity Clarkson CBE	Chair (Retired 14 th September 2021)
Anna Corry	
Joanna Dennis FCCA	Treasurer (* Retired 28 th September 2022)
Naomi Dickson	Appointed 8 th December 2021
Barbara Firth	
Karen Graham	
Elizabeth Hill-Smith	* Retired 28 th September 2022
Lin Hinnigan	Chair (Appointed 14 th September 2021)
Anne Shevas	* Retired 8 th December 2021
Pearly Siffel	Appointed 8 th December 2021
Philip Sugarman	Vice Chair (*Retired 7 th December 2022)
Matthew Wigginton	Resigned 22 nd June 2021

*Trustees recorded as retired in year when reaching their maximum length of service.

Key Management Personnel	Peter Grigg	Chief Executive
	Vivien Waterfield	Deputy Chief Executive
	Beckie Lang	Director of Network Impact (Appointed 1 March 2021)

Home-Start UK

Trustees' annual report

For the year ended 31st March 2022

Bankers	National Westminster Bank plc 1 Granby Street Leicester LE1 6EJ
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL
Patron	HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO
Founder	Margaret Harrison CBE (1938-2015)
Honorary President	James Sainsbury OBE
Vice President	Alastair Stewart OBE

Activities

Home-Start's beneficiaries are families struggling to cope with the stresses and strains of bringing up children in the face of mental and physical illness, poverty, homelessness, disability and other pressures. Home-Start UK seeks to support these families by providing support to a network of 184 independently run local Home-Starts. As a national federated charity, Home-Start UK provides a range of support for our local Home-Starts. We work closely with the network to support the growth and sustainability of the Home-Start service. We provide information and guidance to enhance the quality of our services and research to improve and influence the development of services for families. We support the smooth running of local Home-Starts, set and measure quality standards and provide training to make sure all our families get the same high standard of service. We also use our website and national presence to connect families and referrers to their local Home-Starts.

Public benefit

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

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 182 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £34.4 million, which together with Home-Start UK's group income of £4.9 million gives the total Home-Start network income of £39.3 million.

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

Governance and management

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

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

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

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

Home-Start UK

Trustees' annual report

For the year ended 31st March 2022

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

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

Related parties and Home-Start Worldwide

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

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2021-22 there were Home-Starts operating in 22 countries and five continents.

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

Financial review

Financial position

The Consolidated Statement of Financial Activities shows net income for the year of £170K including a net gain on investments of £52K. Net incoming resources in unrestricted funds amounted to £423K and net outgoing resources in restricted funds amounted to £253K.

The underlying approach in setting our 2021-22 budgets was to build on growth opportunities provided by a unique financial year in 2020-21. The result of such a strong year in 2020-21 enabled us to increase the depth and capacity of our staff team and grow the strength of our brand recognition whilst acting prudently in relation to the underlying committed cost-base of the organisation.

The budget for 2021-22 based on an income target of £5.4m and an expenditure budget of £5.6m. The income target was stretching given the change in funding arrangements post pandemic. Results for 2021-22 show an income level of £4.9m (against the £5.4m budget) and operating expenditure of £4.9m (against the budget of £5.6m). Whilst levy income was up on the previous year, investment income and voluntary income were lower but the funding environment was very challenging. Consequently, project expenditure was lower. This resulted in a close to breakeven outcome that delivers designated funds to support the roll out of our new strategy during 2022-23.

After two years of rapid growth at Home-Start UK, the budget for 2022-23 is broadly flat with the outcome for 2021-22. Given the cost of living crisis, the wider impacts of the Ukraine war and the aftermath of the pandemic this represents a challenging income target of £5.3m. Our continued good performance and our pipeline leads us to believe this is achievable. Our total expenditure forecast for 2022-23 is set at £5.5m, utilising designated funds to support investment in growth and transformation during the year. An annual review of a three-year rolling budget gives us the opportunity to rebalance investments to respond to any improvements or deterioration in our income and expenditure forecasts.

From a finance and resources perspective, over the three-year period 2022-23 to 2024-25, we aim to achieve

- Greater medium term (3 to 5 years) confidence in our finances.
- A more diverse income portfolio with less dependency on trusts and foundations and corporate partnerships.
- Embedded long-term relationships with core strategic funding partners.
- A modern, agile, high-performing charity with investment in the core infrastructure required to achieve this.

The Group Balance Sheet as at 31 March 2022 shows an increase in net assets to £3,997K (2020-21: £3,827K), of which £1,244K (2020-21: £1,498K) represents restricted funds that must be expended on work specified by the donor. The balance of unrestricted funds of £2,752K (2020-21: £2,329K) is reported net of the liability on the pensions reserve at £43K (2020-21: £192K). The level of the pensions reserve is the net present value of agreed deficit recovery payments until 2025 as required under FRS 102.

Total income in 2021-22

Total income for the group for the year was £4,946K, a decrease on the previous financial year (2020-21: £7,004K) but in 2020-21 we received specific pandemic related funding.

In 2021-22, income of £3,716K (2020-21: £5,008K) directly relates to charitable activities across our network. As detailed in Note 3 in the accounts, income from charitable activities comes from a mixture of government grants, a membership levy charged to local Home-Starts and support from trusts, foundations and corporate partners. 2020-21 was an unprecedented year, support from existing and new supporters have ensured that our local Home-Starts were supported to be there for families during the pandemic. During 2021-22 this support has continued with a focus more towards building back post pandemic and building a sustainable and resilient network.

We received 5% of our total income for the year, £235K, from government funding in England, Scotland and Northern Ireland for our core work in each country. This compares to £244K (3%) of the total income for the year in 2020-21. In addition, we have received a further £300K from government funding in England and Scotland to support our work during and post pandemic supporting our families in a variety of ways (2020-21: £1,060K).

As part of the Agreement between local Home-Starts and Home-Start UK, all local Home-Starts pay a membership levy to Home-Start UK. In return, they are entitled to use our intellectual property and in particular the name Home-Start. Home-Start UK offers support and services to local Home-Starts including provision of resources, information and guidance on family support, safeguarding children, volunteer recruitment, quality assurance, training and management. The nature and range of services varies to meet the needs of the network. In 2021-22, £696K in contributions (2020-21: £593K), was received from local Home-Starts providing 14% (2020-21: 8%) of Home-Start UK's total income, a huge achievement for local Home-Start following the pandemic. The levy is 2% of 90% of a local Home-Start's income from their previous financial year. During 2021-22, the levy was capped at £10,000 for individual local Home-Starts (2020-21: £10,000).

Income from donations in the year totalled £1,125K representing 23% of our total income, a similar percentage to the previous year (2020-21: £1,850K – 26%). Donations come from corporate partners, charity challenges, individual givers and charitable trusts for our work across the UK. The incredible increase in donations, trusts and foundations and corporate partners in 2020-21 was due to the generosity of individual supporters through our Covid appeal during the first lockdown of the pandemic. This

generosity has continued into 2021-22 with support during further lockdowns and then to support local Home-Starts to rebuild post pandemic.

Total expenditure in 2021-22

Total operating expenditure was £4,922K (2020-21: £5,218K). 93% of this expenditure (2020-21: 94%) was applied directly to Home-Start UK's charitable activities. Expenditure is reported under our new strategic work streams and 2020-21 figures have been re-stated. A noticeable decrease in spend under 'Standing alongside families' was due to the decrease on the previous year in onward grant funding to local Home-Starts post the additional pandemic funding in 2020-21. In 2021-22, grants to local Home-Start totalled £1,735K (2020-21:£2,949K). The majority of the onward grants in 2020-21 was for crisis pandemic funding. Funding continued into 2021-22 but not at the same high level and funders re-focused their support towards helping local Home-Starts build back from the pandemic. Note 7 of the accounts outlines the grants made during the year.

