

Company number: 03753345  
Charity Number: 1077444

# Coram Family and Childcare Ltd

Report and financial statements  
For the year ended 31 March 2018

Contents

For the year ended 31 March 2018

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Reference and administrative information

For the year ended 31 March 2018

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<b>Status</b>	The organisation is a charitable company limited by guarantee, incorporated on 15 April 1999 and registered as a charity on 16 September 1999.	
<b>Governing document</b>	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
<b>Company number</b>	03753345	
<b>Charity number</b>	1077444	
<b>Registered office and operational address</b>	2nd Floor, The Bridge 73–81 Southwark Bridge Road LONDON, SE1 0NQ	
<b>Country of Registration</b>	England & Wales	
<b>Country of Incorporation</b>	United Kingdom	
<b>Honorary officers</b>	David White Ellen Broomé	Chair Secretary
<b>Principal staff</b>	Ellen Broomé Ellen Broomé Rebecca Asher Christopher Pond Sarah–Jane Butler Kenneth Hogg Martin Pilgrim	Chief Executive (9 August onwards) Joint Chief Executive (3 April 2017 to 8 August 2017) Director Director Director (resigned on 25 July 2018) Director (resigned on 25 July 2018) Director (resigned on 25 July 2018)
<b>Bankers</b>	National Westminster Bank plc 38 Strand LONDON, WC2N 5JB  Unity Trust 9 Brindley place BIRMINGHAM, B1 2HB	
<b>Auditor</b>	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House, 108–114 Golden Lane LONDON, EC1Y 0TL	

The Trustees present their report and the audited financial statements for the year ended 31 March 2018.

The legal and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

## **Structure, governance and management**

### **Organisational structure**

The Trustee Board meets at least five times a year. For part of the year, it delegated a number of financial matters to a Finance Audit and Risk Committee, which reports to the Board. Since September 2017, the full board has met more regularly and therefore reviews relevant information in a timely fashion at regular board meetings.

The day-to-day management of the organisation is delegated to a Chief Executive who is assisted by a Senior Management Team of four senior staff. The staff of Family and Childcare Trust is organised into four teams: Programmes, Policy and Communications, Research, and Finance and Resources.

### **Trustees and directors**

David White  
Ellen Broomé  
Rebecca Asher  
Christopher Pond

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2018 was 6 (2017–7). The trustees have no beneficial interest in the charitable company.

## **Objectives and activities**

Many parents in the UK today are frozen out of work by the cost of childcare and disadvantaged children fall behind their peers before they even start school. The Family and Childcare Trust works to change this and to make the UK a better place for families.

We focus on childcare and the early years to make a difference to families' lives now and in the long term. We work to make sure that every child has access to high quality childcare and every parent is better off working once they have paid for childcare. Families who face disadvantage, social exclusion and poverty are at the heart of our work.

## Trustees' annual report

For the year ended 31 March 2018

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Our parent-led programmes support families to achieve their potential and services to deliver solutions that meet families' needs. Our Parent Champions National Network has been running since 2007, helping families that are more likely to miss out on services to get the support that helps them to thrive.

Our research provides definitive data on the issues families face, including our Childcare Survey which is the most widely used source of information on the costs and availability of childcare in the UK.

Bringing together what we learn from our on the ground work with families and our research, we make change happen by campaigning for solutions that families need.

## Public Benefit

In considering how Family and Childcare Trust fulfils its aims and objectives, the trustees have had regard to the Charity Commission guidance on public benefit. The descriptions of Family and Childcare Trust's charitable activities and plans in the remainder of this report are drafted with this guidance in mind. The services and advice, which the Trust provides, are available to a wide range of beneficiaries at no cost to them.

## Achievements and Performance

Family and Childcare Trust have worked towards the above themes through a range of programmes and activities. These included in 2017//18:

Our **PROGRAMMES** are parent-led and reach some of the most disadvantaged families in the UK to help parents improve outcomes for their children.

### Young Dads Collective (YDC)

- The YDC has had a fantastic year – our consultants, all young dads themselves, engaged with over 300 practitioners from over 100 organisations, supporting them to reflect on their practice with young dads and commit to adopting more inclusive practice.
- The YDC consultants have also had access to a comprehensive support and mentoring programme throughout the year. This has equipped them with the skills, knowledge and confidence to speak in public, deliver YDC workshops, and take a more active role in planning and evaluation, giving them transferable skills to support employability.

### Parent Champions

- Parent Champions are parent volunteers who give a few hours a week to talk to other parents about the local services available to families. A total of 49 schemes – including 16 launched in 2017 – now run across the UK, including, for the first time, schemes in Wales.
- Almost 400 Parent Champions volunteers engaged with 9,300 disadvantaged families in communities where families find it difficult to access services. As a result, many more two year olds are now accessing the early education they are entitled to.

Trustees' annual report

For the year ended 31 March 2018

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- The Social Mobility Commission's 'State of the Nation' report (November 2017) referenced the Parent Champions Lincolnshire scheme as it helped to achieve a 10 per cent increase in the take up of the two-year old offer, and an increase of 22 per cent in the number of visitors to children's centres.
- This year we have used this successful, peer to peer model to promote home learning activities, as well as helping families with children with SEND, those living in rural areas, and ethnic minority communities. For example, we have piloted Parent Champions for Refugees and Migrants with the Parent House in Islington, funded by the Paul Hamlyn Foundation, focusing on supporting migrant and refugee parents to find their feet in their local community and build a bright future for their children.

