

Company number 402748  
Charity number 230750

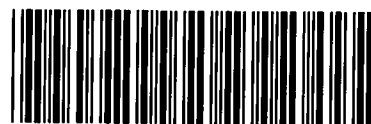
## **Gingerbread, the charity for single parent families**

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**Trustees' Report and Accounts**  
**Year ended 31 March 2018**

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31/01/2019  
COMPANIES HOUSE

## Introduction

For the year ended 31 March 2018

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## Introduction

This has been quite a year for Gingerbread.

In February we celebrated a whole century of achieving change for single parent families. Highlights of our impact since we were first founded in February 1918 include; successfully campaigning for the closure of workhouses, the reform of the bastardy laws and improvements to Universal Credit and child maintenance; supporting hundreds of thousands of single parents with advice, information and support at a moment of crisis – giving them a “virtual hug” as one parent called it, when they needed us most; and enabling single parents to lead and join one of our 100 friendship and support groups in local communities across England and Wales – reducing loneliness and isolation.

Today, there are 1.7 million single parents in the UK, with one in four families headed by a single parent. Far too many remain trapped in poverty, are socially isolated and struggling to manage work and caring. Unsurprisingly given this context, over a quarter of single parents report low levels of mental wellbeing, nearly double the rate compared to parents in couples. And with children of single parents already twice as likely to be growing up in poverty as those in couple families, poverty is sadly projected (by the Equalities and Human Rights Commission) to rise further and sharply, with over three-fifths of children in single parent families expected to live in poverty by 2022, just four years away.

Through 2017–2018, we have been gearing up to be the organisation we need to be to meet the challenges of the future as efficiently and effectively as possible. There is an urgent need for Gingerbread to focus our resources on changing the systems and structures that hold single parents back, delivering services that can reach significant numbers of single parents – and ensuring we make the maximum impact with the resources that we have. But there is still a mountain to climb to ensure we meet the need and demand for our impact nationally.

**Our mission is to champion and enable single parent families to live secure, happy and fulfilling lives.**

Our new strategy brings with it renewed focus and opportunity – but it has also involved us stopping delivery of services that we felt no longer served our mission, and sadly saying goodbye to a large number of staff who have served Gingerbread for many years. Change is never easy, but we do believe that Gingerbread is on the right path to delivering more strategic impact for single parent families for the long term and we are excited to work with partners, funders and single parent families to make this a reality.

**Rosie Ferguson, Chief Executive**

**Jonathan Welfare, Chair**

**Trustees' report**

Reference and administrative information	4
Objectives and activities	6
Structure, governance and management	10
Progress against our objectives in 2017-18	12
Financial review	16
Acknowledgements	20
Future Plans	8
<b>Auditor's report</b>	<b>22</b>
<b>Statement of financial activities</b>	<b>26</b>
<b>Balance sheet</b>	<b>27</b>
<b>Statement of cashflows</b>	<b>28</b>
<b>Notes to the accounts</b>	<b>29</b>

The Board of Trustees submits its report and accounts for the year ended 31 March 2018.

**Reference and administrative information**

'Gingerbread, the charity for single parent families' is a company limited by guarantee registered in the UK (number 402748) and a registered charity in England and Wales (number 230750).

**President**

JK Rowling OBE

**Vice Presidents**

Rodney Bickerstaffe (deceased Oct 17)

Celia Brayfield

Amanda Cairns, Countess of Cairns

Graham Judge

Stephen Lloyd

Catherine Porteous CBE

Sue Slipman OBE

Suzanna Taverne

Professor Dame Marina Warner

Sir Andreas Whittam Smith

Wendy Scott, Treasurer (from June 2018)

Lily Cipriani (from Nov 2017 to Dec 2018)

George Coleman (from Nov 2017)

Sir Martin Donnelly (from Nov 2017)

Joyce Materego (from Nov 2017)

Dr Wanda Wyporska (from Nov 2017 to Jan 2019)

**Company Secretary**

Andrew Storm (to July 2017)

Otto Balsiger (from September 2018)

Paula Harris (from December 2018)