One core activity of Home-Start UK is to create and broker funding opportunities for the wider Home-Start network. In this way, local Home-Starts are able to access funding only available nationally allowing local Home-Starts to support more families and develop their services. We target national funding applications to prioritise areas of work that will drive forward delivery of the strategic plan. Our own grant giving enables Home-Start UK to support local Home-Starts in delivering key services and helping them develop as sustainable organisations, thereby supporting our national strategic aims. Grants to local Home-Starts are secured from a range of other grant making organisations and are subject to a due diligence process. They are only committed once a bespoke grant agreement has been signed by the local board of trustees.

Aside from our grant making during the year, our staff and other costs totalled £3,187K (2020-21: £2,270K). Investment in early 2021 in staffing levels, and a resumption of face-to-face contact, drove the increase.

The cost of raising funds in the year represented the remaining 7% (2020-21: 6%) of operating expenditure, a slight increase in the year as a result of continuing relationships with corporate partnerships including BT, The John Lewis Partnership and the White Stuff Foundation.

In addition to operating expenditure, we recognised a decrease of £93K (2020-21: increase £15K) in the Pensions Trust Growth Plan liability in the year. The significant reduction is a result of an updated actuarial valuation carried out in September 2020 (last one was September 2017). It was noted in the financial statements to 31st March 2021 as a post balance sheet event.

Total resources expended therefore amounted to £4,829K (2020-21: £5,233K).

Land and buildings

Our main office space is a leased premises at The Crescent in Leicester. Our current lease on this office space expires in August 2022, following a one year extension from August 2021. A smaller office space and meeting room, also at The Crescent, expired in February 2022, with our storage/distribution space expiring in August 2021.

We intend to continue with a mix of office and remote working and we have secured a city centre rental at Arnhem House in Leicester from August 2022. Budgets proposed for 2022-23 include capital works to complete the design, planning and IT renewal costs.

Investment policy

The Memorandum and Articles of Association give the Trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short and medium term interest bearing accounts with UK banks and building societies. The Trustees consider the rate of interest received on deposit funds satisfactory in the current economic climate. During the year, the number of accounts has remained the same as the previous financial year with deposits spread across a number of separate accounts, to reduce the risk not covered by the FSCS scheme.

We hold reserves principally as cash. Trustees have determined that an estimated £850K is required to meet legal obligations and will be invested in long term liquid funds. Following a tendering process in early 2018, we selected CCLA's COIF Charities Investment Fund and have placed investments on a staged basis since the summer of 2018. CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2021-22, no further funding was added to the Fund. Realised gains of £98K and unrealised losses of £45K during the year resulted in a net gain of £53K as at 31st March 2022. The balance in this Fund is £671K as at 31st March 2022 (2020-21: £618K). As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

During 2021-22, the trustee board agreed that Home-Start UK required external expertise to support a clear investment strategy before any further decisions around selection of any new investment products be selected. Portfolio Review Consultancy Limited have been appointed to conduct a review and recommendations on identifying and assessing options that balance risk and return and support in-house development of a new investment strategy considering ethical investment, inflation protection, restricted funds and long term liabilities such as pensions.

Our funders

Home-Start UK enjoys support from a wide range of funders. We take great care to ensure they receive the maximum value for every penny they give. We would like to thank all the organisations, corporate partners and individuals who have funded Home-Start UK during 2021-22 and we look forward to working with them in future years. We are grateful for their ongoing support, generosity and passion for Home-Start and the families we support together.

These include:

Aberdeen Asset Management
Albie & Sebastian
Amazon
Army Central Fund
Band Trust
Bergman Lehane Trust
Brook Trust
BT
Charles Gordon Foundation
Charles Russell Speechlys Foundation
Corra Foundation (Scotland)
DHSS Family Policy Unit (NI)
Don't buy me flowers
Dulverton Trust

Elizabeth Frankland Moore & Star Foundation
Fidelity UK Foundation
George and Grace Hart Trust Fund
Headley Trust
Institute of our Lady of Mercy
Jazz Pharmaceutical
Jeanne Marie Gunn Trust
John Armitage Charitable Trust
John Lewis Partnership
Kristian Gerhard Jebsen Foundation
Masonic Charitable Foundation
National Lottery Community Fund
Noswad
Ofenheim Charitable Trust
Paragon Trust
Pears Family Charitable Foundation with DCMS
Pilgrim Trust
Rayne Foundation
Rescue Remedy
Scottish Government
Softwire
STV Children's Appeal
Volant Charitable Trust
White Stuff Foundation
XTX Markets

Risk management and internal control

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

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

As is true for most organisations COVID-19 has profoundly affected our ways of working but both Home-Start UK and the network have adapted extremely well both during, and post pandemic. Services moved online and processes re-shaped alongside a return to home-visiting and group work. In this context, the key change to risks for the organisation relates to increasing uncertainties around future income. At Home-Start UK this is somewhat mitigated through strong relationships with funders and growing awareness nationally of the needs of isolated families. Network income is more difficult to predict with significant variations occurring locally. During 2020-21, Home-Start UK successfully brokered over £2m for local

Trustees' annual report

For the year ended 31st March 2022

Home-Starts in grant funding with further support with a package of webinars on bid writing and the funding of fundraising associates to support local Home-Starts with their funding. In 2021-22, a further £400k was awarded for crisis funding, alongside £700k of grants to support the recovery and financial resilience of our local Home-Starts.

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

Risk oversight is delegated as follows:-

Senior Leadership team

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

Finance Sub Committee

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

Impact Sub Committee

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

Remuneration policy

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

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

Trustees' annual report

For the year ended 31st March 2022

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

Reserves policy and going concern

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

Free reserves are held to finance working capital requirements and are defined as unrestricted funds excluding fixed assets and designated funds. The target for free reserves has been set at £1,750K, which equates to 3.8 months of budgeted revenue expenditure. This is based on a calculated consideration of the working capital requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and project expenditure where payment is often received in arrears). It also includes the lease commitments related to the head office in Leicester, which run until 2025. Free reserves are monitored regularly through the monthly management accounts process.

At 31 March 2022, free reserves were £1,464K (2021: £1,417K). This equates to 3.2 months revenue expenditure (2021: 3.2 months). The trustees will continue to monitor reserves levels closely during the coming year.

At the end of 2021-22, five designated funds are in place in order to resource long-term expenditure requirements in identified areas:

- **Fixed Assets Fund** – The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.
- **Strategic Transformation Fund** – This new fund replaced the previous Strategic Delivery Fund and will support progress against a multi-year transformation programme for the Home-Start network. In the context of recovery from Covid-19 this new designated fund will ensure that our strategic progress is not undermined by short-term fluctuations in income levels.
- **Recovery & Resilience Programme** – This new fund will support Home-Start UK to centrally support the Home-Start network to recover and become more resilient post pandemic through continued investment in growth and skilled staff at Home-Start UK. It will ensure that essential activity begun in 2021/22 completes during the coming year.
- **Give a Little Love Fund** – This fund represents unrestricted funds raised through the Give a Little Love campaign with the John Lewis Partnership, which will be used to support the network locally.
- **Digital Transformation** – This new fund has been created to support investment in our shared work with BT, initially focused around digital inclusion.

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

Fundraising regulator

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

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

Home-Start UK maintains a formal complaints procedure. During the year 2021-22, we received no complaints about fundraising carried out either by Home-Start UK or any third party on our behalf. Where we have been notified of a donation that was intended for a local Home-Start having been sent to Home-Start UK in error we have forwarded the amount in question to the relevant local Home-Start in line with the donor's wishes.

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

Protecting our data

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

Equality and diversity policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution and welcome and value difference. We treat everyone with respect and offer equal chances to participate.

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

We do regular surveys to measure our progress and use the results from these to inform future planning and targets. We fully comply with our obligations under the Equality Act 2010.