**Parent-led Childcare**

- Parent-led childcare is not for profit childcare designed and co-delivered by parents, for parents. We completed the research phase of this project, funded by Trust for London and the Young Women's Trust in partnership with the New Economics Foundation, to find models of parent-led childcare that would work in the UK. The second phase of this project will be to test out this model with pilot sites.

We continue to deliver high quality **RESEARCH** on a range of issues relating to childcare and family life. The findings from our research are cited widely by Government, the media, local authorities, politicians, childcare providers and academics.

- **Annual Surveys**

In 2017 we published our annual Childcare Survey and Holiday Childcare Survey, now in their sixteenth and thirteenth years respectively. These continue to be vital tools for monitoring the price and availability of childcare across Britain, and for tracking changes year on year. The findings are used for calculating the Living Wage and the Minimum Income Standards. We also completed our second Older People's Care Survey in 2017.

- **Specialist reports**

Our research also looked into innovative approaches to childcare from across the world, how academisation might impact early years' education and the quality of information about childcare for children with additional needs. One report examined how families with young children view family services, and involved local parents in the planning, design, data collection and analysis of the research.

Our **POLICY and ADVOCACY** work has continued to push for longer term reform of the childcare system, raising the profile of childcare issues, and working with the Government to make sure that the two new ambitious childcare policies work for families.

Trustees' annual report

For the year ended 31 March 2018

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- **Parliament**

The general election in May all political parties made childcare pledges and our policy calls were picked up in two major party manifestos. We produced briefings for candidates and voters on the changes we want to see to improve the quality and affordability of childcare.

We continue to work closely with parliamentarians from all parties to brief them on childcare policy and look for opportunities for improvements to be made. Several MPs visited their local Parent Champions schemes and the APPG for Families in the Early Years, which we provide the secretariat for, held two well attended and thought provoking meetings.

- **National Association of Family Information Services (NAFIS)**

NAFIS continues to support best practice in local authorities as well as influencing national and local policy making. We held a useful conference for local authority staff, hosted live Q+A sessions with civil servants and met with senior civil servants to discuss policy development and roll out.

- **Communications**

Visitors to our new website now stay on the site for longer and look at more pages. We continue to have an impressive media coverage with our press reach totalling 232 million, including coverage in national newspapers, radio and TV.

## Remuneration Statement

Family and Childcare Trust have a pay strategy, which provides a framework within which decisions about pay and remuneration for the organisation can be made.

When reviewing staff remuneration, the Family and Childcare Trust aims to ensure fairness, consistency and transparency across the organisation. The Board of Trustees approve individual and cost of living pay increases as part of the budget setting process each year.

## Financial Review

In the year to 31 March 2018, there was a decrease in both income and expenditure. Income decreased by 33% to £661,839 and total resources expended decreased by 26% to £1,154,007 overall, the Trust had a net decrease in funds of £494,540

The Trust is grateful to have received a number of grants from organisations supporting the activities of the organisation. We thank the following organisations for their support: Department for Education, Esmée Fairbairn Foundation, John Ellerman, Young Women's Trust, and The New Economics Foundation.

## Risk statement

The trustees have undertaken a full risk assessment and kept this under review at the Trustee Board via a formal annual review of the risk register. The Senior Management Team have reviewed the risk register and updated it regularly outside of Board meetings.

Areas covered include recruitment of skilled staff, governance, legislation, compliance, delivery of contracted projects, diversity of funding, IT data storage, risk and appropriate levels of insurance. Decisions were taken, and processes put in place to mitigate risks identified in these areas and more generally.

The most significant risk has been the charity's longer-term sustainability, which has been a focus of the trustees' attention for some considerable time. This is commented on further in the section below on future plans.

## Plans for the Future

Expenditure within Family and Childcare Trust has exceeded income by over £500,000 in the last five years. Following the merger of the two predecessor organisations, the Board had decided to use the reserves created by the merger to achieve the charity's objectives while at the same time developing new funding streams and opportunities. However, while the charity has been successful at reducing its costs in the last few years, it has been unable to meet its budgeted income. The reserves levels are no longer sufficient to enable the charity to continue with this strategy.

Given these financial challenges, in November 2017 the Board was presented with an options paper setting out three different scenarios for the future of the charity – carrying on as an independent organisation, merging with another organisation or winding up. The board of trustees decided to seek to merge with another charity, or in the event of this course of action being unsuccessful, to achieve an orderly wind up.

The leadership team was tasked with identifying a suitable merger partner and pursuing conversations to this end. Coram was identified as a potential partner and discussions formally commenced in April 2018. The trustees of both charities are now at an advanced stage of discussions, and whilst the Trust has not yet become a member of the Coram group, formally, both organisations are operating under a memorandum of understanding. The likely outcome of this is that on 1 August 2018, the Family and Childcare Trust will be joining the Coram Group of charities, as its lead expert on early years and childcare.

Coram would become the sole member of Family and Childcare Trust; which will change its name to Coram Family and Childcare. The Family and Childcare Trust team have already moved out of their leased premises and moved to the Coram offices.



