



Working Families: Our Impact

Annual Report & Accounts
2020-2021





Contents

Our impact

By the numbers Page 3

Our purpose and impact in
2020 - 2021: a message
from our Chair and CEO Page 4

Snapshot from our
Legal Advice Service Page 6

Looking beyond COVID:
a future of flexistability Page 7

Snapshot from our
Legal Advice ServicePage 10

Driving forward family-friendly
working during the pandemic..... Page 11

Snapshot from our
Legal Advice ServicePage 15

Our new strategy and values.....Page 16

Looking ahead to 2021 - 2022Page 18

Thank you to our funders.....Page 20

Our annual report & accounts

Financial review
and governancePage 22

Independent auditor’s report
to the members of
Working Families.....Page 28

Statement of
financial activities.....Page 34

Balance sheet.....Page 35

Cash flowPage 36

Notes to the
financial statementsPage 37

This document forms the Trustees Annual Report & the Audited Accounts for the financial year 2020 – 2021.

By the Numbers

This last year has been especially tough on working parents and carers. Our legal advice service has directly empowered hundreds of thousands of working parents and carers, while our support for employer members has also led to huge numbers of working parents being able to access better support from their employer. Here is a snapshot of our work in numbers:



1.6 million

Over the year, over 1.6 million working parents and carers accessed legal advice through our website



3,000

Our legal advice service gave personalised advice to over 3,000 people



83%

83% of advice enquiries over the pandemic were from women



61%

61% of advice enquiries over the pandemic were from people on low incomes



96%

96% of people who used our email advice service said they better understand their rights and options after receiving our advice, and 88% intend to act on it.



157

We supported 157 employer members to create flexible, family friendly workplaces, benefiting over 1 million employees



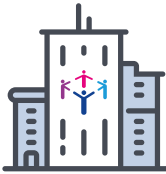
11

11 law firms are actively volunteering with our Legal Advice Team



50,000

Over 50,000 people accessed our employer guidance online



#FlexTheUK

Our new campaign #FlexTheUK reached over a million people in summer 2020



272

272 pieces of media coverage featured the work of Working Families

**1,000
parents
surveyed**

The views of over a 1,000 working parents and carers about their experiences of work during lockdowns, and their plans and aspirations for flexible working after the pandemic informed our research and policy publications.





Our purpose and impact in 2020 - 2021: a message from our Chair & CEO

2020-21 is a year that will live long in the memory of all of us. As we started this financial year, newly in lockdown, none of us could have predicted how deep and long-lasting the impact of coronavirus would be: and what a huge impact it would have on our views of work and home life.

One thing that is absolutely clear from our experience of the last year is just how vital our work is for working parents and carers. As the pandemic took hold, our legal advice service came under unprecedented demand. At the peak of the national lockdowns, with schools closed and parents struggling to manage work and caring responsibilities, demand for our advice service increased sixfold. Over 1.6 million parents and carers visited our online advice and information – that's more than 1 in 9 working parents in the UK. The most common topics we were asked about were COVID-related queries (such as furlough, shielding advice and working from home), benefits entitlements, rights and protections during pregnancy and maternity leave, childcare, and queries on how to request flexible working and emergency leave.

Our work with employers continued at pace through the pandemic. As they scrambled to reconfigure their operating models and support their staff teams, we adapted our resources and guidance to help them make sure their employees were able to get the best possible balance between work and home. We moved our events programme entirely online and by the end of the year had delivered 15 webinars, attracting over 2,000 registrations.

Our voice was needed on a national stage too, as we kept the experiences of parents and carers centre stage and worked to lead conversations about flexible working. We saw success in our efforts engaging officials at the Treasury to introduce greater flexibility to the Jobs Retention Scheme and for the Government to encourage employers to furlough parents for childcare reasons. With many families experiencing financial hardship, we campaigned for payments to self-isolate and the maintenance of the universal credit uplift, which was extended during the financial year. Our Flexistability report, launched in Autumn 2020, captured the experiences of our service users and made the case for seven policy changes to ensure that parents and carers are fully able to take part in the post-covid recovery while balancing their work and family commitments. We also launched a brand new campaign - #FlexTheUK – in summer 2020 to help keep the benefits of flexible working (for both individuals and business) high on the news agenda. 25 media outlets covered it, and our campaigning message reached over a million people on social media.

Our own staff team had to work incredibly hard to meet this hugely increased demand, while dealing with their own family lives: their achievements in our view are staggering and deserve celebration. Through a time when many charities were struggling to survive, we made sure that Working Families was able to weather a testing time. With the active support of the Board, and benefitting from the Jobs Retention Scheme, we made sure that Working Families was able to weather this testing time. We have also been able to find time to focus on our values and set a bold, achievable three year strategy that will guide all our work as we emerge from the pandemic.

While the last year has been extremely challenging, we are confident that it has also served as a wake-up call around some of the unhealthy practices that characterised pre-pandemic working life for too many of us. As we ended the year we were starting to see a notable increase in the number of enquiries about shared parental leave and flexible working for dads and partners. We know that 9 in 10 working parents want to keep elements of flexible working when the pandemic is over. We want to make sure we capitalise on this moment to make the strongest possible case for widespread adoption of genuinely flexible working policies. We can't do that alone. We hope you will join with us to make sure we really do 'build back better' and make sure the lasting legacy of this pandemic is a positive one.

Tim Oliver
Chair,
Working Families

Jane van Zyl
CEO,
Working Families



"I felt a bit embarrassed about asking for help and I have also been extremely worried about my situation and being unable to get the help I need. However, the advice [our advisor] gave was extremely helpful. I now understand there are lots of options for me – and it was delivered in a very friendly way and I didn't feel judged at all for needing support. Thank you so much."

