

FAMILY LIVES

ANNUAL REPORT AND ACCOUNTS

For the year ended 31 March 2015

15-17 The Broadway, Hatfield, Hertfordshire AL9 5HZ
Charity Number 1077722
Company Number 3817762
Registered in England and Wales

Contents:

Vision & Mission	p3
Highlights	p3
Legal and Administrative Information	p6
A Word from our Chief Executive	p7
Report of the Trustee Board	p8
- Objectives	
- Governance and management	
- Achievements and performance	
- Financial results	
Report of the Auditor	p19
Statement of Financial Activities	p21
Balance Sheet	p22
Notes Forming Part of the Financial Statements	p23

Why we are needed

The origins of Family Lives began in 1973 when a young girl was killed by her step-father. Local parents saw the need to ensure that no mother or father felt they had nowhere to turn to, not only in crisis but before situations reach crisis point which could result in abuse. We aim to normalise seeking help through the provision of support where and when a family needs it. We support hundreds of thousands of people through our different services from all walks of life, of all ages and from all backgrounds.

Vision

Families are the foundation of society. All families should have access to active support and understanding.

Mission

Family Lives works around the clock, transforming the lives of families, supporting parents and making happier relationships, happier families and a stronger society. Our experience enables us to help families with any problem or challenge that they face. Our trained family support workers, both paid and volunteer, offer all family members immediate and ongoing help on the phone, online or in local communities. We use the knowledge gained through our work to inform, support and train professionals and campaign for changes to improve and support family life.

We value being

Confidential – safe space

Accessible – free, inclusive, around the clock, for everyone

Professional – leading, developing services, volunteers and staff, commentating

Independent and trustworthy – reassuring, first call

Empathetic and non-judgemental – personalised, won't stigmatise, open-minded, a sounding board

Highlights

Why we do what we do

Life is full of surprises, things happen out of the blue and our family situation can change overnight. Family life and relationships are the most important things in our lives and yet they are strongly affected by the circumstances in which we find ourselves.

We recognise that everyone needs support at some point in their life, and that is why we pride ourselves on providing such a diverse range of support services, from telephone support for the things that affect every family such as conflict or bullying in school, through to offering befriending to someone who has been diagnosed with psychosis to cope with the day-to-day family tasks and build their confidence, helping a parent whose child has special educational needs or providing much-needed advice to a mother whose partner has just been sent to prison and doesn't know what to tell her children.

Improving children's lives

At the core of all of our work is the focus on improving the lives of children and parents, ensuring their family can provide the support they need and help to reduce the impact of those unpredictable life events. Many of the families we support are those who may be more vulnerable than others, such as single-parent families, or families with an income of below £15,000 a year.

Funding climate

Like most charities, it has been a difficult year to secure the levels of funding to provide the services families need. This is frustrating, especially when the demand continues to increase and we know that families value the support we offer. However, we have taken steps to reduce our outgoings, seeking new sources of funding and being innovative in the way we deliver the helpline, our biggest single service, so that we can continue to support as many families as we can. But we know that there are more families who need our help and we will always continue to seek ways of expanding our reach. We are also establishing a corporate campaign, alongside seeking to influence government through meetings with Ministers and MPs.

Legal and administrative information

Status

Family Lives is a registered company limited by guarantee; company number 3817762. It is also a registered charity, charity number 1077722, registered in England and Wales.

The charity 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. These will be treated as if they are in the new form of a single set of Articles as specified under the Companies Act 2006.

Trustee Board

The members of the Board during the year were:

A de Waal	Chair – re-appointed 6/11/14
S Bayliss	
L Bevan	Appointed 22/1/15
J Coleman	
W Jones	Treasurer – re-appointed 6/11/14
S Hayman	
D Marden	resigned 6/11/14
A Montgomery	Vice Chair – re-appointed 6/11/14
S Stuart-Brown	resigned 6/11/14
J Thoburn	
S Vahid	
S White	

Trustee Members of Policy & Finance Sub-Committee:

A de Waal, A Montgomery, W Jones, S Bayliss, S Vahid, S White

Trustee Members of the Risk of Harm Group:

June Thoburn, John Coleman

President

Rt. Hon Lord Justice Thorpe

Chief Executive and Company Secretary

J Todd

Registered Office

From 28/05/2015 registered office changed to:
15-17 The Broadway, Hatfield, Herts, AL9 5HZ

Auditors

Hillier Hopkins LLP, Radius House, 51 Clarendon Road, Watford, WD17 1HP

Solicitors

Farrer and Co, 66 Lincoln's Inn Fields, London WC2A 3LH

A word from our Chief Executive

We are here for families. We work to improve outcomes for children and their families across the UK, whether they grow up in care, in a one-parent family or are raised by grandparents. We know that family life is complicated, and we support families every step of the way. Whatever a family is experiencing, from teenage aggression, bullying, mental health issues, imprisonment or divorce, we provide a wide range of services to suit.