**Chief Executive**

Rosie Ferguson

**Ambassadors**

John Amaechi OBE

Martina Cole

Tracy Edwards MBE

Kate Fawkes

Neil Pearson

Arabella Weir

Laila Rouass

Lisa Aziz

**Board of Trustees**

Jonathan Welfare, Chair

Derek Gannon, Vice Chair (to Oct 2017)

Jenny Robson MBE, Vice Chair (from Jan 2018 to Nov 2018)

Jeremy Simpson ACA Treasurer (to June 2018)

Victoria Benson

Mary Lumetta

Patrick Mears (to Dec 2018)

Charlotte Thorne, Vice Chair (from Nov 2018)

Frances Parry

Alison Taylor

**Senior Management Team**

*Director of Policy, Advice and*

*Communications:* Dalia Ben-Galim

*Deputy Chief Executive:* Nigel Purkis  
(to Nov 2017)

*Director of Finance & Resources:*

Andrew Storm (to Sept 2017), Otto  
Balsiger (from Sept 2017 to Aug  
2018), Paula Harris (from Sept 2018).

*Interim Director of Operations:*

Beatrice Hackett (to Jan 2018)

*Interim Director of Fundraising:* Louise  
Morris (from Nov 2017)

Gingerbread, the charity for single parent families

Reference and administrative information

For the year ended 31 March 2018

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**Auditors**

Sayer Vincent LLP  
Invicta House, 108-114 Golden Ln  
London EC1Y 0TL

**Bankers**

Coutts & Co  
St Martin's  
Office 440  
Strand  
London WC2R 0QS

**Solicitors**

Bates Wells  
Braithwaite  
10 Queen St Place,  
EC4R 1BE

**Registered office**

520 Highgate Studios, 53-79 Highgate  
Road, London, NW5 1TL  
Tel: 020 7428 5400  
Email: [info@gingerbread.org.uk](mailto:info@gingerbread.org.uk)  
Website: [www.gingerbread.org.uk](http://www.gingerbread.org.uk)

## **Objectives and activities**

Gingerbread is the national charity working with single parent families. We provide expert information and advice, support for parents progressing into work and facilitate peer support through local groups and online forums. We campaign against poverty, disadvantage and stigma to promote fair, and equal, treatment and opportunity for single parent families. In May 2007 the National Council for One Parent Families (founded in 1918 as the National Council for the Unmarried Mother and Her Child) merged with the charity Gingerbread. In June 2013 we changed our registered name from "National Council for One Parent Families" to "Gingerbread, the charity for single parent families", retaining the working name "Gingerbread".

## **Objects**

The objects of the charity, as stated in the Articles of Association are:

"To prevent or relieve poverty and disadvantage and to promote fair and equal treatment and opportunity among single parents and their children, and to promote and protect their well-being through the provision of information, advice, education, training and other services; the conducting, commissioning and publication of research; and the raising of awareness through publications, use of the media, public advocacy and other means of communication. For these purposes a single parent means an adult who is the main carer for one or more dependent children without a partner in the same household."

## **Vision**

Our vision is of a world where diverse families can thrive.

## **Mission**

Our mission is to champion and enable single parent families to live secure, happy and fulfilling lives.

## **Values**

We value the diversity of family life.

Trusted: we can be relied upon to deliver expert, relevant and influential work that is evidence-based. Single parent families can rely on us for support.

Resourceful: we work practically, flexibly and creatively to improve the lives of single parent families.

Enabling: we provide single parents with the knowledge, skills and confidence they need to lead the lives they want.

### **Our fundraising performance**

Our income is derived from a combination of Trusts and Foundations, corporate donations and Public Funding ensuring that there is no overreliance on any one funding source. We monitor the comparative success of campaigns and overall fundraising cost to income ratios.

Public funding from DFE, HMRC, DWP and Big Lottery continues to be strong over the accounting period. This year will represent the last full year for some of this funding as we move to implement our new strategy, though many are supporting the strategy with new funding packages.

A small amount is also received from Individual Giving and Community fundraising. We do not actively fundraise from individuals, but donations are received through our website. Therefore, we do not use any third parties to fundraise on our behalf including professional fundraisers or commercial participators.