**Legal Advice
Service user**



Snapshot from our Legal Advice Service

Anna* contacted us during the pandemic when she was pregnant, and unexpectedly facing having her first child alone. She works in a nursery, and as such was not in a COVID secure workplace: as she explained, social distancing is not possible with two year olds.

Her employer had refused to furlough her or suspend her on health and safety grounds, and continued to insist she attend work despite the very real risk to her pregnancy. Before she got in touch with us, she had had several verbal and written requests refused, breaching a number of laws around health and safety in pregnancy.

Our legal advice service helped her draft and raise a grievance in writing to give to her employer. We helped her prepare for the initial meeting with her manager, as well as the appeal against her employers' refusal to put her on furlough.

As a result of our support, Anna won her appeal, and was successful in being furloughed and paid for the remainder of her pregnancy until she went on maternity leave to have her baby.

After an incredibly difficult and stressful few months, Anna said 'I was over the moon with the feeling that I had won. Thank you for all your help.'

**Names have been changed to protect the identity of our case studies*



Looking beyond COVID: a future of flexistability

Families have been in the eye of the storm throughout this pandemic. At the height of the first lockdown one in seven workers were affected by school and childcare closures, leaving millions of families to grapple with how to balance keeping their jobs with caring for their children. We have long said that the UK's 13 million working parents are a crucial part of our economy and ensuring that they can manage work and care should be at the heart of our employment strategy. Now, over a year after that first lockdown was announced, we are all familiar with the call from all sides of the political spectrum to 'build back better'. We agree: it's a once in a generation chance to transform how we view work as we head towards the final restrictions easing.

A major stream of our work continues to be making the case for government to put in place a series of reforms that would allow millions more families to get a better balance between home and work life

Employer responses

It was clear from day one of the UK-wide lockdown measures that those parents and carers working for flexible employers were in a far better position to adapt quickly and smoothly than those who weren't. Prior to the pandemic, top-level corporate commitments to flexible working did not always translate into the lived experience of employees. Working Families employer members told us that the rapid wholesale move to homeworking has helped them to overcome some pockets of resistance to flexible working within their organisations.

Of the 45% of parents who weren't working flexibly prior to the pandemic, nearly four out of five said that the reason was because managers had told them that flexible working wasn't possible. Many parents feel their employer's cultural resistance to working flexibly and/or remotely has been broken down by the pandemic. Where employers embraced real flexibility, they have seen business benefits that have, in turn, helped them get through the pandemic: the majority we asked reported that productivity had been the same as usual or better than usual during lockdown.



“COVID 19 forced companies to allow staff to work from home. My experience is that we have had the technology and policy for many years, but middle management did not support it and put barriers up to prevent staff working from home. Now they have no reason to object.”

**Respondent to
Working Families
survey, August 2020**



The experiences of parents

This is not to suggest that the increased embracing of remote working has meant this year has been plain sailing for parents. The experience of needing to juggle work with childcare and home-schooling has put a huge strain on many parents. And while there has understandably been much focus on the opportunities and challenges of homeworking during the pandemic, flexible working is about much more than the location where work is carried out. As schools and childcare settings closed their doors in successive lockdowns, parents sought our help because the nature of their role or childcare pressures meant they couldn't work from home. The last lockdown, begun in January 2021, saw a particular peak in enquiries to our advice service and in online searches for our information and guidance, as parents found their situations increasingly unsustainable.

Polling that we undertook in summer 2020 found that one in five working parents (20%) felt they had been treated less fairly at work due to their childcare responsibilities since the pandemic began. This equates to 2.6 million people across the UK. This discrimination was more pronounced for working mothers (22%) than working fathers (17%) and for those working part time (29%) rather than full time (15%).

And it's not over yet. Our experience of advising working parents tells us that those employees who are less 'visible' at work are at increased risk of redundancy. We are deeply concerned that parents will be harder hit when the furlough scheme comes to an end simply because they were required to provide full time childcare and home-schooling.

Helping Families Bounce Back

With the pandemic having amplified the differences between who has access to flexible working and exacerbated social inequalities, it is vital that we place families at the heart of the government's plans to level-up and build back better.

Key to achieving this will be ensuring that parents have greater access to jobs which enable them to balance their aspirations in work with their caring responsibilities. Prior to the pandemic, the proportion of jobs advertised with flexible working - including part-time - options stood at just 14%, rising to 23% for salaries below £20,000 FTE (Full Time Equivalent). This is compared to 87%* of people wanting to work flexibly, and despite the pandemic having proved just how many jobs can be performed on a flexible basis, we are yet to see a significant increase in the number of jobs advertised as flexible.

In light of this fundamental problem of supply and demand, and our growing concerns around the employment and progression prospects of mothers, we are calling for employers and government to embed flexibility into job design and normalise flexible working as the default option. Progressive employers are leading the way on this already, and the Employment Bill, promised in 2019 and yet to be brought before Parliament, offers the perfect opportunity for government to signal that flexible working is not just offering hybrid working to those that can work from home, but that employers should be advertising all jobs as flexible unless they have a good business reason not to.

Another vital piece of the puzzle as we look to build back better is childcare. It is critical the government fixes the UK's broken childcare system, prioritising it as the crucial part of the UK's infrastructure it so clearly is. Investing in a system of high quality affordable and accessible childcare that ensures parents are better off working, and that bridges the gap in provision between the end of parental leave and a child turning three, will pay economic dividends as more parents are able to get back to work.