Over the last year, against a continuing background of financial constraints across society, we have maintained our services and gained more, such as our outreach service in Westminster for families with children aged 0-5, delivering the Offenders' Families Helpline and our merger with Action for Prisoners' Families.

However, going forward into the next year we have seen a cut of approximately 50 per cent to the funding for our vital helpline despite an increase in demand for the service and overachieving our targets. As a result we have had to redesign how we deliver the helpline, drawing more on the vital support of our volunteers. Our volunteers, who provide befriending to families and vital support on our helpline, are an essential part of what we do and how we do it and we thank them for their dedication and support especially during difficult times.

We continue to seek new opportunities to support families and now work across many sectors of society such as children's centres, health, the criminal justice system and education with contracts from the Department for Education, Department of Health, the Ministry of Justice and the Department for Work and Pensions, as well as many local authorities.

We are unique in our broad range of services and pride ourselves on being a one stop shop for families, whatever they are going through, and our ability to provide this approach offering value for money, professionalism and over 30 years of expertise. In this Annual Report we wanted to give you a snapshot of the different ways we support families across the UK, the often harsh realities of daily life for some and the impact our work can have. We couldn't achieve this without the work of our staff, volunteers, funders and support from the public.

Jeremy Todd, Chief Executive Family Lives

Report of the Board of Trustees for the year ended 31 March 2015

Objectives

The objectives of the Company are:

1. To promote, protect and preserve the good health, both mental and physical, of family members and families.
2. To advance public education in, and promote research into, the psychological, legal, medical and other problems and experiences of family members and families and to disseminate the useful results of such research.
3. To help relieve poverty among family members and families, in particular by the provision of an advice and information service for those unable to access such resources.

For the purpose of the above, 'family members' includes parents, children and others forming part of the wider or extended family, including grandparents and step relatives.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Governance and Management

Board of Trustees

Members of the Trustee Board, who are directors for the purpose of Company Law and trustees for the purpose of Charity Law, who served during the year and up to the date of this report, are set out on page 6. Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2015 was ten.

The Board is responsible and accountable for Family Lives' policies and activities to the Charity Commission, to Funders and Stakeholders, and for compliance with Charitable and Company Law. It is responsible for the financial and strategic affairs of the charity, for the Annual Budget and the Annual Report and Accounts. The Chief Executive is accountable to the Board of Trustees and presents an Accountability Report against the organisation's agreed strategic objectives.

Diversity

The Board is committed to diversity across the organisation in all areas of its activities. The organisation is continuing to monitor our service reach and workforce so as to move forward continuously on our diversity targets.

Board Annual Review

The Board has been Chaired by Anastasia de Waal since 1st November 2009. Anastasia de Waal is Deputy Director and Director of Family and Education at Civitas. A social policy analyst, she is a qualified primary school teacher, trained specifically for teaching in the inner city. Anastasia's particular interest is in the design and implementation of policy which supports parents and families practically, in fostering the best life chances for their children. Author of books including *Second Thoughts on the Family*, she is a regular contributor to print and broadcast media.

Anastasia works with the Board of Trustees, the Chief Executive, volunteers and staff to engage with existing service users, while exploring ways to attract and engage with hard to reach parents and adults, who find themselves in a parenting or carer role in the UK.

Board Recruitment

One third of Trustees are required to retire annually and there is no limit to the number of times a Trustee may be reappointed. Appointment to the Board continues to be via an open and formal recruitment process. Appointments made during the year are ratified at the AGM.

Board Induction and Training

An Induction Programme is in place for new Trustees. Any training needs may be identified for both new and established trustees via the Individual Review programme.

Board Meetings

The Trustees meet as a full Board five times a year to include the Annual General Meeting. The Trustees hold an Annual Strategic Away Day which includes the Senior Management Team.

Board Sub-Committees

There are two Sub-Committees: Policy & Finance and Remuneration which make recommendations to the Board for approval.

Family Lives' Companies

Sibling Ltd, Family Lives' trading company, did not trade during the year. Family Lives acquired Action for Prisoners' Families on 1 October 2014 whose activities were transferred to Family Lives and the shell company has ceased to trade since 1 October 2014.

Senior Management

The Senior Management Team (SMT) meets eleven times a year and addresses cross-organisational issues. To ensure that all relevant staff are involved in key decisions the SMT includes the Head of Teams. However, the Directors still hold principal responsibility for the budget and key strategic decisions. All Senior Managers work across the whole organisation and are accountable to the Board of Trustees via the Chief Executive.

Trustees' Responsibilities Statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Family Lives

Annual Report and Financial statements for year ending 31 March 2015

- state whether applicable UK Accounting Standards 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 presume that the Charitable Company will continue in operation.

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

They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

Risk

Trustees reviewed the risks to which the charity could be exposed in 2015/16 and trustees are satisfied that the charity has taken all reasonable steps to minimise risk, and that it has policies and procedures in place to manage risk effectively in all areas of the charity's work.