In 2021 we commissioned ChangeOut to support Home-Start UK's work on Equality, Diversity and Inclusion in late 2020, with the intention of feeding into the new strategy development process in 2021-22. This work was prompted by a renewed societal focus on racial justice, which requires every charity to consider its mission, values and operational delivery; and a desire to inform progress on diversity and inclusion for Home-Start UK and the wider federation as we entered into a shared strategic framework. ChangeOut conducted desk research, held 14 key stakeholder interviews and ran two focus groups with 26 people (one

Trustees' annual report

For the year ended 31st March 2022

group of network volunteers and one group of staff/trustees). Their recommendations highlighted the need to address certain areas:-

- Placing equality, diversity and inclusion at the heart of our strategic framework
- Developing an Action Plan focused on building a stronger profile and voice to challenge inequality, use data to build understanding and action, become a more inclusive employer, enhance the representativeness of our Boards and instil greater cultural confidence of Home-Start UK and the wider network.
- Resourcing this strategic area with greater intent.

Employee information

Home-Start UK is committed to ensuring good communications and consultation with staff on matters of interest to them. We encourage informal consultation via a monthly coffee morning with the chief executive, and we consult staff formally on all matters that affect their interests. Following the pandemic, all staff have been working remotely to ensure their safety and are home-based until the end of 2022. Before our office space at The Crescent in Leicester re-opened to encourage face-to-face contact and meetings where staff feel able to do so, a workplace assessment survey established staff views around hybrid-working post-pandemic. Via Microsoft Teams, staff are encouraged to talk to colleagues, attend a monthly all-staff meeting and regular support is offered through managers with the top priority being welfare. A survey undertaken during the year of staff satisfaction and experiences during the pandemic by an external company, means we can compare our results with other charities as a benchmark. As a result, we have implemented a team development programme.

Personal development and staff wellbeing is part of our appraisal process and during the year a Home-Start Wellbeing Plan has been in place to encourage staff to set aside some time and pause for thought about their own mental health.

In May 2022, we brought all of the Home-Start UK staff team together for three days in Nottinghamshire for an all-staff event combining a mixture of formal and informal time together. Post pandemic, this was the first face-to-face meeting for all staff. Staff were given the opportunity to discuss the new five-year strategic framework, hear volunteer and family stories and update their knowledge on safeguarding.

Statement of responsibilities of the trustees

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

Trustees' annual report

For the year ended 31st March 2022

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 13 (2020-21: 11). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

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

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

The trustees' annual report was approved by the trustees on 28 September 2022 and signed on their behalf by the chair.

Lin Hinnigan
Chair of Trustee

Independent Auditors' Report

To the members of

Home-Start UK

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent Auditors' Report

To the members of

Home-Start UK

Other Information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditors' Report

To the members of

Home-Start UK

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent Auditors' Report

To the members of

Home-Start UK

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

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

Independent Auditors' Report

To the members of

Home-Start UK

charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

14 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

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

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

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations	2	1,019,912	105,240	1,125,152	1,533,818	316,322	1,850,140
Charitable activities							
Standing Alongside Families	3	278,472	860,130	1,138,602	237,259	2,349,931	2,587,190
Standing Together	3	345,352	1,527,474	1,872,826	241,618	1,767,414	2,009,032
Growing our Movement	3	204,235	500,407	704,642	118,630	293,020	411,650
Other trading activities	4	79,946	-	79,946	117,377	4,750	122,127
Investments	5	25,229	-	25,229	23,409	-	23,409
Total income		1,953,146	2,993,251	4,946,397	2,272,111	4,731,437	7,003,548
Expenditure on:							
Raising funds	6	261,183	72,396	333,579	200,743	90,658	291,401
Charitable activities							
Standing Alongside Families	6	629,272	1,392,584	2,021,856	829,044	2,237,352	3,066,396
Standing Together	6	532,364	1,314,854	1,847,218	184,917	1,255,499	1,440,416
Growing our Movement	6	252,351	466,883	719,234	75,029	344,941	419,970
Subtotal of operating expenditure		1,675,170	3,246,717	4,921,887	1,289,733	3,928,450	5,218,183
(Decrease)/increase in pension liability	23	(92,788)	-	(92,788)	14,858	-	14,858
Total expenditure		1,582,382	3,246,717	4,829,099	1,304,591	3,928,450	5,233,041
Net income/(expenditure) before investment gains		370,764	(253,466)	117,298	967,520	802,987	1,770,507
Net gains on investments		52,305	-	52,305	71,355	-	71,355
Net movement in funds	9	423,069	(253,466)	169,603	1,038,875	802,987	1,841,862
Reconciliation of funds:							
Total funds brought forward		2,329,361	1,497,820	3,827,181	1,290,486	694,833	1,985,319
Total funds carried forward		2,752,430	1,244,354	3,996,784	2,329,361	1,497,820	3,827,181

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

As at 31 March 2022

	Note	The Group 2022 £	2021 £	The Charity 2022 £	2021 £
Fixed assets:					
Tangible assets	14	8,306	20,784	8,306	20,784
Listed investments	15a	670,758	618,453	670,758	618,453
Shares in group undertaking	15b	-	-	100	100
		679,064	639,237	679,164	639,337
Current assets:					
Debtors	18	975,447	1,718,303	980,318	1,744,538
Short notice deposits held for investment		1,408,105	1,407,205	1,408,105	1,407,205
Cash at bank and in hand		1,472,008	955,935	1,402,482	828,783
		3,855,560	4,081,443	3,790,905	3,980,526
Liabilities:					
Creditors: amounts falling due within one year	19	(510,625)	(753,817)	(507,042)	(751,767)
Net current assets		3,344,935	3,327,626	3,283,863	3,228,759
Total assets less current liabilities		4,023,999	3,966,863	3,963,027	3,868,096
Creditors: amounts falling due after one year	21	(27,215)	(139,682)	(27,215)	(139,682)
Total net assets		3,996,784	3,827,181	3,935,812	3,728,414
The funds of the charity:					
Restricted income funds	25	1,244,354	1,497,820	1,244,354	1,497,820
Unrestricted income funds:					
Designated funds		1,288,385	912,780	1,288,385	912,780
Pension reserve		(43,475)	(192,266)	(43,475)	(192,266)
Non-charitable subsidiary funds		60,972	98,767	-	-
General funds		1,446,548	1,510,080	1,446,548	1,510,080
Total unrestricted funds		2,752,430	2,329,361	2,691,458	2,230,594
Total funds		3,996,784	3,827,181	3,935,812	3,728,414

Approved by the trustees on 28 September 2022 and signed on their behalf by

Lin Hinnigan
Home-Start UK, Chair of Trustees

Home-Start UK**Consolidated statement of cash flows****For the year ended 31 March 2022**

	Note	£	2022 £	£	2021 £
Cash flows from operating activities					
Net cash provided by operating activities	26		491,744		1,031,031
Cash flows from investing activities:					
Interest from investments		25,229		23,409	
Purchase of investments		-		(200,000)	
Net cash provided by/(used in) investing activities			25,229		(176,591)
Change in cash and cash equivalents in the year			516,973		854,440
Cash and cash equivalents at the beginning of the year			2,363,140		1,508,700
Cash and cash equivalents at the end of the year	27		2,880,113		2,363,140

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is The Crescent, King Street, Leicester, LE1 6RX.

b) Basis of preparation

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

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

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

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

c) Public benefit entity

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

d) Going concern

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

Key judgments that the charitable company has made which have a significant effect on the accounts include a calculation of the present value of agreed pension deficit recovery payment.

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

e) Income

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

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

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

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

g) Interest receivable

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

h) Fund accounting

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

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

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

Notes to the financial statements

For the year ended 31 March 2022

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

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

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

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

j) Grants payable

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

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

k) Allocation of support costs

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

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

l) Operating leases

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

m) Tangible fixed assets

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

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

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

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

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

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

p) Debtors

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

q) Short term deposits

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

r) Cash at bank and in hand

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

s) Creditors and provisions

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

t) Financial instruments

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

u) Pensions

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

2 Income from donations

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Individual donations	386,294	4,765	391,059	157,281	-	157,281
Corporate partnership donations	491,195	-	491,195	83,086	-	83,086
Trust/foundation donations	91,000	100,475	191,475	17,200	68,243	85,443
Covid Appeal	-	-	-	12,500	248,079	260,579
Christmas Appeal	40,741	-	40,741	-	-	-
Give a Little Love - Christmas Campaign	-	-	-	898,460	-	898,460
Give a Little Love 2	-	-	-	312,500	-	312,500
Coronavirus Job Retention Scheme	3,334	-	3,334	51,291	-	51,291
Legacies	7,348	-	7,348	1,500	-	1,500
	1,019,912	105,240	1,125,152	1,533,818	316,322	1,850,140

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. Individual donations increased as supporters who gave in 2020-21 as part of our Covid Appeal and via the John Lewis Partnership website continued to support us in 2021-22. Corporate partnership donations increased as our partnership with the John Lewis Partnership continued with further in-house fundraising following the Give a Little Love campaign in 2020-21, and a new corporate relationship with BT, that in 2022-23, will support our Digital Inclusion Programme.