Being able to manage work and care should not be a luxury found only amongst leading employers or those able to afford high childcare costs. Without action from employers and government the UK's labour market will be split even more sharply into flexible working 'haves' and 'have nots'. The time is ripe to implement these measures to 'future proof' a resilient labour market and safeguard family livelihoods long after the pandemic has run its course.

*Timewise Flexible working: a talent imperative 2017



Snapshot from our Legal Advice Service

Keith* contacted our advice service when his employer refused to furlough him to allow him to care for his mother during the pandemic. His mum had just been diagnosed with cancer and, although previously healthy and very independent, now needed him to help her with personal care. The HR department of his employer told him – incorrectly – that as his mum was not living with him, he couldn't be furloughed for caring responsibilities. At a time of huge stress Keith said he didn't feel supported by his employer, as the family struggled to come to terms with the diagnosis.

Our advice team talked him through his options, and advised Keith to speak to his employer informally initially, and explain his situation clearly: that these circumstances have only come about because of COVID and be clear that the fact he lives separately from his mum does not exclude him from being eligible for furlough for caring responsibilities. We shared resources on the Working Families website with Keith that he could use in his conversations with his HR department.

After getting support and information from our team, Keith spoke to his HR department again, who agreed to furlough him so he could provide care to his mother. He said he was very relieved to be able to focus on caring for his mum, and thanked us for the advice we'd given him.

**Names have been changed to protect the identity of our case studies*

Driving forward family-friendly working during the pandemic

The Covid-19 pandemic forced an overnight transformation in the way we work. As swathes of workplaces closed and many roles became remote for the first time, we supported employers to embrace working differently and keep delivering great results despite the difficult circumstances.

Overnight flexible revolution

The pandemic presented huge challenges to employers with a flexible working experiment happening overnight. As employers were trying to keep their businesses afloat, they also had to figure out the technical challenges for those working remotely, as well as navigate huge communication, health and wellbeing issues.

Roles that traditionally were seen as inflexible and needing a permanent presence in the workplace suddenly had to be done differently. Employers - including frontline services - had to find ways to allow whole roles or elements of jobs to be done remotely, creating flexibility for the first time.

As schools and childcare settings closed, the team here at Working Families had to react quickly to provide support to employers.



“Working Families have been an incredibly useful resource in helping us review our policies to support our working parents – by giving specific feedback on the policies themselves, helping us understand what benchmark organisations are doing that we’re not, and by linking us in with contacts from other companies when we’re investigating possible enhancements.”

Nationwide Building Society

The caring challenge

For people with children and caring responsibilities, suddenly being expected to work from home was a huge upheaval for many. To meet unprecedented demand on the helpline and website from employers looking for guidance, we developed a set of resources which we made freely available for anyone to download.

This information for employers included home schooling guidance, how to manage a remote team, home working policies, team protocols and how employers could use the furlough scheme to help parents and carers who were struggling.

Many employers were unclear how they could best support their staff in this unique situation. We provided vital information and guidance in those chaotic first months of the pandemic. Since then, we’ve been sharing ideas and best practice to ensure employers can offer true flexibility in every sense to support parents and carers.

Removing core hours, giving parents and carers increased leave and personalising flexibility to meet the needs of individuals have all helped working parents and carers.

Supporting the health and wellbeing of the workforce

Working during a pandemic and juggling caring responsibilities inevitably had a major impact on the physical and emotional health of some employees. We’ve been so encouraged to see so many organisations we work closely with put the health and wellbeing of their staff at the centre of their planning through the pandemic.

With our help, employers have rallied to offer extra assistance including peer-to-peer support, access to counselling and helplines, agile working and employee forums.

Delivering support remotely

Before the pandemic, all Working Families’ events for employers were face-to-face. Reacting swiftly and bringing our events online has meant that thousands more have benefitted from this interactive way of providing support and guidance.

Bringing professionals together from across sectors to take part in webinars and roundtable events has meant employers can benefit from sharing ideas and best practice with others. Our speakers and participants have been open and honest about what has worked and what hasn’t, and focused events have covered how best to support parents and carers in the workplace. We’ve delivered 15 events online, widening the net of support to employers and staff with recorded sessions being made available to catch up on later.

The events for Network Chairs have proved vital, allowing volunteer staff to meet their counterparts from other organisations, learn from and support each other. As well as events, one-to-one support has been available to employers throughout the pandemic to help them with specific recommendations.



“I just wanted to pass on my thanks for such an interesting and thought-provoking session, I got so much out of it and have shared it with our Chief Executive as we are working out how to take our organisation forward post-Covid.”

Webinar attendee



“The practical advice and support we receive from our Relationship Manager is excellent, the Round Table and other events are well run and informative and the Benchmark exercise stimulates regular challenge and debate.”

DAC Beachcroft

Changing perceptions for the future

The longer the pandemic has gone on the more flexible working has become embedded in many sectors. There's an improved focus on outcomes and deliverables, rather than exactly where and when the work takes place.

Previously there were trust issues around remote working and flexibility. However, people have been delivering in the toughest of circumstances and the evidence that it works is clear.

This huge leap forward in flexibility means that if organisations try to go back to traditional ways of working, recruitment and retention issues are likely to occur. The pandemic has given employers the opportunity to think about the way they work and how it can be delivered. We at Working Families will be supporting employers to build a fairer working world fit for the future over the months and years to come.

Snapshot from our Legal Advice Service

Vicky* contacted us after having her flexible working request refused by her employer. As well as her role as primary carer for her young child, she had been suffering from anxiety to the extent that she was temporarily unable to work because of it.