Achievements and Performance

- ❖ 2,030,740 visits to our website (up 58% on previous year)
- ❖ 119,291 calls received to our helpline (up 18% on previous year)
- ❖ 54% of helpline callers are mothers
- ❖ 58% of children use live chat to access support
- ❖ 37% of helpline callers have combined income of below £15,000 pa
- ❖ 16% of helpline callers are from BME background
- ❖ 53% of helpline callers are single parents

Our services – reflecting family life

Supporting young people

Bullying

We support young people experiencing bullying through our online advice which covers all aspects of bullying and keeps parents informed of the latest issues and how to support their child.

Every year we increase our anti-bullying activities in the run-up to anti-bullying week, getting schools and young people involved by providing resources such as videos, wristbands, posters and presentations for schools to use. We aim to encourage all schools to raise awareness of the impact of bullying and how to prevent it. Last year we supported adults and children with bullying issues through our helpline and live chat service and our bullying advice on our website continues to be among the most visited content.

Teenagers

We support teenagers through our TeenBoundaries programme of workshops delivered in schools for 10 to 18 year olds. TeenBoundaries aims to prevent sexual bullying, peer-on-peer sexual exploitation and promotes positive gender relationships by challenging attitudes and promoting tolerance, understanding and cohesion between young people. Our interactive programme gives young people the skills they need to manage relationships, clarify attitudes and values and maintain boundaries, raising awareness about the effects of pornography, gang culture, homophobia, cyberbullying and social media.

Videos for young people

Providing information for teenagers can be difficult, but this year we worked with young people directly to find out what they wanted to know about issues such as consent, pornography, relationships and sex and how they wanted to find out. We have produced six videos for teens and their parents which feature teens talking about the issues to give teens a safe place to find out information, and to offer parents a starting point for what can feel like an awkward conversation.

Reducing obesity in families with children age 0-5

This year we started working in partnership with HENRY (Health, Exercise, Nutrition for the Really Young) to support families in three London boroughs – Ealing, Hackney and Haringey – with the aim of reducing obesity in families with children aged 0 to 5 years.

We are training over 200 volunteers in each borough every year to support 210 families through one-to-one support for those with young children.

HENRY is an award-winning charity giving babies and young children a healthy start in life and working to prevent child obesity. HENRY supports parents and children in the early years as research evidence strongly indicates the need for early intervention to prevent obesity.

Special Educational Needs (SEN)

We continue to provide support to families with children with special educational needs and disabilities through our independent supporter projects which help parents to transfer from a statement of SEN to an education health and care plan (EHCP) or to apply for an EHCP. The service also helps to build resilience in families by offering a range of time-limited support such as liaison across different agencies and advice on personal budgets. The level and nature of that support will be tailored to the particular needs of individual families.

Supporting parents and carers

Volunteer befriending

We respond to individual needs and our service includes telephone support, volunteer befriending and parenting workshops. We provide advice, signposting to local services, support to parents to improve confidence and personal skills and to reduce isolation by building their own support networks. Our highest density of referrals are where residents are unskilled, semi-skilled, on state benefit or unemployed. Our work shows us first-hand the common issues which are directly related to these figures – mental, physical and emotional health problems, poverty, low confidence and aspirations, lack of knowledge about how to improve situations, chaotic family lives, domestic violence and loneliness. We are noting an increasing number of referrals with more complex issues and currently have a waiting list for our service.

Kinship carers

We support kinship carers through our Relative Experience project in three areas in the North East. After a successful pilot, we secured funding through the Big Lottery's Silver Dreams fund to scale up our work, enabling many more kinship carers to be supported. It is estimated that there are up to 300,000 kinship carers in the UK. Many kinship carers struggle on very low incomes and face additional concerns around inadequate housing and caring for a child with a disability. Many are also coping with their own health issues.

We work in partnership with Grandparents Plus and the Family and Childcare Trust to provide one-to-one befriending support, or telephone befriending if there aren't any volunteers in a rural area where a carer needs support.

Many kinship carers are looking after children who have complex behavioural issues as a result of their early life experiences, often being similar to those of children in care. Carers can often face hostility from birth parents and other family members which can be isolating and result in low self-esteem and lack of confidence.

The kinship carers we support told us they wished to meet with others in a similar situation and we addressed this by supporting the development of new kinship care groups in different local authority areas. And our carers and volunteers have been supported to speak out at a variety of events about the challenging experiences of kinship carers, including speaking to newly qualifying social workers in Northumbria University.

Parenting teenagers

We provide support around the country for parents struggling to cope with bringing up their teenager, whether it's behavioural issues, concerns about relationships or just communicating with their teenagers, our courses can greatly improve their relationship and provide reassurance that they are not alone. In addition we provide a wealth of advice articles and videos through our website which continue to be among the most popular content.