After joining the Coram group, Coram Family and Childcare will be able to draw on the strength and resilience of the parent company thus ensuring the long term sustainability of the organisation. A new board will be formed at the point of amalgamation, retaining one of the existing board members of the Family and Childcare Trust.

Should this scenario not take place, the plan would be to manage an orderly wind up of the charity. The free reserves at 31 March 2018 will be used cover all remaining liabilities, including redundancy costs.

More detail of the financial consequences of both routes – the amalgamation with Coram and the orderly wind up – are explained in the post balance sheet events section.

### **Investments and Reserves Policy**

As explained, further below, as part of the changes and move to join the Coram Group the pension liability will be paid off using the charity's investments. Following the move, the new board will revisit the charity's reserves policy and cashflow management.

At the point of amalgamation, the charity will have free reserves of £300,000 which approximates to four to six months of running costs, in line with Charity Commission guidance.

### **Post Balance Sheet Events**

In April 2018 the board took the decision to request a valuation from The Pensions Trust of The Family and Childcare Trusts' Section 75 Debt to pay-off the liability in full. The valuation given was £416,819.

In May 2018 the board took the decision to withdraw completely the funds it held as an investment with Sarasin. The investment was liquidated on the 7 June; the value of the investment after charges was £429,489.

The investments have been used to pay off the section 75 debt prior to the amalgamation with Coram.

In June 2018, as part of exiting the current office lease, the trustees also agreed to pay £15,000 for dilapidations.

As part of joining the Coram group from the 1<sup>st</sup> August 2018 the charity changed its name to Coram Family and Childcare

If the amalgamation does not take place and the wind up route is taken, in addition to the above transactions, staff will need to be made redundant and any outstanding liabilities paid in full. The trustees are confident this can be done within the charity's remaining reserves.

## Going concern

The trustees are required to comment on whether there are any material uncertainties that might affect the ability of the charity to remain a going concern. As explained above the trustees have taken steps to secure the future of the charity. If the amalgamation with Coram goes ahead the future operation is secure, if not the trustees will proceed with an orderly wind up. The trustees consider that the possibility of a wind up, given the very advanced stage of the amalgamation process, to be remote however it does still present the charity with a material uncertainty about its future.

The financial statements have been prepared on a going concern basis. This basis is considered valid at the point of signing as it is expected that the charity will become part of the Coram group.

## Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date, and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements, which give a true and fair view, the trustees should follow best practice and:

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

The trustees are responsible for keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that to the best of their knowledge there is no information relevant to the audit of which the auditor is unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditor.

Coram Family and Childcare Ltd

Trustees' annual report

For the year ended 31 March 2018

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## Auditor

Sayer Vincent LLP acted as auditor the year.

Approved by the trustees on 25 July 2018 and signed on their behalf by

David White  
Chair

## Opinion

We have audited the financial statements of Family and Childcare Trust (the 'charitable company') for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its 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

## 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.

## Emphasis of matter – going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the Trustees' annual report and note 1 to the financial statements concerning the going concern basis for the preparation of the financial statements. As explained in accounting policy note 1 to the accounts, the Trustees consider that the going concern basis remains appropriate.

## Other information

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

## **Independent auditor's report**

**to the members of**

**Coram Family and Childcare Ltd**

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the trustees' annual report, 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 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 requires us to report to you if, in our opinion:

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

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the 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.

## Independent auditor's report

to the members of

### Coram Family and Childcare Ltd

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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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Independent auditor's report**

**to the members of**

**Coram Family and Childcare Ltd**

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### **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.

Judith Miller (Senior statutory auditor)

27 July 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

Coram Family and Childcare Trust Ltd

Statement of financial activities (Incorporating an income and expenditure account)