Our advice service gave her detailed advice on how to handle putting together her appeal, taking her through arguments she could make and making sure she was fully armed with knowledge on the procedure her employer should follow. We also gave her advice on possible claims she may have against her employer, and prepared her for what she could do in the event of her appeal being unsuccessful.

Luckily, that advice was never needed as Vicky got back in touch with us to let her know that her appeal was successful, and she was able to return to work on a part-time basis.

She said: “I wanted to say that I really appreciated your support...it was good to know that someone took my concerns seriously, and to have advice and information in a very confusing and stressful time.”

**Names have been changed to protect the identity of our case studies*



Our new strategy and values

This year has been so extraordinary that it has often felt difficult to lift our heads up above the parapet to look beyond immediate firefighting. However, we knew that's exactly what we needed to be doing if we are going to make sure that we build back better as we come out of the pandemic.

That's why this year we have put a lot of time, thought and energy in crafting our new three year strategy. It sets out how we're going to focus our work over the next three years to make the biggest impact possible for parents and carers. It's evolutionary, not revolutionary – we are building on all the hard work that has come before. There are three clear strands to how we view our work: empowering working parents and carers, supporting employers, and driving policy change.

Empowering working parents and carers: At the core of our work is a determination to empower parents and carers to understand and use their workplace rights. That means setting challenging new targets on how many people we reach – we want 1 in 10 working parents in the UK to be using our advice by 2024 (up from 1 in 13 in our last 'normal' year of operation). We are going to improve the accessibility of the information we have on and off-line and provide more bespoke advice to those parents who have least access to justice.

Supporting employers: We will continue to work with employers across all sectors, helping them to create and sustain family-friendly and flexible workplaces – directly improving the lives of hundreds of thousands of parents and carers.

Driving policy change: An Employment Bill is expected within the lifetime of this strategy. This is a real opportunity to shape the laws around flexible working so that employers make flexible work the default and employees rights are protected. We will use our national platform to make sure that the voices of parents and carers can be heard at the heart of government, and policymakers can learn the lessons of COVID-19 for future legislation.

Throughout these threads of work lie an ongoing commitment to co-creating content with parents and carers, employers and other organisations, as well as making full use of the data we hold to inform our work.

We are under no illusion about the scale of the challenge we face, but are hopeful and excited about the months and years ahead. We hope you will join with us in making these objectives reality, and improve the lives of millions of working parents and carers.

Values

As a charity working to improve the lives of working parents and carers, how we go about making change is just as important to us as what we achieve. We want to work in a way that reflects the values we consider to be important.

- **We are collaborative.** We are one team working in a connected and communicative way internally and externally to maximise achievement of our shared goals.
- **We are practical.** We see the whole picture and use this authoritative perspective to deliver tangible support to families and employers.
- **We are inclusive.** We nurture an open and safe culture that enables everyone to be themselves at work. We strive to ensure that our work reaches a full range of families and employers.
- **We are driven.** We leverage our collective knowledge, commitment, and skills to do an expert job for our beneficiaries, supporters, and colleagues.

“You have been a massive help. I felt like I was dealing with this on my own and you took a weight off my shoulders. Thank you so much.”

**Legal Advice
Service user**



Looking ahead to 2021-22

2021-22 is the first year of our new strategy, building the foundations of the change we want to see over the next three years. Here are some of the main pieces of work we will be focusing on in 2021-22.

Support employers to create and sustain successful flexible and family-friendly workplaces

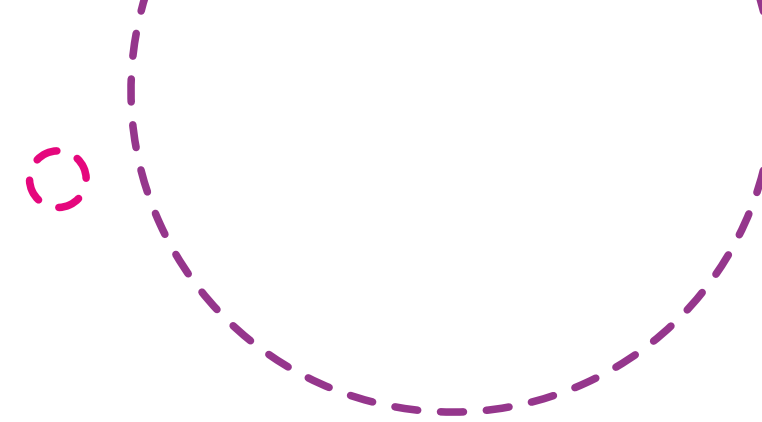
We will:

- Launch our new membership package for employers, helping them to improve their flexible and family friendly policies and practices and improving the lives of working parents in their teams
- Appoint employer voices to our Special Advisor Panel to co-create new products and services
- Research to find a new online offer for an SME audience, to help them develop family friendly, flexible workplaces

Empower parents and carers to understand and use their workplace rights

We will:

- Build on our popular online COVID response content, developing new content to engage users on the most asked questions
- With the Families & Work Group of allied charities, investigate which organisations would be most effective in reaching lower income families and other target groups with our advice service
- Increase our visibility to more parents and carers by running public facing campaigns like #FlexTheUK and National Work Life Week



Drive meaningful policy and legal changes to engender secure and flexible jobs as the norm, and advocate for a baseline of protection that delivers equality in the workplace

We will:

- Lobby Ministers and actively input into the BEIS Taskforce and Flexible Working consultation, and relevant working groups
- Build and support a Parent and Carers panel, including diverse lived experience, to help co-create and inform our work
- Relaunch our annual survey to capture detailed insight into the lives of working parents and carers, the Working Families Index

Build a strong organisation

- Refresh our tone of voice across all channels, based on our organisational values
- Identify current and future data needs and uses to ensure our data is better understood and readily accessible through improved processes and increased transparency
- Create & implement 3-year Fundraising Plan to include all possible fundraising streams





Thank you to our funders



“The response was very comprehensive. Unlike the other organisations I have emailed, the information in the response from Working Families was very individual and specific. I actually felt for the first time that someone is on my side. Thank you.”