Notes to the financial statements

For the year ended 31 March 2022

3 Income from charitable activities

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

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Standing Alongside Families						
Membership Levy	278,472	-	278,472	237,259	-	237,259
Corra Foundation (Scotland)	-	78,800	78,800	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	11,345	11,345	-	14,181	14,181
Department of Digital, Culture, Media and Sport	-	-	-	-	1,266,245	1,266,245
Scottish Government	-	152,350	152,350	-	310,250	310,250
Support from trusts and foundations	-	603,135	603,135	-	680,455	680,455
Support from corporate partners	-	14,500	14,500	-	-	-
Sub-total for Standing Alongside Families	278,472	860,130	1,138,602	237,259	2,349,931	2,587,190
Standing Together						
Membership Levy	278,472	-	278,472	237,259	-	237,259
Corra Foundation (Scotland)	-	228,212	228,212	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	26,470	26,470	-	33,088	33,088
Department of Digital, Culture, Media and Sport	-	67,500	67,500	-	-	-
Community Fund (various grants)	-	-	-	-	859,124	859,124
Support from trusts and foundations	-	952,342	952,342	4,000	696,402	700,402
Support from corporate partners	65,000	252,950	317,950	-	100,000	100,000
Training events	900	-	900	300	-	300
Sales of material and publications	980	-	980	59	-	59
Sub-total for Standing Together	345,352	1,527,474	1,872,826	241,618	1,767,414	2,009,032
Growing our Movement						
Membership Levy	139,235	-	139,235	118,630	-	118,630
Corra Foundation (Scotland)	-	39,400	39,400	-	39,400	39,400
Department of Digital, Culture, Media and Sport	-	22,500	22,500	-	-	-
Support from trusts and foundations	-	181,889	181,889	-	153,620	153,620
Support from corporate partners	65,000	256,618	321,618	-	100,000	100,000
Sub-total for Growing our Movement	204,235	500,407	704,642	118,630	293,020	411,650
Total income from charitable activities	828,059	2,888,011	3,716,070	597,507	4,410,365	5,007,872

3 Income from charitable activities (continued)**Membership Levy**

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2021-22, the levy was capped at £10,000 for individual local Home-Starts (2020-21:£10,000).

Government Grants

A grant was received from DHSS Family Policy Unit of £37,815 (2021: £47,269) for our work in Northern Ireland. A grant was received from the Corra Foundation of £197,000 (2021: £197,000) for our work in Scotland. The Corra Foundation gave further funding of £149,412 (2021:£nil) to support necessary shifts to help ensure children and young people grow up loved, safe and respected through The Promise Partnership. The Department for Digital, Culture, Media & Sport supported our work through a £90,000 grant (with a matching £90,000 from the Pears Foundation) to develop a volunteer platform to support an increase in volunteer recruitment and retention (2021: £750,000 - to help mothers overcome loneliness during Covid-19). The Scottish Government supported our work during the pandemic totalling £152,350 (2021: £310,250) for a further winter support fund and family focus groups.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. Our work in consolidating the network and to develop new evidence-based family support programmes with funding from the Big Lottery Fund came to an end (2021: £149,544) alongside our work in Greater Manchester of £192,500 (2021: £182,500) with the work currently being evaluated. A number of trusts and foundations continued to support our work started in previous years: Dulverton Trust £39,350 (2021: £38,550) for our Early Years Development work, the roll out and development of Big Hopes Big Future® in England and Wales with funding from the Masonic Charitable Foundation of £87,638 (2021: £336,727), the Army Central Fund of £49,200 (2021: £49,200) for our work with army families and a partnership with The Royal Navy and Royal Marines Charity for work with naval families.

In 2020-21 a number of funders supported our work during the pandemic for direct support to local Home-Starts and to support Home-Start UK to provide our support to them. This work has been further supported in 2021-22 with further crisis funding and supporting our work to recover and become more resilient and sustainable moving forwards. The Brook Trust continued their funding giving £150,000 (2021:£100,000) for our Build Back Better Programme following grants to local Home-Starts facing financial difficulty. The Pears Foundation and the Department of Digital, Culture, Media & Sport provided further funding of £125,000 (2021:£1,116,245) to build back stronger during the pandemic. In addition, a further £180,000 was awarded (2021:£nil) towards our Volunteering Futures Fund to develop a volunteer platform to support an increase in volunteer recruitment and retention. New funding in 2021-22 for this work included £30,000 from The Pilgrim Trust (helping young parents to overcome loneliness and isolation, £152,000 from STV Children's Appeal (supporting families and children affected by poverty in Scotland) and £400,000 from Volant Charitable Trust (Covid-19 emergency response fund and reconnection project).

Funders also supported our development work in perinatal mental health (Sylvia Adams Charitable Trust, Charles Gordon Foundation and Rayne Foundation), building our online volunteer community (Porticus), exploring our digital working (Henry Smith, CAST) and connecting from the start (Nesta and Kristian Gerhard Foundation). New funding for 2021-22 was from the Band Trust who awarded £100,000 towards digital transformation and our website and from Fidelity UK Foundation of £148,000 towards our business intelligence project enabling more vulnerable families to achieve positive outcomes.

Following the successful Christmas Campaign with the John Lewis Partnership, they have donated a further £120,000 in 2021-22, (£200,000) to explore local partnerships and relationships for local Home-Starts and their local stores in 10 locations and new funding of £250,000 for a volunteer upskilling programme called Healthy Happy Home. In addition to unrestricted donations from BT, they also awarded £10,000 towards a future service-led project and £4,117 to support Home-Start Suffolk to set up a Dad's Matters Programme. Amazon gave £25,000 towards volunteer recruitment following their grant of £10,000 in 2020-21 towards our emergency grant fund. £14,500 was received from Rescue Remedy to produce a series of short videos supporting parents with advice, hints and tips on specific topics.

4 Income from other trading activities

	2022		2021		
	Unrestricted	Restricted	Unrestricted	Restricted	Total
	£	£	£	£	£
Subsidiary trading income	74,022	-	74,022	105,960	105,960
Other	5,924	-	5,924	11,417	16,167
	<u>79,946</u>	<u>-</u>	<u>79,946</u>	<u>117,377</u>	<u>122,127</u>

5 Income from investments

	2022	2021
	Total	Total
	£	£
Bank Interest	6,803	11,176
Interest from fixed asset investments	18,426	12,233
	<u>25,229</u>	<u>23,409</u>

All income from investments is unrestricted.