We are registered with the Fundraising Regulator. We have had no instances of non-compliance with the fundraising code and we have received no complaints on our fundraising practices.

We are extremely grateful to all of our funders and donors for their ongoing support throughout the history of the Charity

### **The final year of our 2015–18 strategy (April 2015 to March 2018)**

2017–18 was the final year of Gingerbread's 2015–18 strategy. Our strategic objectives by our centenary in 2018 were to:

- Connect with 1 million single parents so that more single parents know about and can access and contribute to what we offer. Higher media profile, a new website, digital marketing and generating user led content for web and social media will all play a role
- Offer a broad mix of services to single parents, both expert services led by staff trained to provide complex information, advice and employability programmes and peer support services led by single parents enabling them to support each other
- Achieve significant legislative and policy changes reducing poverty and disadvantage by improving the Child Maintenance System and making work pay for working single parents

through changes to tax credits, Universal Credit and childcare costs

- Fund our ability to grow our reach and impact by achieving income growth from a mix of Lottery, Trusts and statutory sources, pathways to work contracts and establishment of a successful major donor programme.

We've made good progress on this over the last three years. Our key achievements in 2017–18 are (a full review of achievements is on page 13):

- We launched a new mobile responsive website which had 2.9 million website views
- We celebrated our centenary, achieving significant media coverage for our report *One in Four*, outlining the context for single parent families today
- We achieved policy change on Universal Credit and Child Maintenance
- We answered 9256 calls on our helpline and supported 1846 parents through our Learning, Skills and Employment programmes
- We supported 89 single parent led peer support groups around the country
- We recruited a Head of Evaluation & Learning to ensure our future campaigning and services are embedded in evidence and a clear theory of change

#### **Future Plans: Our 2018–21 strategy**

Through 2017–18, we have also taken time to think about our future strategy and purpose as we reach our centenary.

In 2018, there are 1.7 million single parents in the UK, with one in four families headed by a single parent. While in some ways this makes single parent families just 'any other UK family', the picture painted by our recent report, *One in Four*, shows otherwise:

- Two thirds of single parents are in work but are more likely than others to be trapped in insecure, low-paid work
- Single parents are worst hit by recent welfare changes – many now struggling to put food on the table or keep up with rent
- Isolation and stigma is still rife – low levels of mental wellbeing amongst single parents are double the rate of parents in couples
- 47% of children in single parent families currently live in poverty, and that situation is set to worsen. As poverty is projected (by the Equalities and Human Rights Commission) to rise sharply, over 60% of those children are expected to live in poverty by 2022 – just four years away.



Gingerbread is the only national charity focused on supporting and campaigning for single parents and their children. We have a responsibility to challenge these inequalities. It is in this context that we developed an ambitious new strategy to defy the predictions of poverty growth so that single parent families can live secure, happy and fulfilling lives.

To achieve this mission, we must put strategic purpose and the needs of single parents above all else. Our four strategic objectives of our 2018–21 strategy will help us to achieve this:

1. **Stability through transition:** To minimise any negative impact of life changes on wellbeing and poverty of single parents and their children
2. **Families can thrive:** To maximise the choices and opportunities for single parents and their children to thrive
3. **Families are valued:** To build acceptance and celebration of diverse families in wider society
4. **Fit for the future:** Gingerbread as an organisation is sustainable and equipped to deliver what single parent families want.

As part of number four of these, there are three key shifts in culture and focus that we continue to drive:

1. **More rigorous focus on our impact;** embedding robust evaluation and learning systems throughout the organisation
2. **Driving through our Digital Transformation Strategy** to increase our reach and impact and improve our own efficiency
3. **Ensuring single parents' experiences** are leading and informing everything that we do

#### **A shift in business model, and away from employment contracts**

As with many charities, Government payment-by-results and payment-by-spend contracts had over the past decade come to dominate our funding model. This was evident in 2016–17 when, to fulfil contracts, Gingerbread spent 60% of its resources supporting around 1,000 single parents into employment. These interventions could be life changing for the parents we directly supported, but they were also becoming increasingly risky as both the contracting market and the labour market became more hostile:

- **The risk to our mission:** after careful consideration, we found that despite good intention, most contracts were leading parents into low-paid and insecure work. This perpetuates the same inequalities and insecurities that we must challenge if we're to transform the lives of single parents and their children.