**Legal Advice
Service user**

2020-21 has been a difficult year for many in the charity sector, at a time when our services have never been more needed. Over the year we managed to fully fund our expanded Legal Advice Service thanks to amazing support from trusts and foundations. We wouldn't have been able to mobilise the response we have without such generous support from our funders this financial year – thank you all.

Baker McKenzie LLP
Barclays Foundation
Capital Group
Community Justice Fund
Eleanor Rathbone Charitable Trust
Farrer & Co Charitable Trust
Garfield Weston Foundation
HM Government in partnership with the National Lottery Community Fund
Kingsley Napley LLP
Lloyd's Market Charity Awards 2020
London Community Response Fund
London Legal Support Trust
Simmons & Simmons Charitable Foundation
Trust for London

Award Sponsors:

Crown Prosecution Service
Independent Living Fund Scotland
Find Your Flex Group
Hill Dickinson LLP
Adactus Ltd

Our Annual Accounts

This section contains all the information we need to legally provide each year to show what our financial activity has been over the year 2020 – 2021. We are including it alongside our impact report because we want to be as transparent as possible, and we think that all our funders, supporters and people who use our services should be able to see how we are doing.

The trustees, who are directors of the company for the purposes of the Companies Act, present their report with the financial statements of Working Families (the “charity”) for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the principal accounting policies set out on pages 25 to 27 and comply with the requirements of the Companies Act 2006, the Charity's Memorandum and Articles of Association, applicable laws, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Financial Review and Governance

Reference and administration details of the charity, its trustees and advisors

Trustees

Tim Oliver
Fiona Stark (retired 24 September 2020)
Helen Humphreys
Mary Starks
Gemma Rosenblatt (retired 23 April 2021)
Jennifer Thomas (retired 26 November 2020)
Clare Corbett
David Robson
Helen Tupper
Rebecca McGowan
Steve Toft
Paul Coulson (appointed 18 December 2020)
Tessa MacArthur (appointed 18 January 2021)

Officers

Tim Oliver (Chair)
Fiona Stark (Vice Chair) (retired 24 September 2020)
Helen Humphreys (Vice Chair)
Rebecca McGowan (Treasurer)

Registered office Buzzacott LLP 130 Wood Street London EC2V 6DL
Charity registration number (England and Wales) 1099808 Charity
registration number (Scotland) SC045339 Company registration number
04727690

Auditor Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent
ME19 4JQ

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on Public Benefit when reviewing and shaping the charity's aims and objectives for the year and planning future activities. The charity works to ensure that its programmes are inclusive, accessible, and responsive to the needs of its beneficiaries.

Financial review

Results for the financial period

A summary of the results for the period can be found on page 16 of this report and accounts. During the year, total income amounted to £981,748 (2020: £1,070,977). Income from grants and donations amounted to £454,323 (2020: £451,411), income from charitable activities amounted to £470,850 (2020: £540,608), and income from other trading activities amounted to £25,500 (2020: £78,958). Other sources of income included income from the Coronavirus Job Retention Scheme of £31,075 (2020: £nil). Total expenditure for the year amounted to £786,311 (2020: £1,057,200). Expenditure on raising funds totalled £44,794 (2020: £58,251) and expenditure on charitable activities amounted to £741,517 (2020: £998,949). This results in a net income and net movement in funds during the year of £195,437 (2020: £13,777).

Financial position

In April 2020, Working Families was not expecting to end the year with an increase in unrestricted reserves. Demand for our legal advice service grew six-fold with the effects of the global pandemic on working parents and carers throughout the UK. 1.6 million people viewed our advice pages during the year. Funders (including Trusts and Foundations & the government) recognised charities were a vital part of society and provided additional funds. In our case, this restricted funding was to support our legal advice service. With this additional funding, we were able to provide additional resource for the team and ended the year with an increase both in the size of the team and the number of working parents we were able to support. The additional restricted funding allowed us to fully fund the larger legal advice service and allowed us to use earned income from our employer services to significantly increase our unrestricted reserves. As we start our new financial year in 2021, with the UK embracing different working environments, Working Families will continue to invest in our mission: to empower working parents and carers, to support employers and to drive positive policy change to ensure everyone benefits from flexible family-friendly working practices.



The balance sheet shows total funds of £294,574 (2020: £99,137). £36,815 (2020: £55,144) relates to the charity's restricted funds which comprise monies which must be applied for the specific project or purpose for which the funds were received. Further details are given on page 35. Unrestricted funds (including the investment in Child Concern Consortium of £8,500) are £257,759 (2020: £43,993). Therefore free reserves available to meet general expenditure, are £249,259 (2020: £35,491).