Ex-service personnel

A large number of ex-service personnel have recently been made redundant. Increased uncertainty, insecurity and economic difficulty often leave families vulnerable. Our services offer support around adjusting to change, managing loss, building new lives after relocation and coping with being away from family.

Families of prisoners and offenders

In August 2014 we took over the contract to run the National Offenders' Families Helpline and website which supports families in England and Wales who have a loved one serving a sentence either in prison or in the community. The helpline supports families with issues around contacting their family member, visiting a prison, what happens on release and what to tell their children.

- ❖ 7,199 unique callers
- ❖ 171,418 cumulative unique visitors to the website
(1 August 2014 to 31 March 2015)

In addition the charity Action for Prisoners' Families merged with Family Lives in October 2014 (renamed to Action for Prisoners' and Offenders' Families), expanding our support for professionals by focussing specifically on those working with families of prisoners and offenders. This work raises awareness of the needs of families by providing training to professionals, sharing best practice and learning, and advocating the issues affecting families among the wider sector.

Part of this work over the last year has been supporting the Department of Health as a Strategic Partner to ensure the health and care needs of families of offenders are understood and looking at issues such as older prisoners, women offenders, engaging with families when a prisoner has mental health problems, and transgender prisoners.

Action for Prisoners' and Offenders' Families also has a wide range of successful training programmes which help professionals to understand the impact of imprisonment on a family, how the justice system works, and issues around stigma, visiting, and release. We have also been developing a new training programme around families of sex offenders as there has been a significant rise in the number of prisoners convicted of sexual offences. We deliver our training across the country to a wide range of people including those working directly with prisoners and offenders, teachers, local authorities, and social workers.

Families with complex needs – vulnerable families

Working with troubled families

Many of the families supported have had negative experiences of interventions in the past. A large part of the work in the beginning is about gaining trust and working in a partnership with the families. Once engaged with the service, families report that having one worker co-ordinating and advocating for the family makes a huge difference. In addition, each member of the family signs up to the overall family plan so that children and adults together can see improvement, progression and change.

The impact of intensive family support work has included improved school attendance for children, and increased confidence and self-esteem in children and adults, demonstrated by parents volunteering, gaining paid employment or attending courses and training.

Supporting families with psychosis

Our volunteer-led service provides befriending to individuals with a diagnosis of psychotic illness, with a minimum of four hours of support per month for up to three months. 'Families in Mind' supports their recovery through improving self-management and coping skills and increasing their connectedness to community, family and friends. In doing so we are able to reduce isolation and prevent relapse.

We also aim to achieve wider outcomes, including reduced reliance on acute mental health services, volunteer buddies develop increased understanding of mental health conditions, leading to improved self-confidence and communication skills when supporting this group.

Outreach services for vulnerable families

This year we successfully won a contract to deliver the outreach service in Westminster to improve the health and wellbeing of vulnerable families with children aged 0-5 years. Outreach services in Westminster are well established and act as a bridge to accessing vital support services families need. We focus on an integrated outreach service through home visiting, supporting fathers and their roles, providing long-term befriending support and access to emergency packs for the vulnerably housed. Over the last six months we have supported 4,261 families, linking them to vital services which help to increase their emotional and physical wellbeing, general healthy lifestyle changes and community engagement, improve mental health and parenting capacity and also their family finances and readiness for work.

Supporting professionals

Parenting UK continues to be the membership body for parenting professionals supporting people in their work with families through our enewsletters, bulletins, events and best practice resources.

Over the last two years we were part of the consortium to develop the CANparent Quality Mark for universal parenting classes which we will now be delivering as part of the Parenting UK offer. The CANparent Quality Mark is the only quality standard that has been developed for the parenting sector, by the parenting sector. It is flexible and can be applied for by all types of organisations, from charities and social enterprises to private sector and local family organisations. It is appropriate for organisations of all sizes, from those with one or a handful of employees, to large employers.

The CANparent Quality Mark is awarded to organisations who are developing or delivering universal parenting classes. Providers need to show that their class is based on sound evidence, with strong governance practices and procedures. Sitting within the universal prevention area of support, organisations must demonstrate that they have met indicators and provide robust evidence across four elements of quality. 32 organisations achieved the CANparent Quality Mark in 2014-15, resulting in 15,885 parents attending a quality-marked class. To support the development of the Quality Mark we also undertook a year-long campaign of engaging parents and commissioners to improve the awareness of the many benefits of parenting classes. We also supported the parenting sector in the development of a sustainable market by providing a programme of business support activity which was hugely effective in supporting providers' business needs, such as marketing, pitching, or building an evidence base.

Our work as Parenting UK is now complemented by the addition of Action for Prisoners' and Offenders' Families (APOF) to Family Lives, expanding our reach and continuing the vital work of supporting families of prisoners and offenders. Families with a loved one in prison or serving a community sentence can face many issues including stigma, housing and finance issues, coping with parenting on their own, as well as understanding their way around the complex criminal justice system and prison rules around visiting.