- **The risk to our finances:** given the lack of sustainable work for parents, contract values did not enable us to invest in the systems and approaches needed to make a success of our employment support work. And payment in arrears put pressure on our cash flow.

If Gingerbread was to achieve its new ambitious mission and strategy, we had to respond to these evident risks. Tinkering around the edges was never going to offer a solution. So in March 2018 we announced an intention to take on no further employment contracts after April 2018. We will honour and deliver on all existing contracts and commitments as they conclude over the next few years, but not beyond.

Moving forward, we will focus on:

- Ensuring high quality advice and information for single parents to help them achieve stability
- Facilitating single parent led peer support communities around the country to provide emotional and practical support and reduce isolation
- Championing single parent voices and experiences to influence Government, Employers, service providers and the public to value the contribution of single parents and support them to thrive
- Developing innovative solutions to the challenges facing single parents and sharing the learning from those, on issues such as childcare, financial capability and in-work progression
- Ensure Gingerbread is fit for the future as an organisation.

We hope that our funders and supporters will support us through this journey – helping us to move away from short-term projects to a focus on the long-term goals that will change the lives of single parents and their children.

### **Public Benefit**

The Trustees have paid due regard to the Charity Commission guidance on public benefit. The Trustees are confident that Gingerbread's mission, objectives (detailed above) and activities are in accordance with the regulations on public benefit.

### **Structure, governance and management**

'Gingerbread, the charity for single parent families' is a company limited by guarantee (registered number 402748) and a registered charity (number 230750).

Gingerbread's governing document, the articles of association, was revised in 2013. The Board of Trustees is responsible for the overall strategy and direction of the charity.

Board members give their time on a voluntary, unpaid basis. There are a maximum of 15

Trustees, including up to three co-options, recruited through an open process, informed by a skills and diversity audit, and appointed for a maximum of two three-year terms.

Trustees take part in an induction day.

The Board has a Finance Committee and a Nominations Committee. Through 17-18 we also established a Safeguarding and Wellbeing group of the Trustees to oversee the development and implementation of our new Safeguarding Framework. The scheme of delegation details which powers the Board of Trustees retain and which powers are delegated to the Chief Executive. Day to day management of the charity is the responsibility of the paid Chief Executive, who reports to the Board of Trustees, supported by a senior management team and staff. A number of volunteers also make a valued contribution to the charity each year.

The charity benefits from the support of its President and Vice Presidents, and Ambassadors.

#### Remuneration

Gingerbread is committed to salaries that are fair, transparent, based on market rates within the sector and enable us to recruit and retain expert staff. Gingerbread salaries are benchmarked set at the median market rate (maximum variance of five per cent above or below) for charity sector salaries for all roles including key management personnel. Gingerbread is accredited by the Living Wage Foundation. The ratio between highest and lowest salary is 3.5:1.

#### Risk management

The Trustees review the major risks faced by the organisation as well as the controls, procedures and actions established to manage those risks. Risks are subject to regular review with input from managers across the organisation and are documented in a Risk Register that is reviewed by the Finance Committee and Board of Trustees quarterly.

The three largest risks facing the organisation are:

1. **Inability to generate income.** As we transition to a new business model, we must increase the quantity and diversity of income we are able to generate to deliver our new strategy. We have a new Income Generation team in place focused on this, as well as both the Chief Executive and Director of Policy, Advice and Communications spending significant amount of time building relationships and working on bids. Moving forward, into 2019, we anticipate being a much smaller organization (c£2..5m income) but with a more focused mission and impact.