Reserves policy

The Trustees seek to hold reserves sufficient to ensure the financial security of the charity and our ongoing ability to meet our charitable objectives. The charity will hold minimum reserves sufficient to cover the costs of a winding up the charity and discharging our obligations to staff and creditors in full. At 31 March 2021 the Trustees assessed this minimum threshold to be £88,000, should reserves fall to less than 20% above this minimum threshold the Trustees will put in place a detailed monitoring and management plan. The charity will hold a maximum level of reserves sufficient to cover 6 months charity expenditure plus a reserve to cover the development of future opportunities to fulfil our charitable objectives. At 31 March 2021 the Trustees assessed this maximum threshold to be £455,000, should reserves rise above this threshold the Trustees will put in place an action plan to develop opportunities to use any surplus to fulfil our charitable objective. The reserves held at 31 March 2021 of £352,000 fell within the Trustees' agreed range.

Governance, structure, management, and relevant policies

Recruitment, appointment, and induction of new trustees

Working Families appoints trustees on the basis of the skills and experience they can bring to the custodianship and management of the business and its activities. All prospective trustees, who are also directors of the company, are recruited from a range of external sources and by public advertisement and are appointed or co-opted after a formal interview process. Recommendations from the interview panel are voted on at a Board meeting in accordance with our Articles of Association. Each new trustee is offered mentoring by an existing trustee, provided with full induction information, and offered relevant training. The trustees who served throughout the year are detailed on page 22.

Working Families Articles of Association were updated by special resolution on 30 September 2003, 1 September 2014 and 2 April 2020. The Objects of the charity remain unchanged, while the updates include amendments to remove the requirement for an Annual General Meeting and the inclusion of Members ability to meet via video conference or conference telephone or similar equipment. A copy of the Articles is available on the charity's website.

Statement of trustees' responsibilities

The trustees (who are also directors of Working Families for the purposes of company law) are responsible for preparing the trustees' report and 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 the group and of the income and expenditure of the charitable company and 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 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);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. 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.

Risk management

In addition to the challenges faced because of the Covid-19 pandemic, the major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

In particular, the Trustees have built into the Business Plan for Working Families to be financially sound, well governed and a best practice employer. Key steps towards this have included:

- Tight budgetary control, including monthly meetings by the Finance and Risk Committee.

Working Families appointed JS2 as its accountants and appointed Buzzacott LLP as auditors in 2019 following a tender process.

Key management personnel

The charity is governed by a Board of Trustees. Day to day running of the charity is delegated to the Chief Executive and Senior Leadership Team. The charity is staffed by paid employees, supported by volunteers as well as by professionals giving their time and expertise pro bono. The salary for the key management personnel – the CEO – is reviewed annually by our People & Governance Committee (a committee of our board of trustees), taking into account industry standards. This Committee makes a recommendation to the Board.

Committees

The Finance and Risk Committee of the Board meets monthly to monitor financial performance and risk. The People and Governance Committee is responsible for the charity's governance and ensuring that Working Families is a best practice employer for its size and sector, and for settling any specific disciplinary or grievance issues which may arise during the year. It meets monthly or as required. The People & Governance Committee also manages the annual update of the Schedule of Delegation & Reserved Powers - a high level summary of responsibilities and delegated authorities for making key decisions between the trustees and the CEO. Where matters are delegated to the CEO, this empowers the CEO to delegate further to staff or volunteers (except where reserved). In these instances, the CEO stays accountable to the Board for exercise of the powers delegated. The Business Development & Fundraising Committee reviews the charity's business development and fundraising plans to support the charity's ability to meet its aims.

Fundraising policy

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. The charity takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During the year, the charity received no complaints about its fundraising activities.

Approved and authorised for issue by the Board of Trustees and signed on its behalf by:

Tim Oliver, Chair

Rebecca McGowan, Treasurer

Independent auditor's report to the members of Working Families

Opinion

We have audited the financial statements of Working Families (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of the charitable company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations in both the UK and overseas, which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, the Companies Act 2006, data protection legislation, anti-bribery, employment, safeguarding principles, health and safety legislation;
- we considered the impact of the international nature of the charitable company's operations on its compliance with laws and regulations;
- the charitable company utilises local auditors to audit the financial information in each of countries in which it operates. We communicated our perception of material risk in respect of irregularities to the local auditors and obtained details of the work that they carried out in response to this;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- used data analytics to investigate the rationale behind any significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of management and those charged with governance;
- obtaining details of work carried out by local auditors in connection with compliance with local laws and regulations;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any available correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2021

			Year to 31 March 2021			Year to 31 March 2020
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total Restated
	£	£	£	£	£	£
Income From:						
Grants and Donations	74,039	380,284	454,323	148,742	302,669	451,411
Charitable Activities	470,850	-	470,850	540,608	-	540,608
Other trading activities	25,500	-	25,500	78,958	-	78,958
Other sources	31,075	-	31,075	-	-	-
Total income	601,464	380,284	981,748	768,308	302,669	1,070,977
Expenditure on:						
Charitable activities	342,904	398,613	741,517	698,447	300,502	998,949
Cost of raising funds	44,794	-	44,794	58,251	-	58,251
Total expenditure	387,698	98,613	786,311	756,698	300,502	1,057,200
Net income (expenditure) and net movement in funds	213,766	(18,329)	195,437	11,610	2,167	13,777
Reconciliation of funds:						
Total funds brought forward	43,993	55,144	99,137	32,383	52,977	85,360
Total funds carried forward	257,759	36,815	294,574	43,993	55,144	99,137

Balance sheet at 31 March 2021

	2021	2020
	£	£
Fixed assets:		
Investments	8,500	8,502
Current assets:		
Debtors	115,662	215,194
Cash at bank and in hand	535,860	236,834
	651,522	452,028
Liabilities:		
Creditors: amount falling due within one year	(365,448)	(361,393)
Net current assets	286,074	90,635
Net assets	294,574	99,137
The funds of the charity:		
Restricted income funds	36,815	55,144
Unrestricted income funds:		
General funds	257,759	43,993
Total charity funds:		
	294,574	99,137

Approved by the trustees on July 29 2021 and signed on their behalf by:


Tim Oliver
Chair


Rebecca McGowan
Treasurer

Working Families Registered Charity No. 1099808 (England & Wales)
and SC045339 (Scotland) Registered Company (No. 04727690).