APOF supports professionals through guidance and events, and our highly popular training programme, Hidden Sentence, which aims to help professionals understand the issues faced by families of prisoners and offenders so they can support families in the best way possible. We have been developing new training programmes to expand the reach of this work among different sectors, and to also focus on families of sex offenders as well as working with a number of sector bodies to embed training around the needs of families of offenders.

We also represent the needs of families through our advocacy work, attending the relevant All Party Parliamentary Groups and sitting on a number of working groups to ensure the voices of families are not forgotten.

Outlook

Family Lives will continue to work in the following five thematic areas: Family Relationships, Education, Legal Matters, Professional Development and Health and Wellbeing. In addition we will be looking specifically at support around Divorce and Separation. Family Lives will maintain its delivery of high-quality, responsive services for families, locally and nationally.

Central to our activity over the next three years will be the establishment of a secure funding base, whilst operating in a difficult economic environment. We are seeking to further diversify our funding streams through looking for corporate support.

Our Three-Year Strategy Aims are:

- Family Lives will maintain its role and focus as a core grassroots **volunteer-based** organisation, ensuring responsiveness, integrity and efficiency in our delivery.
- Family Lives will be recognised as a **primary organisation** that provides information and support to anyone parenting a child and those working with them – known nationally, locally and regionally as being authoritative, professional, helpful, reliable and caring in support of the family.
- Family Lives will provide direct **services to young people** through its TeenBoundaries and BullyingUK programmes.

Family Lives

Annual Report and Financial statements for year ending 31 March 2015

- Family Lives will work with appropriate partners to establish itself as a **key commentator** through the provision of Press and Media that will utilise our evidence-based work and practitioner network, to enable us to enter into public debate about the nature of family life and the needs of parents and children.
- Family Lives will be a **collaborator** and seek strategic partnerships to enhance our 'offer' to families and practitioners through close working with other relevant agencies.
- Family Lives will be a **cost-effective** organisation providing value for money that is competitive within both the charitable and private sector. We aim to be creative, responsive and flexible in how we respond to changes and challenges within a difficult funding environment.
- Family Lives will continue to develop individuals and **services that are professional**, and are passionate about working for and with parents and families, for the benefit of the parent themselves, of children and young people, taking a family-centred approach to all its work, including during and after separation or divorce.
- Family Lives will generate sufficient income to ensure the delivery and **sustainability** of its services.

In order to achieve these aims, Family Lives will behave as a learning organisation, committed to developing volunteers, staff and services, striving for excellence in our internal working and our service provision, and evaluating our success in achieving our aims.

Financial Results

Summary

During the year the charity raised £4.984m (2014 £4.182m) and spent £4.878m (2014 £4.11m). After allowing for the allocation of the appropriate expenditure in the year against restricted funds balances brought forward a surplus of £66k (2014 £40k) was added to the free reserves in line with the charity's policy. The Unrestricted Funds of the charity now total £1.241m (2014 £1.175m). After allowing for £246k funding for designated funds the free reserves stand at £0.944m (2014 £1.056m).

Unrestricted funds

The charity raised £2.778m (2014 £1.876m) of general or unrestricted income. Expenditure of £2.712m (2014 £1.836m) was set against this, leaving a surplus of £66k (2014 surplus of £40k). This has increased the general reserves carried forward to £1.241m.

Designated funds

The Trustees have decided to show separately in a £149k designated fund that part of the reserve which will be used to fund the costs of contraction following a cut in funding for Family Lives helpline, website and live chat services. The Trustees have also designated £97k of unrestricted funds to support local services in 2015/16.

Restricted funds

A total of £2.206m (2014 £2.036m) of restricted income was received in the year and there was a balance of £131k (2014 £99k) brought forward from the previous year. Expenditure of £2.166m (2014 £2.274m) was set against this leaving an amount of £171k (2014 £131k) to carry forward to fund restricted activities next year.

The merger with Action for Prisoners' Families resulted in £71k of restricted voluntary income and £14k of project specific restricted grants being transferred to Family Lives.

Sources of income

£2.408m (2014 £2.497m) was from Central Government sources, £1.493m (2014 £0.805m) was from Local Authority sources and £0.869m (2014 £0.67m) was from corporate bodies, trusts & foundations and individuals.

Expenditure

Expenditure on National Services increased to £1.485m (2014 £1.413m) due to the redundancy costs, associated with restructuring the service in March 2015 in light of central Government funding cuts, and public education activities (2014 £58k) were merged into this activity heading.

Investment in Local Services increased to £2.329m (2014 £1.594m) as new Local Authority contracts were secured. Expenditure on Professional Development rose to £1.010m (£0.963m) with the delivery on the DfE CANparent Market Development contract and the merger with Action for Prisoners Families; policy development activities (2014 £28k) were merged into this activity heading.