2. **Inability to embed compliance.** As the type of risks that affect charities is changing, we must adapt and invest in new areas of compliance. Having undergone review of our safeguarding framework in 2017–2018, we now need to embed this across the organisation. We also need to embed our new GDPR policy and a new HR system that is modernizing our outdated processes. Having had a turbulent time in our Finance Team,

we now need to stabilise the team and ensure our finances and risk management is fit for purpose as the organization transitions into its new size and shape. We have recruited a new Director of Finance & Resources to lead this.

3. **We don't modernise or adapt to the contemporary environment.** As we reached Gingerbread's centenary year in 2018, it was vital that we ask questions about the contemporary need for the work of Gingerbread and how our mission and objectives remain relevant. Doing what we've always done is simply too risky a strategy in a time when single parents are facing severe cuts to their finances, as well as stigma and isolation. We have significant ambition within our new strategy to innovate and learn from new ways of reaching and supporting parents both through digital and face to face means and must ensure we resource and prioritise these new ways of working if we want to ensure we meet increasing and changing needs and demands of single parent families.

### Progress against our objectives in 2017–18

2017–2018 was the final year of our three year strategy. Below we outline the difference we made towards our 2015–2018 strategic objectives.

*Objective 1: Connect with 1 million single parents so that more single parents know about and can access and contribute to what we offer. Higher media profile, a new website, digital marketing and generating user led content for web and social media will all play a role*

#### Key achievements:

- ✓ Our new website had 2.9 million page views in 2017–18
- ✓ We gained 2187 likes on Facebook and 1503 followers on Twitter
- ✓ Between the launch of the new website and the end of the financial year, 7258 members registered to the website
- ✓ We moved all of our information content out of the PDF factsheet format onto webpages, giving single parents easier access and navigation to our information and making it more digestible and user friendly
- ✓ We piloted tips content on our website, responding to parent feedback that our content could be more easily accessible. We took a new approach to increasing our use of case studies through initiatives such as our #SingleParentStrength campaign

- ✓ As part of that tips project, we began user testing our online content with single parents in order to make iterative changes and improvements, and have thus far used this insight to improve our child maintenance, Universal Credit and tips content
- ✓ We raised the profile of Gingerbread's work and aims through effective media engagement

What we have learnt:

- We have to communicate the strength and day-to-day realities of single parents – our best engagement comes when we share their experiences, good and bad
- We must provide single parents with content that speaks to their experience. We should use different social media platforms for different content, to allow single parents more variety in the way they engage with Gingerbread – some may just want to see celebratory and parenting stories, for example

*Objective 2: Achieve significant legislative and policy changes reducing poverty and disadvantage by improving the child maintenance system and making work pay for working single parents through changes to tax credits, Universal Credit and childcare costs*

Key achievements:

- ✓ To celebrate our centenary, we published One in four which profiled single parents in the UK today. The report focused on profiling single parents; as well as highlighting worrying trends that include the increase in precarious work and in-work poverty for single parent families. The report was covered in the national press.
- ✓ As Universal Credit continues to be rolled out, we have been influential in sharing single parents' experiences to effect change. For example, Gingerbread secured that single parents with pre-school aged children are able to train for up to a year rather than job seek. We have since gone on to achieve significant media coverage and influence on Universal Credit.
- ✓ Our work on Child Maintenance continues to support single parents. As a result of our work, Child Maintenance Service staff now have training on domestic abuse; and the Government has closed down loopholes that deny children the child maintenance they deserve following pressure from our Maintenance Matters campaign.

What we have learnt:

- Single parent voices are essential in our dissemination – they always have been and will continue to be but we are working harder to amplify these
- That dissemination has to be segmented by audience with a multi-channel approach. We have greater success when we are clear on the aims of dissemination and are getting better

at this.

*Objective 3: Offer a broad mix of services to single parents, both expert services led by staff trained to provide complex information, advice and employability programmes and peer support services led by single parents enabling them to support each other*

Key achievements:

- ✓ The advice service responded to 9256 calls in 2017–18.
- ✓ New standards of call quality were developed with the team and a refreshed, more robust process was developed.
- ✓ The team kept up to date with how Universal Credit affects single parents throughout the

year, alongside the legacy system through a programme of monthly training and peer learning.