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	2020 £
Net cash provided by / (used in) operating activities	a	299,026	75,865
Cash and cash equivalents at the beginning of the year		236,834	160,969
Cash and cash equivalents at the end of the year	b	535,860	236,834

Note a

Net income for the reporting period (as per the statement of financial activities)		195,437	13,777
Decrease (increase) in debtors		99,532	(25,605)
Increase in creditors		4,057	87,693
Net cash provided by operating activities		299,026	75,865

Note b

Total cash and cash equivalents		535,860	236,834
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Note c

		At 1 April 2020 £	Cash flows £	At 1 April 2021 £
Total cash and cash equivalents		236,834	299,026	535,860

Notes to the financial statements

For the year ended 31 March 2021

Accounting policies

Basis of preparation

These financial statements have been prepared for the year to 31 March 2021. Comparative information reflects the year to 31 March 2020.

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.

The financial statements are presented in sterling and are rounded to the nearest pound.

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

Public benefit entity

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

Going concern

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

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

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees and senior management to make significant judgements and estimates over the allocation of overheads and governance costs between charitable expenditure categories and fundraising costs. There are no other significant estimates or judgements.

Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the charity's core services are treated as unrestricted.

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 or the delivery of other performance conditions, is deferred until the criteria for income recognition are met.

Income from memberships is recognised over the period of the membership

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.

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 on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs.

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

Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of staff time attributable to each activity.

Fund accounting

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charitable company's charitable objects.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aims and use of each designated fund is set out in the note to the financial statements.

Investments

Investments comprise funds provided to an associated charity, Child Concern Consortium.. This investment is held at cost less impairment.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash 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.

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 after allowing for any trade discounts due.

Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pension

The charity is part of an occupational pension scheme, which is a defined contribution scheme. The cost of contributions payable by the charity to the scheme is charged to the income and expenditure account as incurred.

Operating Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Income from grants and donations

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Trusts and Foundations	33,298	380,284	413,582	75,490	108,045	183,535
Statutory Grants	-	-	-	-	171,730	171,730
Donations	40,741	-	40,741	68,252	-	68,252
Corporate donations	-	-	-	5,000	22,894	27,894
	74,039	380,284	454,323	148,742	302,669	451,411

Income from charitable activities

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Employer membership	426,904	-	426,904	375,326	-	375,326
Event ticket sales	-	-	-	8,036	-	8,036
Consultancy and Training	38,360	-	38,360	83,686	-	83,686
Other income	5,586	-	5,586	73,560	-	73,560
	470,850	-	470,850	540,608	-	540,608

Income from other trading activities

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Sponsorships	25,500	-	25,500	78,958	-	78,958
	25,500	-	25,500	78,958	-	78,958

Income from other sources

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	£	£	£	£	£	£
Coronavirus Job Retention Scheme	31,075	-	31,075	-	-	-
	31,075	-	31,075	-	-	-

Analysis of expenditure

Current Year	Staff Costs	Other direct costs	Support costs	Total 2021
	£	£	£	£
Charitable activities				
Services for employers	187,757	47,399	52,263	287,419
Legal advice service	185,334	66,881	51,589	303,804
Policy and research	112,654	6,282	31,358	150,294
Fundraising	29,072	7,630	8,092	44,794
Expenditure on charitable activities and fundraising	514,817	128,192	143,302	786,311
Support costs	54,510	88,792	(143,302)	-
Total expenditure	569,327	216,984	-	786,311

Prior Year	Staff Costs	Other direct costs	Support costs	Total 2020
	£	£	£	£
Charitable activities				
Services for employers	373,874	171,501	83,399	628,774
Legal advice service	159,845	24,020	35,656	219,521
Policy and research	105,660	21,426	23,568	150,654
Fundraising	32,511	18,488	7,252	58,249
Expenditure on charitable activities and fundraising	671,890	235,435	149,875	1,057,198
Support costs	73,150	76,725	(149,875)	-
Total expenditure	745,040	312,160	-	1,057,198

Support costs comprise:	Total 2021	Total 2020
Staff costs	54,510	73,150
Other staff costs	3,049	2,299
Marketing and Comms	20,051	20,384
IT costs	7,142	477
Premises costs	3,607	5,464
Finance, office and admin costs	47,377	41,726
Governance - audit fee	7,566	6,375
Total support costs	143,302	149,875

Net income for the year

This is stated after charging	2021	2020
	£	£
Staff costs	569,327	745,040
Operating lease costs	38,487	62,437
Audit	6,566	6,375

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

Staff costs were as follows:	2021	2020
	£	£
Salaries and wages	503,994	642,977
Social security costs	36,683	57,838
Pension contributions	28,650	31,675
Other costs	-	12,550
	569,327	745,040

One employee earned (excluding employer pension) between £60,000 and £70,000 during the year (2020: one employee earned (excluding employer pension) between £70,000 and £80,000).

The key management personnel comprise the Chief Executive, and up until November 2019, the Commercial Director. The total employee benefits including employer pension contributions and employer national insurance contributions of the key management personnel was £71,076 (2020: £125,406).