Notes to the financial statements

For the year ended 31 March 2022

6a Analysis of expenditure (current year)

	Charitable activities						2022 Total £	2021 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £		
Staff costs (Note 10)	171,205	532,536	697,887	304,030	41,613	152,686	1,899,957	1,230,257
Recruitment	11,098	5,543	10,130	3,605	20,616	5,818	56,810	81,354
Travel	4,529	6,789	19,573	7,877	594	2,891	42,253	1,529
Office Costs	20,024	80,309	63,132	23,020	3,756	128,470	318,711	250,088
Internal Meetings	1,537	2,557	2,114	2,241	605	60	9,114	-
Grants to local Home-Starts (Note 7)	4,928	1,073,164	517,158	139,623	-	-	1,734,873	2,948,615
Technical advice and support (Note 8)	8,512	106,996	172,018	86,868	6,231	27,258	407,883	512,438
Training and development	17,513	24,420	114,383	50,228	1,048	18,871	226,463	39,221
Depreciation and loss on disposal	1,151	3,521	4,710	1,866	176	1,053	12,477	11,869
Fundraising materials/events expenses	34,937	6,115	9,123	9,688	-	-	59,863	36,943
Audit fees/legal and professional Evaluation, scaling & dissemination	4,834	16,608	15,830	3,625	79,069	30,717	150,683	85,807
	-	-	2,800	-	-	-	2,800	20,062
	280,268	1,858,558	1,628,858	632,671	153,708	367,824	4,921,887	5,218,183
Central support costs	37,599	115,170	154,004	61,051		(367,824)	-	-
Governance costs	15,712	48,128	64,356	25,512	(153,708)	-	-	-
Total expenditure 2022	333,579	2,021,856	1,847,218	719,234	-	-	4,921,887	5,218,183
Total expenditure 2021	291,401	3,066,396	1,440,416	419,970	-	-	5,218,183	

Home-Start UK

Notes to the financial statements

For the year ended 31 March 2022

6b Analysis of expenditure (prior year)

	Charitable activities						2021 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £	
Staff costs (Note 10)	110,428	405,339	402,654	213,405	39,922	58,509	1,230,257
Recruitment	16,177	12,332	16,911	10,174	21,560	4,199	81,353
Travel	-	75	143	22	5	1,284	1,529
Office Costs	14,544	72,364	70,003	15,792	2,466	74,920	250,089
Internal Meetings	-	-	-	-	-	-	-
Grants to local Home-Starts (Note 7)	2,086	2,289,819	571,658	85,052	-	-	2,948,615
Technical advice and support (Note 8)	80,623	156,060	216,973	29,152	2,075	27,555	512,438
Training and development	122	7,464	23,554	4,205	368	3,508	39,221
Depreciation and loss on disposal	1,219	3,957	3,987	1,859	203	644	11,869
Fundraising materials/events expenses	31,211	2,713	1,662	1,357	-	-	36,943
Audit fees/legal and professional	-	6,330	7,018	2,421	52,602	17,436	85,807
Evaluation, scaling & dissemination	-	-	15,046	5,016	-	-	20,062
	256,410	2,956,453	1,329,609	368,455	119,201	188,055	5,218,183
Central support costs	21,416	67,290	67,819	31,530	-	(188,055)	-
Governance costs	13,575	42,653	42,988	19,985	(119,201)	-	-
Total expenditure 2021	291,401	3,066,396	1,440,416	419,970	-	-	5,218,183

Notes to the financial statements

For the year ended 31 March 2022

7 Analysis of grants to local Home-Starts

	2022 £	2021 £
Grants to institutions		
Crisis pandemic funds for local Home-Starts (see breakdown below)	395,319	2,201,985
Home-Start service in Inverclyde	-	27,925
#GrowUpGreat (Home-Start Exeter & East Devon and Home-Start Southwark)	-	50,000
Supporting our service across Manchester (see breakdown below)	180,000	180,000
Supporting families and children affected by poverty in Scotland (STV Children's Appeal)	150,000	-
To deliver change in holistic family support in Scotland (The Promise)	17,366	-
Supporting work with service families (see breakdown below)	45,000	45,700
Big Hopes Big Future®	42,453	274,875
Recovery and resilience programme (see breakdown below)	690,953	-
Sustainability of local Home-Starts to support families (funded by The Brook Trust)	47,700	27,300
Connecting from the Start (funded by Kristian Gerhard Foundation)	20,000	76,000
Volunteering-upskilling programme (funded by John Lewis Partnership)	74,000	-
Volunteering Futures Fund (funded by Pears/DCMS)	10,000	-
Digital mentoring elearning project	-	10,000
Trustee recruitment/Strategic support/Family Focus Groups (funded by the Scottish Government)	12,350	19,450
Supporting young people in Scotland (funded by the Scottish Children's Lottery)	20,920	980
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	20,200	15,100
Other	8,612	19,300
	1,734,873	2,948,615
At the end of the year		

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 437 (2021: 823) grant payments to local Home-Starts were made during 2021-22.

Breakdown of material grants included in the above grants to institutions:-	2022 £	2021 £
Crisis pandemic funds for local Home-Starts		
◦ Families Connected Emergency grant fund		
- 192 local Home-Starts received emergency funding to support their families	-	185,139
◦ Connecting with Families at Christmas		
- 139 local Home-Starts were able to provide Christmas activities/gifts to their families	-	116,702
◦ Caring for families during COVID		
- Following 128 grants in 2020-21, 6 further grants were made thanks to the John Lewis Partnership to support families under the categories of Warm, Smile, Food, Connect and Access	42,820	481,249
◦ Supporting local Home-Starts to support families with isolation		
- 27 local Home-Starts in Scotland were supported by the Scottish Government to address loneliness and isolation in young parents. A further 18 Home-Starts in England were supported by The Pilgrim Trust.	152,500	795,000
- 18 local Home-Starts were supported by the Pilgrim Trust to help young parents to overcome loneliness and isolation		
◦ Supporting local Home-Starts to support families during the pandemic		
- supporting 34 of the most vulnerable local Home-Starts to survive the pandemic	-	466,245
◦ Covid-19 Reconnection Project		
- Covid response emergency funding to help 19 Home-Starts to continue working to tackling loneliness	199,999	-
◦ Other		
- 30 local Home-Starts in Scotland were supported with winter funding and outdoor play	-	157,650
	395,319	2,201,985
Supporting our service across Manchester		
Home-Start Manchester	45,000	45,000
Home-Start Oldham, Stockport & Tameside	60,000	60,000
Home-Start Rochdale	30,000	30,000
Home-Start Trafford	45,000	45,000
	180,000	180,000
Recovery and Resilience Programme		
◦ The John Lewis Partnership funded 42 grants in 10 SuperCharged communities supporting families locally	171,304	-
◦ 75 grants in England and 24 grants in Wales, Scotland and Northern Ireland (funded by Pears Foundation/DCMS) towards the resilience and sustainability of the network	432,433	-
◦ 25 grants were awarded as part of the Build Back Better Programme funded by The Brook Trust focussing on governance	87,216	-
	690,953	-
Supporting work with Service families		
Various Home-Start schemes (11 grants ranging from £500 to £10,000)	45,000	45,700
	45,000	45,700

Notes to the financial statements

For the year ended 31 March 2022

8 Analysis of technical advice and support

	2022	2021
	£	£
Technical advice and support		
Network development	52,929	163,401
PR and communications	39,301	24,407
Home-Start Agreement	2,600	-
Corporate partnership development	86,696	183,163
Strategy and policy development	67,085	42,519
Digital, data and technology development	109,152	42,892
To support funded projects	45,623	42,680
Other	4,497	13,376
	407,883	512,438

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

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2022	2021
	£	£
Depreciation	8,821	11,869
Operating lease rentals:		
Property	32,965	37,726
Other	753	768
Auditors' remuneration (excluding VAT):		
Audit	15,850	15,000
Other services	1,630	1,520
	60,449	68,983

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

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	1,613,966	1,045,542
Redundancy costs paid and settled	-	2,674
Social security costs	166,809	102,127
Employer's contribution to defined contribution pension schemes	119,182	79,914
	1,899,957	1,230,257

The redundancy costs were settled and paid at the balance sheet date.

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

	2022	2021
	No.	No.
£100,000 - £109,999	1	-
£90,000 - £99,999	-	1
£80,000 - £89,999	-	1
£70,000 - £79,999	2	1
£60,000 - £69,999	1	-

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £389,886 (2021: £314,738).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,264 (2021: £nil) incurred by 8 (2021: 0) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 March 2022

11 Staff numbers

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

	2022 No.	2021 No.
Raising funds	3.6	3.0
Standing alongside families	10.9	9.5
Stronger together	14.6	9.5
Growing our movement	5.8	4.4
Central support costs	3.2	1.6
Governance	0.6	0.5
	38.7	28.5

The number of employees calculated on the basis of full-time equivalents at the end of the year was 43.6 (2021: 29.0).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £22,000 (2021:£20,000) towards our core work and The Tedworth Charitable Trust did not make a grant during 2021-22 (2021: £45,000). There were no outstanding balances due to or from related parties at 31st March 2022. (2021: £nil). James Sainsbury OBE receives no benefit from the grants made to the charity.