The charity's governance costs account for 1% (2014 1%) of gross expenditure at £46k (2014 £46k). Expenditure on fundraising was £8k, with the activity focusing on the delivery of our 'Anti Bullying Week Campaign' (2014 £8k).

The Trustees would like to thank all those who funded our work during 2014/2015, and the charity's volunteers who generously provided 15,017 hours (2014 17,235 hours) of their time to support other parents. This equates to £215k (2014 £212k) of donated services.

Reserves Policy

The Board of Trustees has agreed a reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets, ('the free reserves'), held by the charity should provide sufficient funds for an orderly wind down of the charity, if necessary at some future date. At 31 March 2015 this equates to £932k. £149k of these wind down costs will be incurred between April and June 2015 as Family Lives restructures its service provision in light of central Government funding cuts in 2015/16. Accordingly the Trustees have designated £149k of the charity's free reserves for this purpose.

The Trustees are also mindful of the potential need to use the charity's unrestricted reserve as a buffer against the volatile funding environment and to help with cash flow as much of the charity's funding is now received in arrears.

Investment Policy

In the current climate of uncertainty, volatile equity markets and a recognition that the current reserves are not long term in nature the Board of Trustees has decided to take a cautious approach to the investment of its liquid funds. Accordingly these funds have been invested in a high interest COIF Deposit Fund account. The pooled assets of the Deposit Fund are placed on short term money market deposits in accordance with a careful management policy. The Fund can make deposits only to rigorously selected financial institutions approved by the Fund's trustees. For each counterparty there are agreed individual deposit limits. This ensures that the Fund's assets are well spread across a range of institutions: the credit status of these is monitored daily.

Provision of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the company's auditor is unaware;
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

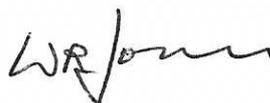
Hillier Hopkins LLP was reappointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities 2005.

Approved by the Board of Trustees on 7th July 2015 and signed on its behalf by:



Anastasia de Waal (Chair)



Warwick Jones (Treasurer)

Independent Auditor's Report to the members FamilyLives for the year ended 31 March 2015

We have audited the financial statements of FamilyLives for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the trustee 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



Phillip Collins FCA
(Senior Statutory Auditor)
For and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford
WD17 1HP

21 JULY 2015

**Statement of Financial Activities (incorporating Income and Expenditure Account)
for the year ended 31 March 2015**

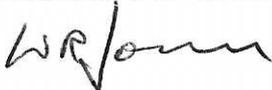
	note	General fund	Restricted fund	2015 Total £'000	2014 Total £'000
Incoming resources		£'000	£'000	£'000	£'000
Incoming resources from charitable activities		2,720	1,920	4,640	3,913
Incoming resources from generated funds					
Voluntary income	2	25	286	311	240
Bank Interest		3		3	3
Other incoming resources		30		30	26
Total incoming resources	3	2,778	2,206	4,984	4,182
Resources expended	4				
Charitable activities					
National services		132	1,363	1,495	1,413
Local services		1,556	773	2,329	1,594
Public education and information		-	-	-	58
Policy development		-	-	-	28
Professional development		982	28	1,010	963
Fundraising		8	-	8	8
Governance costs	5	34	12	46	46
Total resources expended		2,712	2,176	4,888	4,110
Net (outgoing)/incoming resources		66	30	96	72
Funds at 1 April 2014		1,175	131	1,306	1,234
Funds at 31 March 2015	17/19	1,241	161	1,402	1,306

Balance Sheet as at 31 March 2015

		2015		2014	
	note	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	10	24		53	
Investments		-		-	
			24		53
Current assets					
Debtors & Prepayments	11	669		500	
Cash on deposit		750		800	
Cash at bank and in hand		679		515	
			2,098		1,815
Creditors:					
amounts falling due within one year	12	720		562	
Net current assets			1,378		1,253
Total funds			1,402		1,306
Unrestricted funds					
Designated Funds	16		246		119
General funds	17		995		1,056
			1,241		1,175
Restricted funds	19		161		131
Total funds			1,402		1,306

The financial statements were approved by the Members of the Board on 7 July 2015


Anastasia de Waal (Chair)


Warwick Jones (Treasurer)

Charity Number 1077722 Company Number 3817762
The notes on pages 23 to 30 form part of these financial statements

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act and, unless otherwise stated, applicable accounting standards and the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued by the Charity Commission in 2005 (SORP). The following accounting policies have been applied:

Income and expenditure

Income and expenditure are shown gross and include all material amounts known to be due at the balance sheet date. Expenditure includes attributable VAT which cannot be recovered.

Unrestricted income

Unrestricted grants, donations and other income are treated as income in the year in which they are receivable.

Grants and donations

These are included in the Statement of Financial Activities when receivable.