- ✓ We had 89 active Peer Support groups through the year
- ✓ 1,846 parents engaged in our Learning, Skills and Employment programmes across London and South East, North-West, and Wales. These programmes build the confidence of parents to progress back into the workplace and support them with the practical elements such as childcare.
- ✓ 644 of these took part in our Marks & Start programme which includes a three day employability training course and a work placement at Marks & Spencer. 30% of those who took part in this programme secured a job as a result.

What we have learnt:

- Universal Credit has increased complexity of some of the calls coming through to the service as well as increasing hardship for single parents accessing our programmes and support.
- We have been able to improve response to demand using flexibility in staffing, increasing staff hours on the helpline and introducing operational efficiencies
- A number of evaluations of our Learning, Skills and Employment programmes over this period demonstrate a need to improve the quality of delivery to focus more on delivering key employment outcomes for parents through post-placement support, improve partnership working, and strengthen outreach and engagement to drive parents to our programmes. As a result of our new strategy, it was agreed
- during the year that we would conclude our employment and skills programmes over the next two years. (See Future Plans)

*Objective 4: Fund our ability to grow our reach and impact by achieving income growth from a mix of Lottery, Trusts and statutory sources, pathways to work contracts and establishment of a successful major donor programme.*

Key achievements:

- ✓ Gingerbread benefited from a range of grants throughout the year covering both project and core expenditure. Notable amongst the trusts and foundations who supported

us this year were City Bridge Trust, Trust for London, John Ellerman Foundation, Dulverton Trust, Barrow Cadbury Trust and long-standing supporter The Volant Charitable Trust.

Projects and services were also supported by DWP, Money Advice Service, European Social Fund, Education and Skills Funding Agency, Welsh Council for Voluntary Action and the Welsh Government/ESF. We are extremely grateful to them and all of our grant funders.

- ✓ Gingerbread's centenary provided opportunities for individual support through our online giving and other donor programmes, with additional funds raised this year through our centenary appeal on Radio 4 and The Big Give. We initiated programmes of community

fundraising and challenge events which are gathering momentum with a small group of dedicated supporters, including many single parents or people who have experienced growing up in a single parent family. The stories, commitment and generosity of all our supporters has been incredibly moving.

What we have learnt:

- As for many charities, the environment in which we need to generate funds to provide Gingerbread's services to single parent families is becoming ever more challenging. We need to be bolder and more strategic in our approach, building on our existing supporter relationships but also maximising the potential of online, digital and social media to reach out to new supporters. We have recruited a new Head of Income Generation to lead on this shift.
- As statutory contracts become increasingly challenging to deliver and with tight margins, we no longer intend to grow our contract income for employment services

*Impact and Learning*

In addition to our previously established strategic objectives from our 15-18 strategy, in 17-18 we made a commitment to prioritise impact and learning within our organizational strategy and resources.

#### Key achievements

- ✓ Recruitment of Head of Impact and Learning
- ✓ Started research with single parents, staff, and external evidence to understand single parent needs – and inform the implementation of our strategy
- ✓ Introduced practice of impact and evidence-based service design, starting with our financial capability programme, Scraping & Saving
- ✓ Conducted evaluations including Family Finance Project for Money Advice Service and Working Forward Programme

#### What we have learnt:

- We will identify priority outcomes to support implementation of new strategy across different areas of Gingerbread's work. We can use evidence and learning in our approach to service design to ensure delivery of key outcomes for families
- We have identified key learning themes from delivery of employment services, peer support, and advice which include better focus on outreach and engagement of single parents; improved partnership working; and volunteer management.
- Moving forward, we will use external evidence base to understand key new outcomes for example, well-being to help develop standardised evaluation measurement

#### Safeguarding

We hired an external consultant (Sam Marks) to review our approach to safeguarding through 17–18. This resulted in a new set of Safeguarding policies and procedures with increased clarity on risk and on roles and responsibilities. All Trustees and all staff received training as part of this relaunch of our policies and procedures. Rose Stone (Head of Advice & Information) has since taken on the role as Designated Safeguarding Lead. She reports quarterly on numbers of incidents and any patterns or learning to Fran Parry, Trustee Safeguarding Lead. This quarterly safeguarding report is shared with all Trustees and our Leadership Team. The Head of Advice and Information also organises role appropriate training and ongoing learning for Safeguarding Managers and frontline staff. We retain Sam Marks as a consultant for any safeguarding training or risk we feel we need expert guidance on.