Home-Start UK received donations totalling £886 (2021: £762) from 2 trustees (2021: 2 trustees). The trustees receive no benefit from the donations made to the charity.

Deborah Bennett, trustee of Home-Start UK to 22nd June 2021, is also a trustee of Home-Start South Leicestershire, which received £7,766 (2021:£13,164) during the year. The £7,766 was made up of 2 grants of £2,000 for governance support and £5,766 supercharged communities. In 2020/21 the £13,164 comprised grant payments through appeal emergency funding of £657, connecting families grant of £7,666, connecting with families at Christmas of £881 and Give a Little Love grant of £3,960.

Elizabeth Hill-Smith, a trustee of Home-Start UK, is also a volunteer of Home-Start Waverley, which received £3,191 (2021:£21,580) during the year. The £3,191 was a grant to support the local Home-Start in recovery and sustainability. In 2020/21 the £21,580 comprised grant payments of £15,000 for supporting loneliness during the pandemic, £1,620 in emergency grant funding, connecting families grant of £1,000 and £3,960 Give a Little Love grant.

Pete Thomas, Chief Operating Officer, is also a trustee of The Lullaby Trust. No payments were made during 2021-22 but The Lullaby Trust is working with Home-Start UK with the John Lewis Partnership Healthy Happy Homes.

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

13 Taxation

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

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

	2022 £	2021 £
UK corporation tax at 19%	-	-

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
The group and charity Cost			
At the beginning of the year	57,741	129,019	186,760
Disposals in year	(6,487)	-	(6,487)
At the end of the year	51,254	129,019	180,273
Depreciation			
At the beginning of the year	39,550	126,426	165,976
Disposals in year	(2,830)	-	(2,830)
Charge for the year	6,397	2,424	8,821
At the end of the year	43,117	128,850	171,967
Net book value At the end of the year	8,137	169	8,306
At the beginning of the year	18,191	2,593	20,784

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2022

15a Listed investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Fair value at the start of the year	618,453	347,098	618,453	347,098
Additions at cost	-	200,000	-	200,000
Disposal proceeds	-	-	-	-
Net gain/(loss) on change in fair value	52,305	71,355	52,305	71,355
Fair value at the end of the year	670,758	618,453	670,758	618,453
Investments comprise:				
COIF Charities Investment Fund	670,758	618,453	670,758	618,453
	670,758	618,453	670,758	618,453

15b Shares in group undertaking

	2022	2021
	£	£
Cost at 1 April 2021 and 31 March 2022	100	100

Home-Start UK owns 100% of the issued share capital of Home-Start Consultancy Limited. The company was dormant during the previous financial years and became operational during 2020/21.

Notes to the financial statements

For the year ended 31 March 2022

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is The Crescent, King Street, Leicester, LE1 6RX.

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

The trustees Felicity Clarkson CBE, Joanna Dennis FCCA, Philip Sugarman and Matthew Wigginton (resigned 22nd June 2021), along with Vivien Waterfield Deputy CEO, are also directors of the subsidiary.

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

	2022 £	2021 £
Turnover	74,022	105,960
Cost of sales	-	-
Gross profit	74,022	105,960
Administrative expenses	(12,000)	(7,111)
Profit on ordinary activities before interest and taxation	62,022	98,849
Profit on ordinary activities before taxation	62,022	98,849
Taxation on profit on ordinary activities	-	-
Profit for the financial year	62,022	98,849
Retained earnings		
Total retained earnings brought forward	98,867	18
Profit for the financial year	62,022	98,849
Distributed to parent charity	(99,817)	-
Total retained earnings carried forward	61,072	98,867
The aggregate of the assets, liabilities and reserves was:		
Assets	113,105	127,152
Liabilities	(52,033)	(28,285)
Reserves	61,072	98,867

Amounts owed to/from the parent undertaking are shown in note 19.

Included within administrative expenses above is a management charge of £4,389 (2021: £2,070) from the parent entity.

17 Parent charity

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

	2022 £	2021 £
Gross income	4,876,764	6,899,658
Result for the year	107,581	1,743,013

Notes to the financial statements

For the year ended 31 March 2022

18 Debtors

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	75,632	30,374	32,532	30,374
Accrued income	795,202	1,587,280	795,202	1,587,280
Other debtors	23,104	32,440	23,104	32,440
Prepayments	81,509	68,209	81,509	68,209
Amounts due from group undertaking	-	-	47,971	26,235
	975,447	1,718,303	980,318	1,744,538

The accrued income amount of £795,202 (2021: £1,587,280) includes £87,638 (2021: £336,727) from the Masonic Charitable Foundation as part of a five year programme intended to support 3,000 children through our Big Hopes Big Future® school readiness programme. Support from the Pears Foundation and the Department of Digital, Culture, Media and Sport included here for £90,000 is to develop our volunteer platform to support increased recruitment and retention (2021:£600,000 for vulnerable local Home-Starts to 'build back stronger' following the pandemic). A donation £100,000 (2021: £512,500) from the John Lewis Partnership represents their continued partnership with Home-Start. New funders for 2021-22 included here are the Fidelity UK Foundation, £148,000 (2021:£nil) towards business intelligence project enabling more vulnerable families to achieve positive outcomes and the Volant Charitable Trust, £150,000, (2021:£nil) for our Covid-19 reconnection project.

19 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	55,566	125,873	54,050	125,873
Taxation and social security	63,311	58,509	63,311	58,509
Other creditors	27,084	25,189	27,084	25,189
Accruals	129,726	91,162	127,446	89,112
Grants payable	22,111	82,523	22,111	82,523
Grant commitments	188,058	313,409	188,058	313,409
Pension deficit	16,260	52,584	16,260	52,584
Amounts owed to group undertaking	-	-	213	-
Deferred income (note 20)	8,509	4,568	8,509	4,568
	510,625	753,817	507,042	751,767

Grants commitments of £188,058 (2021: £313,409) includes onward committed grants to local Home-Starts from the Community Fund Greater Manchester £90,000 (2021: £90,000), the Growth Fund £6,300 (2021: £32,800), Give a Little Love 2 Enil (2021: £18,672) and the Masonic Charitable Foundation for Big Hopes Big Future® £72,641 (2021: £171,938). New funding received during the year with onward grant commitments include grants to local Home-Starts from the Kristian Gerhard Jebsen Foundation for £15,000 (2021:£nil) for Connecting from the Start and £4,117 (2021:£nil) from BT to support a local Home-Start with Dad's Matter programme.

Notes to the financial statements

For the year ended 31 March 2022

20 Deferred income

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

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at the beginning of the year	4,568	19,927	4,568	19,927
Amount released to income in the year	(4,568)	(19,927)	(4,568)	(19,927)
Amount deferred in the year	8,509	4,568	8,509	4,568
Balance at the end of the year	8,509	4,568	8,509	4,568

21 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Pension deficit	27,215	139,682	27,215	139,682
	27,215	139,682	27,215	139,682

22 Financial instruments

	2022	2021
	£	£
Financial assets measured at fair value through profit and loss		
Investments	670,758	618,453
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	(43,475)	(192,266)

23 Pension scheme

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

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

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme, therefore it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2020. Following confirmation of the final audited asset value, the deficit has reduced to £31.6m (2017: £131.5m). The Recovery Plan end date has been maintained at 31 January 2025. Expenses will be set at £3.7m per annum for the Plan overall and will increase by 3% per annum.