For the year ended 31 March 2018

	Note	Restricted £	Unrestricted £	2018 Total £	Restricted £	Unrestricted £	2017 Total £
<b>Income from:</b>							
Donations and legacies	2	–	494	<b>494</b>	–	1,335	1,335
Charitable activities							
Research & Campaigns	3a	6,138	159,795	<b>165,933</b>	46,817	99,342	146,159
Consultancy & Training	3b	–	29,760	<b>29,760</b>	–	222,105	222,105
Programme & Delivery	3c	423,996	27,835	<b>451,831</b>	527,713	71,743	599,456
Other trading activities							
Publications		–	–	–	–	780	780
Advertising, Speaking fees and other trading income		–	–	–	–	680	680
Investment income		–	13,371	<b>13,371</b>	–	17,280	17,280
<b>Total income</b>		<b>430,134</b>	<b>231,255</b>	<b>661,389</b>	<b>574,530</b>	<b>413,265</b>	<b>987,795</b>
<b>Expenditure on:</b>							
Raising funds		–	139,341	<b>139,341</b>	–	180,194	180,194
Charitable activities							
Research & Campaigns		6,138	217,873	<b>224,011</b>	46,817	228,745	275,562
Programme & Delivery		462,858	253,227	<b>716,085</b>	489,203	293,121	782,324
Consultancy & Training		–	74,843	<b>74,843</b>	–	309,320	309,320
<b>Total charitable expenditure</b>		<b>468,996</b>	<b>545,943</b>	<b>1,014,939</b>	<b>536,020</b>	<b>831,186</b>	<b>1,367,206</b>
(Decrease)/increase in pension provision		–	(273)	<b>(273)</b>	–	6,000	6,000
<b>Total expenditure</b>	4	<b>468,996</b>	<b>685,011</b>	<b>1,154,007</b>	<b>536,020</b>	<b>1,017,380</b>	<b>1,553,400</b>
<b>Net income / (expenditure) for the year before net gains / (losses) on investments</b>	5	<b>(38,862)</b>	<b>(453,756)</b>	<b>(492,618)</b>	<b>38,510</b>	<b>(604,115)</b>	<b>(565,605)</b>
<b>Gains/(losses) on investments</b>		<b>–</b>	<b>(1,922)</b>	<b>(1,922)</b>	<b>–</b>	<b>41,350</b>	<b>41,350</b>
<b>Net (expenditure)/income for the year before transfers</b>		<b>(38,862)</b>	<b>(455,678)</b>	<b>(494,540)</b>	<b>38,510</b>	<b>(562,765)</b>	<b>(524,255)</b>
<b>Net movement in funds</b>		<b>(38,862)</b>	<b>(455,678)</b>	<b>(494,540)</b>	<b>38,510</b>	<b>(562,765)</b>	<b>(524,255)</b>
<b>Funds at 1 April 2017</b>		<b>59,862</b>	<b>1,172,882</b>	<b>1,232,744</b>	<b>21,352</b>	<b>1,735,647</b>	<b>1,756,999</b>
<b>Funds at 31 March 2018</b>		<b>21,000</b>	<b>717,204</b>	<b>738,204</b>	<b>59,862</b>	<b>1,172,882</b>	<b>1,232,744</b>

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 16 to the financial statements.



# Coram Family and Childcare Trust Ltd

## Balance Sheet

Company no. 03753345

As at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets:</b>			
Tangible fixed assets	10	8,871	–
Investment	11	413,629	402,815
<b>Current assets:</b>			
Debtors	12	164,806	223,605
Cash at bank and in hand		418,814	898,629
		<u>583,620</u>	<u>1,122,234</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	13	<u>171,916</u>	<u>181,305</u>
<b>Net current assets</b>		<u>411,704</u>	<u>940,929</u>
Creditors: amounts falling due after one year	14	<u>96,000</u>	<u>111,000</u>
<b>Total net assets</b>	15	<u>738,204</u>	<u>1,232,744</u>
<b>The funds of the charity:</b>			
Restricted income funds		21,000	59,862
Unrestricted income funds:			
Designated		407,718	476,111
General		309,486	696,771
<b>Total charity funds</b>	16	<u>738,204</u>	<u>1,232,744</u>

Approved by the trustees on 25 July 2018 and signed on their behalf by

Rebecca Asher  
Director

Coram Family and Childcare Trust Ltd

Statement of cash flows

For the year ended 31 March 2018

	Note	2018		2017	
		£	£	£	£
Cash flows from operating activities					
Net cash (used in) / provided by operating activities	18	(467,925)		(454,346)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		13,011		17,280	
Purchase of fixed assets		(12,525)		-	
Movement in cash held by investment managers		<u>(12,376)</u>		<u>(12,075)</u>	
Net cash (used in) / provided by investing activities		(11,890)		5,205	
Change in cash and cash equivalents in the year		(479,815)		(449,141)	
Cash and cash equivalents at the beginning of the year		898,629		1,347,770	
Cash and cash equivalents at the end of the year	19	<u><u>418,814</u></u>		898,629	

**1 Accounting policies**

**a) Statutory information**

Family and Childcare Trust is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 2nd Floor, The Bridge, 73–81 Southwark Bridge Road, London, SE1 0NQ.

**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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

**c) Public benefit entity**

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

**d) Going concern**

The Board considered different scenarios for the future of the charity during the course of the financial year, and decided to seek to merge with another charity, or in the event of this course of action was unsuccessful, to achieve an orderly wind up. Formal discussions were entered into with Coram after the balance sheet date. These discussions are now at an advanced stage and would see Family and Childcare Trust become part of the Coram group of charities. During this process the board will use the investments to clear the pension liability. The board consider it extremely unlikely that this amalgamation will not go ahead, and as a result the board consider the going concern basis remains appropriate.

The trustees have set out in note 21 the value of the significant transactions which will take place in the event of the amalgamation or wind up. The trustees do not consider that there are any sources of estimate uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next reporting period, after these transactions have been accounted for.

**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) 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.

1 Accounting policies (continued)

g) 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.

h) 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
- Expenditure on charitable activities includes the costs of delivering research projects, delivering an increasing number of programme activities, running events and conferences, all undertaken to further the purposes of the charity, and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

i) Allocation of support costs

Resources expended are 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 on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

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.

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.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

Cost of raising funds	15%
Research & Campaigns	8%
Programme & Delivery	72%
Consultancy & Training	5%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,500. 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:

Computer equipment	3 years
Furniture	4 years

l) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their 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 and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. 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.

m) 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.

n) 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.

o) 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.

p) Pensions

Family and Childcare Trust participates in the Pensions Trust Growth Plan scheme, a multi-employer scheme. There is a historic liability relating to previous Pensions Trust Growth Plan schemes which are now closed to new entrants.