The amounts paid to the Chief Executive Officer were:	2021	2020
	£	£
Gross salary	60,667	65,000
Employer's NIC	7,159	7,778
Employer's pension contribution	3,250	3,250
	71,076	76,028

Due to the pandemic, the Chief Executive Office volunteered to reduce their gross salary.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil).

No expenses were reimbursed to any trustees during the year (2020: none).

Staff numbers

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

The amounts paid to the Chief Executive Officer were:	2021	2020
Charitable Activity	17.8	20.2
Fundraising	0.5	0.7
Support	1.2	2.0
Governance	0.1	0.1
	19.6	23.0

Related party transactions

During the year ended 31 March 2021 a donation of £7,500 (Year ended 31 March 2020: £13,500) was received from Child Concern Consortium - an associated charity.

Agregate donations of £1,185 (2020 : £600) were received from trustees and key mangement personnel during the year ended 31 March 2021

There are no other related party transactions including donations from related parties which are outside the normal course of business.

Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The subsidiary, Working Families Trading Limited, donates all its taxable profits to Working Families, and therefore pays no corporation tax.

Investment in Child Concern Consortium (CCC)

Child Concern Consortium is an associated charity in which Working Families invested £8,500, which was the money given to the CCC as the initial set up costs. The consortium attributes each year a donation to Working Families based on available funds in the year. A donation of £7,500 was received in the current year (2020: £13,500).

Debtors

	2021	2020
	£	£
Trade debtors	111,927	146,625
Other debtors	-	8,869
Prepayments	3,735	20,630
Accrued income	-	39,070
	115,662	215,194

Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	14,094	20,680
Deferred income	273,134	284,702
VAT creditor	56,260	29,895
Accruals	10,266	10,075
Other creditors	11,694	16,041
	365,448	361,393

Deferred income

Deferred income comprises membership fees paid in advance.	2021	2020
	£	£
Balance at the beginning of the period	284,702	196,414
Amount released to income in the period	(284,702)	(196,414)
Amount deferred in the period	273,134	284,702
Balance at the end of the year/period	273,134	284,702

Trading subsidiary

The charity has one wholly owned subsidiary which is incorporated in the United Kingdom; Working Families Trading Limited, Company Registration number 02590219 (England and Wales). The registered office of the company is Buzzacott LLP, 130 Wood Street, London EC2V 6DL

The charity owns 100% of the company’s 2 issued £1 ordinary shares. A summary of the results of the company for the year to 31 March 2020 are shown below:

	2021	2020
	£	£
Turnover	-	(900)
Cost of sales	-	-
Gross profit	-	(900)
Administrative expenses	-	(2,273)
Profit on ordinary activities	-	(3,173)
Gift aid to parent charitable company, Working Families	-	3,173
Profit	-	-

The trading subsidiary was dissolved on 23 March 2021.

Analysis of net assets between funds

As at 31 March 2021	Unrestricted	Restricted	Total funds
	£	£	£
Fixed Assets	8,500	-	8,500
Net current assets	249,259	36,815	286,074
Net group assets at the end of the year	257,759	36,815	294,574

As at 31 March 2020	General unrestricted	Restricted	Total funds
	£	£	£
Fixed assets	8,502	-	8,502
Net current assets	35,491	55,144	90,635
Net assets at the end of the year	43,993	55,144	99,137

Movements in funds 2021

Restricted funds:	At the start of the year	Income	Expenditure	At the end of the year
	£	£	£	£
Legal Advice Service	21,394	294,584	(290,978)	25,000
Trust for London	33,750	51,500	(73,435)	11,815
Philip King	-	15,000	(15,000)	-
The Sisters Trust	-	19,200	(19,200)	-
Total restricted funds	55,144	380,284	(398,613)	36,815
Unrestricted funds:				
Total unrestricted funds	43,993	601,464	(387,698)	257,759
Total funds	99,137	981,748	(786,311)	294,574

Legal Advice Service

Grants and donation funding to provide free legal advice to parents and carers on their rights at work.

Trust for London

Funding to support Working Families work across the Legal advice service and policy work.

Philip King

Funding to support the salaries of the Commercial Director and Head of Marketing and Communications for 3 years.

The Sisters Trust

Funding for one year to support the salary of the Research and Policy Manager.

Scotland - Employer Services

The Scotland office closed in March 2020.

Waving not Drowning

Project established in 1996 for parents of disabled children and carers of adults who want to combine paid work with their caring responsibilities

Movements in funds 2020

Restricted funds:	At the start of the period	Income	Expenditure	At the end of the period
	£	£	£	£
Legal Advice Service	14,727	69,939	(63,272)	21,394
Scotland - Employers services	4,500	171,730	(176,230)	-
Waving Not Drowning	-	1,000	(1,000)	-
Trust for London	33,750	45,000	(45,000)	33,750
Philip King	-	15,000	(15,000)	-
Total restricted funds	52,977	302,669	(300,502)	55,144
Unrestricted funds:				
General funds	32,383	768,308	(756,698)	43,993
Total unrestricted funds	32,383	768,308	(756,698)	43,993
Total funds	85,360	1,070,977	(1,057,200)	99,137

Leases

At 31 March 2020 the charity had annual commitments under operating leases, as set out below:

Operating leases	2021	2020
	£	£
Less than one year	-	59,072
One to two years	-	64,805
Net group assets at the end of the year	-	123,877

Ultimate control

The charitable company is controlled by its trustees.



working families

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For more information on our work and mission, please visit

workingfamilies.org.uk