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

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. Where the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £56k to the past service deficit of the defined benefit scheme in the year (2021: £54k) and will continue to contribute annually until 2025 subject to changes in deficit contributions once confirmed. Under the new recovery plan, from 1 April 2022, the deficit contributions are £17.3k per annum and the expense amount is £19.3k per annum bringing the total payment to £36.6k per annum.

Notes to the financial statements

For the year ended 31 March 2022

24a Analysis of group net assets between funds (2021/22 - current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	8,306	-	8,306
Investments	670,758	-	-	670,758
Net current assets	820,502	1,280,079	1,244,354	3,344,935
Long term liabilities	(27,215)	-	-	(27,215)
Net assets at 31 March 2022	1,464,045	1,288,385	1,244,354	3,996,784

24b Analysis of net assets between funds (2020/21 - prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	20,784	-	20,784
Investments	618,453	-	-	618,453
Net current assets	937,810	891,996	1,497,820	3,327,626
Long term liabilities	(139,682)	-	-	(139,682)
Net assets at 31 March 2021	1,416,581	912,780	1,497,820	3,827,181

Notes to the financial statements

For the year ended 31 March 2022

25a Movements in restricted funds (2021/22 - current year)

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Aberdeen Asset Management Charitable Foundation	-	16,250	-	-	16,250
Amazon	-	25,000	(25,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Band Trust	-	100,000	(100,000)	-	-
Big Lottery Fund - consolidation project	9,400	-	(9,400)	-	-
Big Lottery Fund - Greater Manchester project	1,250	192,500	(185,300)	-	8,450
Brook Trust	60,127	150,000	(210,127)	-	-
BT	-	14,118	(4,118)	-	10,000
Charles Gordon Foundation	57,725	60,000	(60,163)	-	57,562
Corra Foundation	-	197,000	(197,000)	-	-
Corra Foundattion - The Promise Partnership	-	149,412	(46,969)	-	102,443
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	39,350	(39,350)	-	-
Early Intervention Fund (EIF)	-	11,278	(11,278)	-	-
Fidelity UK Foundation	-	148,000	-	-	148,000
George & Grace Hart Charitable Trust	-	475	(475)	-	-
Henry Smith	11,811	-	(11,811)	-	-
Home-Start Greater Manchester	5,176	-	(2,500)	-	2,676
John Lewis Partnership - Healthy Happy Home	-	250,000	(128,677)	-	121,323
John Lewis Partnership - Supercharged communities	196,550	120,000	(316,550)	-	-
Kristian Gerhard Jebesen Foundation	21,819	164,000	(60,699)	-	125,120
Margaret Harrison Travel Scholarship	7,491	-	-	-	7,491
Masonic Charitable Foundation	347,214	87,638	(147,506)	-	287,346
NI development	9,498	-	-	-	9,498
Pears Family Charitable Foundation with DCMS	600,000	125,000	(725,000)	-	-
Pears Family Charitable Foundation with DCMS	-	180,000	(90,000)	-	90,000
Pilgrim Trust	-	30,000	(30,000)	-	-
Porticus UK	42,217	-	(42,217)	-	-
Rayne Foundation	31,857	24,600	(33,915)	-	22,542
Rescue Remedy	-	14,500	(14,500)	-	-
R S MacDonald Charitable Trust - digital technology	1,577	-	-	-	1,577
Royal Navy & Royal Marines Charity	30,889	-	(25,200)	-	5,689
Scottish Children's Lottery	24,020	-	(24,020)	-	-
Scottish Government - Loneliness & Isolation Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	350	(350)	-	-
Scotland fundraising	-	4,765	(1,600)	-	3,165
STV Children's Appeal	-	152,000	(152,000)	-	-
Sylvia Adams Charitable Trust	14,199	-	(14,199)	-	-
Tedworth Charitable Trust	25,000	-	(25,000)	-	-
Volant Charitable Trust	-	400,000	(250,000)	-	150,000
White Stuff Foundation	-	100,000	(24,778)	-	75,222
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354

Notes to the financial statements

For the year ended 31 March 2022

25b Movements in restricted funds (2020/21 - prior year)

	At 1 April 2020	Income	Expenditure	Transfers	At 31 March 2021
	£	£	£	£	£
Amazon	-	10,000	(10,000)	-	-
Anonymous	20,000	-	(20,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Beatrice Laing Foundation	-	12,500	(12,500)	-	-
Big Lottery Fund - consolidation project	91,245	149,544	(231,389)	-	9,400
Big Lottery Fund - investing in communities	-	29,080	(29,080)	-	-
Big Lottery Fund - Covid19 emergency response grant	-	498,000	(498,000)	-	-
Big Lottery Fund - Greater Manchester project	1,250	182,500	(182,500)	-	1,250
Brook Trust	-	100,000	(39,873)	-	60,127
CAST	-	10,000	(10,000)	-	-
Charles Gordon Foundation	-	60,000	(2,275)	-	57,725
Corra Foundation	-	197,000	(197,000)	-	-
Department for Digital, Culture, Media & Sport	-	750,000	(750,000)	-	-
DHSS & PS Northern Ireland	-	47,269	(47,269)	-	-
Dulverton Trust	-	38,550	(38,550)	-	-
Garfield Weston	7,000	-	(7,000)	-	-
George & Grace Hart Charitable Trust	-	714	(714)	-	-
Growth Fund	25,000	25,000	(50,000)	-	-
Harvey Charitable Trust	-	1,000	(1,000)	-	-
Headley Trust	-	20,000	(20,000)	-	-
Help Us Keep Families Connected	30,585	92,579	(123,164)	-	-
Henry Smith	-	20,000	(8,189)	-	11,811
Home-Start Bolton	-	4,750	(4,750)	-	-
Home-Start Greater Manchester	7,601	487	(2,912)	-	5,176
John Lewis Partnership - Supercharged communities	-	200,000	(3,450)	-	196,550
Kristian Gerhard Jebsen Foundation	-	100,000	(78,181)	-	21,819
Liz & Terry Bramall Foundation	-	18,000	(18,000)	-	-
Margaret Harrison Travel Scholarship	7,449	42	-	-	7,491
Masonic Charitable Foundation	363,185	336,727	(352,698)	-	347,214
Nesta LENA	20,000	-	(20,000)	-	-
Nesta	-	15,000	(15,000)	-	-
NI Development	13,491	-	(3,993)	-	9,498
Pat Newman Memorial Trust	-	2,000	(2,000)	-	-
Pears Family Charitable Foundation with DCMS	-	1,116,245	(516,245)	-	600,000
Porticus UK	-	80,000	(37,783)	-	42,217
Rayne Foundation	-	37,000	(5,143)	-	31,857
R S MacDonald Charitable Trust - digital technology	6,377	6,000	(10,800)	-	1,577
Royal Navy & Royal Marines Charity	97,850	(24,500)	(42,461)	-	30,889
Scottish Children's Lottery	-	25,000	(980)	-	24,020
Scottish Government - Winter Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	1,750	(1,750)	-	-
Scottish Government - Outdoor Play	-	8,500	(8,500)	-	-
Scottish Government - Winter Support Fund	-	150,000	(150,000)	-	-
SCVO	1,800	-	(1,800)	-	-
STV	2,000	2,000	(4,000)	-	-
Sylvia Adams Charitable Trust	-	49,500	(35,301)	-	14,199
Tedworth Charitable Trust	-	20,000	(20,000)	-	-
Tedworth Charitable Trust	-	25,000	-	-	25,000
Vichai Srivaddhanaprabha Foundation Limited	-	25,000	(25,000)	-	-
Warburtons	-	40,000	(40,000)	-	-
White Stuff Foundation	-	50,000	(50,000)	-	-
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820

Notes to the financial statements

For the year ended 31 March 2022

25c Movement in total funds (2021/22 - current year)