Pensions Trust has a recovery plan in place requiring participating employers to make further contributions. This long term liability for Family and Childcare Trust is now included in the accounts as the net present value of those deficit reduction contributions payable. The present value is calculated using the discount rate detailed in note 7. The liability is shown in note 14 to the financial statements.

Family and Childcare Trust established a relationship with an alternative pension provider which was able to operate defined contribution personal pension schemes for employees. A number of staff have transferred to such personal pension schemes and this arrangement is the only one available to newly employed staff.

## Notes to the financial statements

For the year ended 31 March 2018

**2 Income from Donations**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Donations under £1,000 from trusts, individuals and other organisations	-	494	494	1,335
<b>Total</b>	<b>-</b>	<b>494</b>	<b>494</b>	<b>1,335</b>

**3 Incoming resources from charitable activities**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
<b>a) Research &amp; Campaigns</b>				
Research projects including Oxford University/Nuffield Foundation/Tedworth Charitable Trust	-	-	-	46,817
Big Lottery-Silver Dreams	6,138	-	6,138	-
Sponsorship	-	27,750	27,750	76,675
Event Income	-	-	-	6,000
JRF	-	-	-	6,667
CPAG	-	4,000	4,000	4,000
Unison	-	12,780	12,780	-
Legal & General	-	25,000	25,000	-
GLA	-	90,265	90,265	6,000
<b>Subtotal for Research &amp; Campaigns</b>	<b>6,138</b>	<b>159,795</b>	<b>165,933</b>	<b>146,159</b>
<b>b) Consultancy &amp; Training</b>				
NAFIS – Membership	-	20,650	20,650	22,045
Family Room – Membership	-	-	-	1,140
NAFIS – Conference	-	9,110	9,110	16,775
Consultancy	-	-	-	163,752
Training	-	-	-	18,393
<b>Subtotal for Consultancy &amp; Training</b>	<b>-</b>	<b>29,760</b>	<b>29,760</b>	<b>222,105</b>

**3 Incoming resources from charitable activities (continued)**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
<b>c) Programme &amp; Delivery</b>				
DfE- Parent Champions	348,911	–	<b>348,911</b>	364,813
Parent Champions–John Ellerman	30,000	–	<b>30,000</b>	–
Parent Champions–Jersey	–	4,334	<b>4,334</b>	–
Integration Champions–Paul Hamlyn	–	–	–	60,000
Parent Led Childcare Young Womens Trust	10,000	–	<b>10,000</b>	40,000
Parent Led childcare –New Economics Foundation	7,085	–	<b>7,085</b>	4,000
Young Dads Collective – Esmee Fairbairn	28,000	–	<b>28,000</b>	30,000
Young Dads Collective –Leeds	–	–	–	8,101
Young Dads Collective G4S	–	–	–	5,096
Families First – Quality Assurance Awards	–	16,400	<b>16,400</b>	58,400
Young Dad' Collective	–	7,101	<b>7,101</b>	146
Big Potential	–	–	–	28,900
<b>Subtotal for Programmes &amp; Delivery</b>	<b>423,996</b>	<b>27,835</b>	<b>451,831</b>	<b>599,456</b>
<b>Total income from charitable activities</b>	<b>430,134</b>	<b>217,390</b>	<b>647,524</b>	<b>967,720</b>

Restricted funds include a grant totalling £348,911 (2017: £364,813) received from the Department for Education. The terms of these grant require Family and Childcare Trust to submit regular monitoring reports to the department. The funds were fully spent by 31 March 2018 and the year end monitoring information was submitted in May 2018 in accordance with the terms of the grants.

## Notes to the financial statements

For the year ended 31 March 2018

## 4 Analysis of expenditure

	Cost of raising funds £	Charitable activities			Pension liability £	Governance £	Support Costs £	2018 Total £	2017 Total £
		Research & Campaigns £	Programme & Delivery £	Consultancy & Training £					
Staff costs (note 6)	65,585	169,177	229,882	26,394	-	-	252,955	743,993	927,601
(Decrease)/increase in provision for future deficit contributions under multi-employer pension plan (note	-	-	-	-	(273)	-	-	(273)	6,000
Freelance and consultancy costs	-	-	-	-	-	-	-	-	8,749
Premises costs	-	-	-	-	-	-	104,969	104,969	85,864
Communication costs	-	-	-	-	-	-	34,092	34,092	50,044
Audit and accountancy	-	-	-	-	-	14,580	-	14,580	12,100
Legal and professional	-	-	-	-	-	19,200	-	19,200	-
Training	-	-	2,195	-	-	-	2,315	4,510	11,570
Project costs	-	15,498	109,095	-	-	-	-	124,593	198,460
Travel and subsistence	-	-	5,882	-	-	-	-	5,882	6,194
Booklets and subscriptions	-	-	-	-	-	-	-	-	8,487
Consultancy and contracts	-	-	15,002	23,864	-	-	-	38,866	188,677
Conferences and events	-	-	-	-	-	-	-	-	789
Recruitment/Staff Costs	-	-	-	-	-	-	23,746	23,746	28,896
Trustee costs	-	-	-	-	-	1,755	-	1,755	1,837
Office establishment and insurance	-	-	-	-	-	-	14,691	14,691	12,263
Miscellaneous	-	-	-	-	-	-	19,750	19,750	5,869
Depreciation	-	-	-	-	-	-	3,653	3,653	-
	<b>65,585</b>	<b>184,675</b>	<b>362,056</b>	<b>50,258</b>	<b>(273)</b>	<b>35,535</b>	<b>456,171</b>	<b>1,154,007</b>	<b>1,553,400</b>
Support costs allocated on basis of income received for each activity area	69,270	36,944	326,867	23,090	-	-	(456,171)	-	-
Governance costs	4,486	2,392	27,162	1,495	-	(35,535)	-	-	-
<b>Total expenditure 2018</b>	<b>139,341</b>	<b>224,011</b>	<b>716,085</b>	<b>74,843</b>	<b>(273)</b>	<b>-</b>	<b>-</b>	<b>1,154,007</b>	
Total expenditure 2017	180,194	275,562	782,324	309,320	6,000	-	-	-	1,553,400