#### Financial review

Total income for the year was £3,733,783 a 23% increase on the previous year (2017 – £2,868,561). This was largely due to an increase in income for Learning, Skills and Employment activities. Revenues for this work were £2,281,309, a £779,380 increase from the previous year (2017 – £1,501,929). As we anticipated last year, delays in commissioning projects funded by the

European Social Fund continued in to 2017–18. We were successful in securing a number of



contracts in the last financial year either as a direct provider or subcontractor, and some of the projects drew to a close throughout the year. Funding for our Advice and Information services decreased to £613,663 (2017 – £767,800).

Total charitable expenditure was £3,883,926, previous year (2017 – £ 3,028,156), the increase in all areas has been as a result of the newly secured contracts which commenced in the financial year. Pathways to work was most impacted by the increase in contracts (2018 – £2,381,511) and has seen an increase on costs from the previous year (2017 – £1,614,818).

Staffing costs were £2,620,813 (2017 – £2,200,951), the increase reflecting a growth in FTEs. Staff costs include an annual pay increase of 1.5% awarded to all staff. These costs rose as proportion of our total expenditure.

We invested £120,000 from our designated fund in the second phase of our digital strategy. There are two strands to this:

- implementation of a new database to improve the quality of data, enable better reporting of the impact our services make for single parents and deliver operational efficiencies
- development of a new website to improve our online offer to single parents and improve user experience

Overall, taking in to account the above investment, there was a deficit of £161,768. While this is the third year of deficit, it is envisaged that contract performance will improve in 2018–19. We are confident that, with a high level of income secured for 2018–19, we will return to surplus over the next twenty four months.

The financial statements, including notes to the accounts, have been prepared in accordance with the Financial Reporting Standard 102. As a Charity, the accounts are also prepared in accordance with the Statement of Recommended Practice.

### **Reserves policy**

The Board of Trustees reviewed and revised Gingerbread's reserves policy in March 2017, in line with revised Charity Commission guidance published in January 2016. The policy aims to ensure that the charity's reserves are sufficient to provide: continuity of service to our beneficiaries, investment capital and ongoing financial security.

The Trustees utilised reserves during the year to cover expenditure in a considered and meaningful way to address the challenges that arose during the year.

The aim of the Trustees, as stated within the our reserves policy, is to have sufficient unrestricted funds set aside to cover three months' close-down operating costs if needed. As unrestricted funds are £410,478 at the year-end (2017 £823,469), this is currently not the case, however future financial plans estimate that three months close-down costs should be generated within the next three years

The trustees consider that there are no material uncertainties about Gingerbread's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

The key risks to Gingerbread are a fall in income from grants and donations, and an inability to recoup all of the expended funds on contracts. The trustees have put in place arrangements to mitigate and arrangements to mitigate those risks and reduce any financial losses to a minimal and manageable level

Designated fund at 31 March 2018 remained at the same figure as 2017 (2017 £438,423). Trustees agreed further strategic investment in 2017-18 and 2018-19 for the completion of the digital projects which began in 2016-17. Restricted funds balance at the year-end was £251,222 (2017, £nil), the funds will be carried over to 2018-19 in the course of delivering the funded activities. Total reserves at 31 March 2018 are £848,900 (2017 - £1,261,892).

#### Investment policy

The charity's policy is to seek to maximize its investment income while not incurring a level of risk that is inconsistent with our status as a charity. Investments held directly by the charity are:

- a common investment fund divided between a deposit account and a mixed investment fund
- a portfolio of shareholdings acquired as the result of a legacy

In 2018-19 we will be reviewing our investment policy and working with an investment manager to assist with the longer term investment strategy and manage the portfolio. The charity's investment in the common fund is managed by CCLA Investment Management Ltd, Seven Investment Management.