Depreciation

Fixed assets costing less than £1000 are written off in full in the year of purchase. Other fixed assets are depreciated in equal installments so as to write off their costs over their estimated useful lives as follows:

Office fittings	Shorter of 7 years and remaining period of lease
Office furniture	5 years
Office equipment & software	3 years

Pensions

The company operates a defined contribution scheme for the benefit of its employees.

Allocation of resources expended to funds

The costs of staff employed directly in connection with particular projects are allocated directly to the projects concerned together with all directly incurred expenditure.

Support cost allocation

Support costs are apportioned to projects based on the gross expenditure of that project, as agreed with the funder. Expenditure incurred exclusively in activities to raise restricted funds and service contracts is not defined as fundraising costs under SORP 2005, they have been added to support costs and charged out to projects in line with our usual policy.

Unrestricted funds

These are donations and other incoming resources receivable for or generated by the objects of the charity without further specific purpose and are available as general funds.

Designated funds

These are unrestricted funds earmarked by the Board of Trustees for particular purposes.

Restricted funds

These are funds which may only be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with an equitable allocation of management and support costs.

Volunteers and donated services

The value of services provided by volunteers is incorporated within these financial statements. Where services are provided to the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services and facilities are analysed in note 2.

2 Voluntary income

	Unrestricted funds £'000	Restricted funds £'000	2015 Total £'000	2014 Total £'000
General donations	25		25	28
Action for Prisoners' Families		71	71	-
Donated services		215	215	212
Total	25	286	311	240

The charity is indebted to its volunteers for the time spent providing services to the charity. Based on 15,017 hours spent (2014: 17,235 hours), a value for their services of £214,787 (2014: £212,067) has been recognised within incoming resources as a donation and an equivalent charge included within resources expended.

FAMILYLIVES

Financial statements for year ending 31 March 2015

	National services	Local services	Professional development	Support	Governance	Fundraising	2015 Total	2014 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
3 Incoming resources								
Unrestricted	124	1,556	1,060	5	11	22	2,778	1,876
Restricted	1,426	732	32	4	12	-	2,206	2,306
	1,550	2,288	1,092	9	23	22	4,984	4,182

4 Resources expended analysed by activity

Staff, volunteer & staff-related costs	1,204	1,741	317	448	24	5	3,739	2,917
Travel & subsistence	21	79	10	22	1	-	133	107
Freelance specialists	10	46	232	14	-	-	302	357
Events	4	14	140	0	-	1	159	168
Premises	68	47	25	2	-	-	142	167
Office	58	34	9	14	-	-	115	121
Equipment	34	24	2	72	-	-	132	83
Digital	24	3	135	0	-	2	164	170
Other costs	3	2	0	(23)	20	-	2	20
Allocation of support costs	69	339	140	(549)	1	-	-	-
Total resources expended	1,495	2,329	1,010	-	46	8	4,888	4,110

FAMILYLIVES
Financial statements for year ending 31 March 2015

5 Governance costs	2015	2014
	£'000	£'000
Governance costs are made up of:		
Staff salaries	24	24
Staff travel & meetings	-	-
Trustees' expenses	1	2
Audit fee	9	9
Insurance and professional fees	11	9
Events	-	-
Allocation of support costs	1	2
	<u>46</u>	<u>46</u>
6 Net movement in funds	2015	2014
	£'000	£'000
The net movement in funds is arrived at after charging:		
Depreciation	23	26
Operating leases for land and buildings	41	43
Auditor remuneration	9	9
	<u>73</u>	<u>78</u>
7 Staff costs and numbers	2015	2014
	£'000	£'000
Staff costs were as follows:-		
Salaries	3,127	2,420
Social security costs	241	190
Pension contributions	105	57
	<u>3,472</u>	<u>2,667</u>
The number of employees employed by the charity whose emoluments exceeded £60,000 were:-		
£60,001 - £70,000	1	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	1
	<u>2</u>	<u>2</u>
Average weekly number of employees during the year, calculated on the basis of full time equivalents:-		
	No	No
Charitable activities	106	84
Governance	1	1
	<u>107</u>	<u>85</u>

8 Pensions

The charity has a group personal pension scheme to which all employees are automatically enrolled; staff may then opt out. In accordance with the scheme the charity made a contribution of 3% of gross salary as determined by a matched contribution of the individual employee. This amounted to £104,585 in the year (2014: £57,273). For staff enrolled prior to 1st April 2013 Family Lives' contribution is either 4.5% or 6.5% of gross salary as determined by the contributions of the individual employee.