## Notes to the financial statements

For the year ended 31 March 2018

**5 Net expenditure for the year**

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	3,653	–
Auditors' remuneration (excluding VAT):		
▪ Current year	9,500	9,500
Operating lease rentals:		
▪ Property	57,250	57,250
▪ Other	2,249	1,590
Interest receivable	(635)	(17,280)

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

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	600,556	767,159
Social security costs	45,699	52,317
Redundancy costs	20,455	32,580
Employer's contribution to defined contribution pension schemes	71,933	67,079
<b>Total salary costs per payroll</b>	<b>738,643</b>	<b>919,135</b>
Other staffing costs	5,350	8,466
Total salary costs excluding change in multi-employer plan	743,993	927,601
Cost related to multi-employer pension plan deficit contributions	–	6,000
<b>Total staff costs</b>	<b>743,993</b>	<b>933,601</b>

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

	2018 No.	2017 No.
£60,000 to £69,999	–	2
£80,000 to £89,999	1	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £288,783 (2017: £261,597).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £27 (2017: £407) incurred by 1 member relating to attendance at meetings of the trustees (2017: 3).

## Notes to the financial statements

For the year ended 31 March 2018

**6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)**

The average weekly number of employees head count based on number of staff employed and full-time equivalent during the year was as follows:

	Headcount 2018 No.	2017 No.
Raising funds	1.5	1.5
Research & Campaigns	6.0	4.0
Programme & Delivery	10.0	5.0
Consultancy & Training	–	3.0
Support and governance	5.0	8.0
Interns	–	4.0
	<u>22.5</u>	<u>25.5</u>

**7 Pension scheme**

Family and Childcare Trust participates in the Pensions Trust Growth Plan scheme, a multi-employer scheme which provides benefits to some 1,300 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 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly, increasing 3% each on 1 April)

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly, increasing 3% each on 1 April)

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 the company has agreed to a deficit funding arrangement the company 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 present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost. The liability is shown in note 14 to the financial statements.

**7 Pension scheme (continued)**

Reconciliation of opening and closing provisions	2018 £ (£000s)	2017 £ (£000s)
Provision at start of period	124	131
Unwinding of the discount factor (interest expense)	2	2
Deficit contribution paid	(14)	(13)
Remeasurements – impact of any change in assumptions	(2)	4
Remeasurements – amendments to the contribution schedule	–	–
Provision at end of period	<u>110</u>	<u>124</u>

**Assumptions**

	2018	2017	2016
Rate of discount – % per annum	<u>1.71</u>	<u>1.32</u>	<u>2.07</u>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**8 Related party transactions**

Martin Pilgrim Trustee of the Family and Childcare Trust is also a Trustee of the Young Women's Trust (2017: 1). Family and Childcare Trust received a grant from Young Women's Trust during the year.

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

**9 Taxation**

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

**10 Tangible fixed assets**

	Computers £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 April 2017	–	8,580	8,580
Additions in the year	<u>12,525</u>	<u>–</u>	<u>12,525</u>
At 31 March 2018	<u>12,525</u>	<u>8,580</u>	<u>21,105</u>
<b>Depreciation</b>			
At 1 April 2017	–	8,580	8,580
Charge for the year	<u>3,654</u>	<u>–</u>	<u>3,654</u>
At 31 March 2018	<u>3,654</u>	<u>8,580</u>	<u>12,234</u>
<b>Net Book Value</b>			
At 31 March 2018	<u>8,871</u>	<u>–</u>	<u>8,871</u>
At 31 March 2017	<u>–</u>	<u>–</u>	<u>–</u>

All tangible fixed assets are used to fulfil the charity's objects.