	At 1 April 2021 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	20,784	-	-	(12,478)	8,306
Strategic Transformation Fund	585,392	-	-	(75,000)	510,392
Give a Little Love	306,604	210,687	(42,820)	(116,784)	357,687
Digital transformation	-	-	-	82,000	82,000
Recovery and resilience programme	-	-	-	330,000	330,000
Total designated funds	912,780	210,687	(42,820)	207,738	1,288,385
General funds					
General funds	1,510,080	1,672,826	(1,479,646)	(256,712)	1,446,548
Non-charitable subsidiary funds	98,767	74,022	(12,000)	(99,817)	60,972
Pension liability	(192,266)	-	-	148,791	(43,475)
Total general funds	1,416,581	1,746,848	(1,491,646)	(207,738)	1,464,045
Total unrestricted funds	2,329,361	1,957,535	(1,534,466)	-	2,752,430
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354
Total funds at 31 March 2022	3,827,181	4,950,786	(4,781,183)	-	3,996,784

25d Movement in total funds (2020/21 - prior year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	32,653	-	-	(11,869)	20,784
Strategic Delivery Fund	235,392	-	-	(235,392)	-
Strategic Transformation Fund	-	-	-	585,392	585,392
Give a Little Love	-	-	-	306,604	306,604
Total designated funds	268,045	-	-	644,735	912,780
General funds					
General funds	1,254,303	2,239,576	(1,339,064)	(644,735)	1,510,080
Non-charitable subsidiary funds	(82)	105,960	(7,111)	-	98,767
Pension liability	(231,780)	-	39,514	-	(192,266)
Total general funds	1,022,441	2,345,536	(1,306,661)	(644,735)	1,416,581
Total unrestricted funds	1,290,486	2,345,536	(1,306,661)	-	2,329,361
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820
Total funds at 31 March 2020	1,985,319	7,076,973	(5,235,111)	-	3,827,181

Notes to the financial statements

For the year ended 31 March 2022

Purposes of restricted funds

Aberdeen Asset Management Charitable Foundation	Local level support to families across Scotland focussing on PIMH
Amazon	Emergency grant fund (20/21), Volunteer recruitment (21/22)
Anonymous	Towards the Head of Volunteering post
Army Central Fund	Grants for supporting work with service families
Beatrice Laing Foundation	Supporting our work during the Covid-19 crisis
Band Trust	Towards digital transformation and funding for website
Big Lottery Fund	Consolidation project
Big Lottery Fund	Investing in communities
Big Lottery Fund	Covid-19 emergency response grant
Big Lottery Fund	Greater Manchester Project
Brook Trust	Grants to local Home-Starts facing financial difficulty and Building Back Better Programme
BT	Future service-led project work and to support Home-Start Suffolk to set up a Dad's Matter Programme
CAST	Discovery programme to explore network support
Charles Gordon Foundation	Inside Lives Project (perinatal mental health in Scotland)
Corra Foundation	Scotland Third Sector Early Intervention Fund
Corra Foundation - The Promise Partnership	A Good Childhood - to support necessary shifts to help ensure children and young people grow up loved, safe and respected
David Family Foundation	Volunteer Preparation Course update
Department for Digital, Culture, Media & Sport	Loneliness fund - helping mothers overcome loneliness during Covid-19
DHSS & PS Northern Ireland	Revenue grant towards our work in Northern Ireland
Dulverton Trust	Early years development across Home-Start
Early Intervention Foundation	Towards costs of Senior Adviser of Impact and Practise
Fidelity UK Foundation	Towards business intelligence project enabling more vulnerable families to achieve positive outcomes
Garfield Weston	Delivering the best training to Home-Start volunteers
George & Grace Hart Charitable Trust	Towards our work in Leicestershire
Growth Fund	To support our expansion of Home-Start reach
Harvey Charitable Trust	Towards our work in Scotland
Headley Trust	Emergency appeal to support local schemes
Help Us Keep Families Connected	Emergency Grant Appeal Fund due to coronavirus
Henry Smith Charity	Digital working in the network
Home-Start Bolton	To support the closure of Home-Start Bolton
Home-Start Greater Manchester	Towards work in the Greater Manchester area following scheme closure
John Lewis Partnership - Healthy Happy Home	Volunteer-upskilling Programme
John Lewis Partnership - supercharged communities	Give a Little Love campaign supporting superhubs
Kristian Gerhard Jebsen Foundation	Connecting from the Start
Liz & Terry Bramall Foundation	Volunteer Preparation Course update in 2019-20 and Covid-19 appeal for Yorkshire
Margaret Harrison Travel Scholarship	Travel bursaries for Home-Starters
Masonic Charitable Foundation	Big Hopes Big Future®
Nesta	Connected from the Start to develop a collective family support offer for new parents
Nesta LENA	LENA home Early Years Social Action Fund
NI Development	Funding from the NI carol concerts and Playboard NI
Pat Newman Memorial Trust	Supporting our work in perinatal mental health
Pears Family Charitable Foundation and DCMS	Department for Digital, Culture, Media & Sport Community Match Challenge Grant
Pears Family Charitable Foundation and DCMS	Volunteering Futures Fund - developing volunteer platform to support an increase in volunteer recruitment and retention
Pilgrim Trust	Helping young parents to overcome loneliness and isolation
Porticus UK	Programme of work to support families with multiple and complex needs in 2019-20 and building Home-Starts online volunteer community in 2020-21
R S MacDonald Charitable Trust	Development in Scotland and support of families using digital technology
Rayne Foundation	Mental health work (Inside Lives)
Rescue Remedy	To produce six short videos supporting parents with advice, hints and tips
Royal Navy & Royal Marines Charity	Family support to naval families
Scottish Children's Lottery	Supporting children in Scotland
Scottish Government	Various grants supporting family focus groups, outdoor play, winter support funds during the pandemic and support for loneliness and isolation in Scotland
Scotland fundraising	Donated funds from Kiltwalk for our work in Scotland
SCVO	Digital mentoring elearning project in Scotland
STV	Big Hopes Big Future® project in Scotland
STV Children's Appeal	To support families and children affected by poverty in Scotland
Sylvia Adams Charitable Trust	Perinatal mental health training/staff costs
Tedworth Charitable Trust	Towards Covid-19 related work with local Home-Starts and core services in 2021-22
Vichai Srivaddhanaprabha Foundation Limited	Crisis fund for local Home-Starts in Leicester and Leicestershire
Volant Charitable Trust	Covid-19 emergency response fund and Covid-19 reconnection project
Warburtons	Family matters emergency grant fund
White Stuff Foundation	Perinatal mental health training/staff costs and Empowering Women Project

Purposes of designated funds

Fixed Asset Fund

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

Strategic Delivery Fund

To support the response and recovery from the impact of COVID-19. The balance on this fund has been transferred to the Strategic Transformation Fund

Strategic Transformation Fund

To support the strategic framework for Home-Start UK and the network of network transformation over the next 3 to 5 years.

Give a Little Love

The Give a Little Love fund represents unrestricted funds from the Christmas Campaign in 2020/21 support to support the network locally. During 2021/22 this fund has been increased through further individual donations via Donr and a Golf Day

Digital Transformation

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

Recovery and resilience programme

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

Transfers

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

Notes to the financial statements

For the year ended 31 March 2022

26 Reconciliation of income to net cash flow from operating activities

	2022	2021
	£	£
Net income for the reporting period (as per the statement of financial activities)	169,603	1,841,862
Depreciation charges	8,821	11,869
Loss on disposal of fixed assets	3,657	-
Interest from investments	(25,229)	(23,409)
(Profit)/loss on the disposal of investments	(52,305)	(71,355)
Decrease in stocks	-	2,119
Decrease/(Increase) in debtors	742,856	(1,127,933)
(Decrease)/Increase in creditors	(355,659)	397,878
Net cash provided by operating activities	491,744	1,031,031

27 Analysis of cash and cash equivalents

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	955,935	516,073	1,472,008
Short notice deposits held for investment	1,407,205	900	1,408,105
Total cash and cash equivalents	2,363,140	516,973	2,880,113

28 Operating lease commitments

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

	Property		Equipment	
	2022	2021	2022	2021
	£	£	£	£
Less than one year	27,675	37,445	450	450
One to five years	95,030	10,077	-	-
	122,705	47,522	450	450

29 Legal status of the charity

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