9 Board of Trustees

Three trustees were reimbursed expenses for travel and subsistence amounting to £985 (2014: 3 Trustees, £1,072)

10 Tangible assets

	Furniture & equipment	Office fittings	Total
	£'000	£'000	£'000
Cost			
At 1 April 2014	151	-	151
Additions	-	-	-
Cost of disposals	(9)	-	(9)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	142	-	142
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 April 2014	98	-	98
Charge for the year	23	-	23
On disposals	(3)	-	(3)
	<hr/>	<hr/>	<hr/>
At 31 March 2015	118	-	118
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2015	24	-	24
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2014	53	-	53
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

FAMILYLIVES
Financial statements for year ending 31 March 2015

	2015	2014
11 Debtors	£'000	£'000
Debts payable within one year		
Debtors and prepayments	665	486
Debts payable after more than one year		
Rent deposit	4	14
	<hr/>	<hr/>
	669	500
	<hr/> <hr/>	<hr/> <hr/>

	£'000	£'000
12 Creditors	£'000	£'000
Deferred income	121	149
Creditors and accruals	378	287
Taxation (inc VAT) and Social Security	221	126
	<hr/>	<hr/>
	720	562
	<hr/> <hr/>	<hr/> <hr/>

13 Commitments

All expenditure approved by the Trustees at 31 March 2015 was provided for in these accounts.

14 Obligations under operating leases

	2015	2014
	£'000	£'000
At 31 March 2015, the Charity had annual commitments under operating leases as set out below:-		
Operating leases expiring within 1 year	18	24
Operating leases expiring between 1 and 5 years	25	38
	<hr/>	<hr/>
Total operating leases	43	62
	<hr/>	<hr/>
The above leases relate to:		
Land and buildings	41	58
Photocopiers	2	4
	<hr/>	<hr/>
	43	62
	<hr/> <hr/>	<hr/> <hr/>

**Analysis of net assets between
15 funds**

	Unrestricted funds £'000	Restricted funds £'000	2015 Total £'000
Fixed assets	24	-	24
Net current assets	1,225	153	1,378
Net assets	1,249	153	1,402

16 Purposes of designated funds

The Trustees have decided to show separately in a £149k designated fund that part of the reserve which will be used to fund the costs of contraction following a cut in funding for Family Lives helpline, website and live chat services. The Trustees have also designated £97k of unrestricted funds raised during the year to support local services in 2015/16.

17 Movements in unrestricted funds

	At 1 Apr 2014 £'000	Incoming resources £'000	Resources expended £'000	Net Tfrs £'000	Net mvmt in funds £'000	At 31 Mar 2015 £'000
Unrestricted funds						
General unrestricted funds	1,056	2,778	(2,712)	(127)	(61)	995
Designated fund	119	-		127	127	246
Total unrestricted funds	1,175	2,778	(2,712)	-	66	1,241

18 Movements in deferred income

	At 1 Apr 2014	Incoming resources	Resources expended	Net Tfrs	Net mvmt in funds	At 31 Mar 2015
Deferred income	149	121	(149)		(28)	121

FAMILYLIVES

Financial statements for year ending 31 March 2015

19 Movement in restricted funds

Funder name	b/fwd	Income	Expenditure	c/fwd
	£'000	£'000	£'000	£'000
DfE Family Support Services	15	990	998	7
Fairlands School	-	34	34	-
Milton Keynes Dons Sport and Education Trust	-	81	81	-
Henry Smith Charitable Trust	30	-	23	7
Comic Relief	18	19	37	-
Essex CC Family Innovation Fund - South	9	-	9	-
The Charles Hayward Foundation	9	-	9	-
Esmee Fairbairn Foundation (Teen B)	17	15	25	7
Croydon Youth Locality North	-	9	9	-
The Dulverton Trust	-	25	25	-
The Walcot Foundation	-	20	10	10
Awards for All	-	5	5	-
Essex Community Foundation	-	10	6	4
Awards for All	-	6	2	4
DH HSC Fund (HENRY)	-	43	43	-
Harpenden Building Society	-	9	9	-
Garfield Weston Foundation	-	10	10	-
DH/NACRO - RRVSI	-	23	23	-
MOJ/Clinks - RRVSI	-	27	27	-
Barrow Cadbury Trust	-	9	9	-
The Dulverton Trust (APOF)	-	28	8	20
NOMS/One Plus One	-	5	5	-
APOF Restricted Reserve	-	71	8	63
Big Lottery Reaching Communities- Hants	-	94	90	4
Big Lottery Reaching Communities- Glos	7	78	78	7
Big Lottery Reaching Communities- Cornwall	6	54	55	5
Big Lottery Silver Dreams	-	122	122	-
Big Lottery Reaching Communities- Herts	4	71	75	-
Big Lottery Reaching Communities- FOD	14	79	77	16
Grants less than £5k	2	54	49	7
	131	1,991	1,961	161

Note:

As requested by funders the following precise amounts were awarded:

Big Lottery Fund: Reaching Communities - Cornwall £54,261

Big Lottery Fund: Silver Dreams £122,248

Big Lottery Fund: Reaching Communities - Gloucestershire £77,600

Big Lottery Fund: Reaching Communities - Hampshire £93,705

Big Lottery Fund: Reaching Communities - Hertfordshire £71,132

Big Lottery Fund: Reaching Communities - Forest of Dean £78,916