## Notes to the financial statements

For the year ended 31 March 2018

## 11 Investments

	2018 £	2017 £
Fair value at the start of the year	387,753	346,403
Additions at cost	–	–
Net gain / (loss) on change in fair value	(1,922)	41,350
	<u>385,831</u>	<u>387,753</u>
Cash held by investment broker pending reinvestment	27,798	15,062
	<u>413,629</u>	<u>402,815</u>
Fair value at the end of the year		
	<u>413,629</u>	<u>402,815</u>
Historic cost excluding cash at the end of the year	–	350,000
Investments comprise:		
	2018 £	2017 £
Sarasin Alpha CIF for Endowments (Income units) 384,293.72	385,831	387,753
Cash	27,798	15,062
	<u>413,629</u>	<u>402,815</u>

In addition to the investments above, during the year to 31 March 2008 Daycare Trust a predecessor business of Family and Childcare Trust was donated, by a former Trustee, five shares in a newly formed private company. The investment represents 5% of the share capital of the company, which sells a product to organisations in the early years care field. The accounts for the most recent period of trading showed a small increase in reserves and Family and Childcare Trust has no information about current trading. Accordingly the Trustees are unable to put a value on the shares and they are stated at a nominal £1.

## 12 Debtors

	2018 £	2017 £
Grant receivable	107,700	149,398
Trade debtors	31,264	33,285
Prepayments	25,713	30,569
Sundry debtors	129	10,353
	<u>164,806</u>	<u>223,605</u>

## 13 Creditors : Amounts falling due within one year

	2018 £	2017 £
Trade creditors	19,447	73,916
Other Taxation and social security	29,095	22,223
Other creditors	6,587	–
Pension	5,882	8,021
Present value of future pension deficit contributions	14,000	13,000
Accruals	57,120	49,795
Amounts received in advance	39,785	14,350
	<u>171,916</u>	<u>181,305</u>

## Notes to the financial statements

For the year ended 31 March 2018

## 14 Creditors: amounts falling due after one year

	2018 £	2017 £
Present value of future pension deficit contributions	<u>96,000</u>	<u>111,000</u>
<b>Multi-employer pension deficit cost</b>		
Falling due within one year (note 13)	14,000	13,000
Falling due after one year (note 14)	<u>96,000</u>	<u>111,000</u>
Total present value of deficit contributions	<u>110,000</u>	<u>124,000</u>

## 15a Analysis of net assets between funds (current year)

	Restricted funds £	Designated funds £	General unrestricted funds £	Total funds £
Tangible fixed assets	-	-	8,871	8,871
Investments	-	-	413,629	413,629
Current assets	21,000	407,718	154,902	583,620
Current liabilities	-	-	(171,916)	(171,916)
Liabilities falling due after one year	-	-	(96,000)	(96,000)
<b>Net assets at 31 March 2018</b>	<u>21,000</u>	<u>407,718</u>	<u>309,486</u>	<u>738,204</u>

## 15b Analysis of net assets between funds (prior year)

	Restricted funds £	Designated funds £	General unrestricted funds £	Total funds £
Tangible fixed assets	-	-	-	-
Investments	-	-	402,815	402,815
Current assets	59,862	476,111	586,261	1,122,234
Current liabilities	-	-	(181,305)	(181,305)
Liabilities falling due after one year	-	-	(111,000)	(111,000)
<b>Net assets at 31 March 2017</b>	<u>59,862</u>	<u>476,111</u>	<u>696,771</u>	<u>1,232,744</u>

## 16a Movements in funds (current year)

	At 1 April 2017 £	Incoming & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
<b>Restricted funds:</b>					
<b>Research &amp; Campaigns</b>					
Big Lottery silver Dreams	–	6,138	(6,138)	–	–
<b>Programme &amp; Delivery</b>					
Department for Education – Parent Champions	–	348,911	(348,911)	–	–
Parent Champions John Ellerman	–	30,000	(30,000)	–	–
Young Womens Trust	–	10,000	(10,000)	–	–
New Economics Foundation	–	7,085	(7,085)	–	–
Esmee Fairbairn – Young Dad's Collective	20,100	28,000	(27,100)	–	21,000
Big Potential	–	–	–	–	–
Paul Hamlyn	39,762	–	(39,762)	–	–
<b>Total restricted funds</b>	<b>59,862</b>	<b>430,134</b>	<b>(468,996)</b>	<b>–</b>	<b>21,000</b>
<b>Unrestricted funds:</b>					
<i>Designated funds:</i>					
Pensions	476,111	–	–	(68,393)	407,718
<i>Total designated funds</i>	<b>476,111</b>	<b>–</b>	<b>–</b>	<b>(68,393)</b>	<b>407,718</b>
General funds excluding pension provision	779,421	218,519	(685,011)	68,393	381,322
Present value of pension deficit contributions provision	(124,000)	–	14,000	–	(110,000)
<b>Total general funds</b>	<b>655,421</b>	<b>218,519</b>	<b>(671,011)</b>	<b>68,393</b>	<b>271,322</b>
Fair value reserve	41,350	10,814	–	–	52,164
<b>Total unrestricted funds</b>	<b>1,172,882</b>	<b>229,333</b>	<b>(685,011)</b>	<b>–</b>	<b>717,204</b>
<b>Total funds</b>	<b>1,232,744</b>	<b>659,467</b>	<b>(1,154,007)</b>	<b>–</b>	<b>738,204</b>

## 16b Movements in funds (prior year)

	At 31 March 2016 £	Incoming & gains £	Expenditure & losses £	Transfers £	At 31 March 2017 £
<b>Restricted funds:</b>					
<b>Research &amp; Campaigns</b>					
Grandparents Plus	–	21,096	(21,096)	–	–
Oxford University/Nuffield	–	25,721	(25,721)	–	–
<b>Programme &amp; Delivery</b>					
Department for Education – Parent	–	364,813	(364,813)	–	–
Young Womens Trust	–	40,000	(40,000)	–	–
New Economics Foundation	–	4,000	(4,000)	–	–
Esmee Fairbairn – Young Dad's Collective	21,352	30,000	(31,252)	–	20,100
Big Potential	–	28,900	(28,900)	–	–
Paul Hamlyn	–	60,000	(20,238)	–	39,762
<b>Total restricted funds</b>	<b>21,352</b>	<b>574,530</b>	<b>(536,020)</b>	<b>–</b>	<b>59,862</b>
<b>Unrestricted funds:</b>					
<i>Designated funds:</i>					
Pensions	394,784	–	–	81,327	476,111
		–		–	
<i>Total designated funds</i>	<b>394,784</b>			81,327	476,111
General funds excluding pension provision	1,471,863	413,265	(1,024,380)	(81,327)	779,421
Present value of pension deficit	(131,000)	–	7,000	–	(124,000)
<b>Total general funds</b>	<b>1,340,863</b>	<b>413,265</b>	<b>(1,017,380)</b>	<b>(81,327)</b>	<b>655,421</b>
Fair value reserve	–	41,350	–	–	41,350
<b>Total unrestricted funds</b>	<b>1,735,647</b>	<b>454,615</b>	<b>(1,017,380)</b>	<b>–</b>	<b>1,172,882</b>
<b>Total funds</b>	<b>1,756,999</b>	<b>1,029,145</b>	<b>1,553,400</b>	<b>–</b>	<b>1,232,744</b>

**Purposes of restricted funds****Department for Education – Strategic Grant – Parent Champions**

The funding was to continue the development of a national network of Parent Champions who are community volunteers trained to act as advocates who can direct parent to sources of good information about childcare and related matters.

**Young Womens Trust**

The funding was to work with NEF to develop a new model of childcare which will enable groups of parents to set up childcare themselves and help to deliver it.

**16. Movements in funds (continued)**

**Purposes of restricted funds (continued)**

**New Economics Foundation**

To help develop a new model of childcare which will enable groups of parents to set up childcare themselves and help to deliver it.

**Esmee Fairbairn Foundation – Young Dad's Collective**

This funding is to develop the Young Dad's Collective (YDC) into a national project for a three year period. YDC works with and for young fathers to enable them to share their knowledge and experiences with practitioners, service providers and policy makers, so as to change policy and practice.

**John Ellerman**

This funding was to help us expand our Parent Champions into more rural areas and into Scotland and Wales, to improve take up of childcare and early years services.

**Paul Hamlyn**

Working in partnership with Parent House the funding is to adapt the Parent Champions model to work with new migrant communities in Islington.

**Big Lottery – Silver Dreams**

This funding supported the Relative Experience project, a peer to peer kinship carers support network in the North East.

**Trust for London**

This grant contributed towards the production of the national report looking at how family friendly the UK is. It examined how effective both national and local governments are in supporting family life, and this year the report card focussed in detail on local areas.

**Purposes of designated funds**

The purpose and requirement for the designated fund has been review by management and trustees at the year end in the light of the current position of Family and Childcare Trust.

**Pensions**

This fund recognises the potential liability for a debt on withdrawal which would arise if Family and Childcare Trust were to fully withdraw from the Pensions Trust Pension scheme arrangements. The transfer on the fund reflects the reduction in the liability as at 31 March 2018.



## Notes to the financial statements

For the year ended 31 March 2018

## 17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

## 18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2018 £	2017 £
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(494,540)</b>	<b>(524,255)</b>
Depreciation charges	3,654	–
Dividends, interest and rent from investments	(13,371)	(17,280)
(Increase)/decrease in debtors	58,799	158,407
Increase/(decrease) in creditors	(24,389)	(29,868)
Investment losses/(gains)	1,922	(41,350)
<b>Net cash provided by / (used in) operating activities</b>	<b>(467,925)</b>	<b>(454,346)</b>

## 19 Analysis of cash and cash equivalents

	At 1 April 2017 £	Cash flows £	At 31 March 2018 £
Cash at bank and in hand	33,890	37,051	70,941
Notice deposits (less than three months)	864,739	(516,866)	347,873
<b>Total cash and cash equivalents</b>	<b>898,629</b>	<b>(479,815)</b>	<b>418,814</b>

## 20 Operating lease commitments

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

	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	23,855	57,250	–	–
One to five years	–	–	2,249	1,590

## 21 Post balance sheet events

In April 2018 the board took the decision to request a valuation from The Pensions Trust of The Family and Childcare Trusts' Section 75 Debt to pay-off the liability in full. The valuation given was £416,819.

In May 2018 the board took the decision to withdraw completely the funds it held as an investment with Sarasin. The investment was liquidated on the 7 June; the value of the investment after charges was £429,489.

The investments have been used to pay off the section 75 debt prior to the amalgamation with Coram.

In June 2018, as part of exiting the current office lease, the trustees also agreed to pay £15,000 for dilapidations.

If the amalgamation does not take place and the wind up route is taken, in addition to the above transactions, staff will need to be made redundant and any outstanding liabilities paid in full. The trustees are confident this can be done within the charity's remaining reserves.