**Principal funders 2017–18**

**Charitable trusts, foundations**

29th May 1961 Charitable Trust  
Ballinger Charitable Trust  
Barrow Cadbury Trust  
C H Harrison Charitable Trust  
City Bridge Trust  
David Rubens Charitable Trust  
Doris Field Charitable Trust  
Dulverton Trust  
Godfrey Winn Will Trust  
James Weir Foundation  
John Ellerman Foundation  
Joseph and Annie Cattle Trust  
Liz & Terry Brammell Foundation  
MacTaggart Third Fund  
P & C Hinkinbottom Charitable Trust  
Roger Vere Foundation  
Sir James Reckitt  
Sir Jeremiah Colman Gift Trust  
Souter Charitable Trust  
Stella Symons Trust  
The Cairns Charitable Trust  
  
The Charles & Elsie Sykes Trust  
  
The Goldsmiths' Company  
The Hanley Trust  
The Jarman Charitable Trust  
The Norman Family Charitable Trust  
The Raindance Charitable Trust  
The Stanton Ballard Charitable Trust  
The Tansy Trust  
The Thorpe Charitable Trust  
The Volant Charitable Trust  
The Walcot Foundation  
Vassiliou Charitable Trusts  
WH Smith Charitable Trust  
Wixamtree Trust

**Statutory funders**

Big Lottery Fund  
Department for Education  
Department for Work and Pensions  
European Social Fund  
Her Majesty's Revenue and Customs  
The Money Advice Service  
Welsh Government

**Corporate supporters**

Interserve Learning & Employment (Services)  
Marks & Spencer  
PwC  
Universal Music Operations  
Wheatley Group Ltd  
JP Morgan  
Haberdashers Company

**Voluntary sector partners**

Barnardo's  
Career Connect  
Charter Housing  
Greater Manchester Centre for Voluntary Organisations  
Harrow Council  
Liverpool Housing Trust  
London Youth  
Mental Health Foundation  
Preston College  
Wales Council for Voluntary Action  
Working Links

We are also immensely grateful to the many individuals who have supported our work throughout the year with donations of all sizes, fundraising activities and taking part in challenge events.

## Acknowledgements

The Board of Trustees sincerely thanks all of the staff, volunteers and supporters whose commitment, energy and hard work enables Gingerbread to improve the lives of single parent families.

## Statement of responsibilities of the trustees

The trustees (who are also directors of Gingerbread, the Charity for Single Parent Families for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom

Gingerbread, the charity for single parent families

Trustees' annual report

For the year ended 31 March 2018

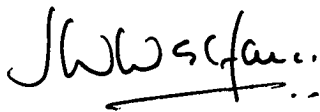
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governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditor**

Sayer Vincent LLP was appointed as our auditors in the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 30 January 2019 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Jonathan Welfare', with a horizontal line drawn underneath the name.

Jonathan Welfare  
Chair

## Independent auditor's report

To the members of

Gingerbread, the charity for single parent families

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Independent auditor's report to the members of Gingerbread, the Charity for Single Parent Families

### Opinion

We have audited the financial statements of Gingerbread, the Charity for Single Parent Families (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.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Independent auditor's report

To the members of

Gingerbread, the charity for single parent families

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### 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 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 companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

### **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.

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



## Independent auditor's report

To the members of

Gingerbread, the charity for single parent families

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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.

### 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.

Joanna Pittman (Senior statutory auditor)

31 January 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

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

For the year ended 31 March 2018

		Unrestricted	Restricted	2018 Total	Unrestricted	Restricted	2017 Total
	Note	£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	519,672	-	519,672	475,730	-	475,730
Charitable activities							
Information and advice services	3	3,068	610,595	613,663	95,770	672,030	767,800
Learning, skills and employment	4	529,412	1,751,897	2,281,309	1,379,523	122,406	1,501,929
Research and policy activities	5	-	270,241	270,241	45,071	59,151	104,222
Investments	6	48,898	-	48,898	18,880	-	18,880
<b>Total income</b>		<b>1,101,050</b>	<b>2,632,733</b>	<b>3,733,783</b>	<b>2,014,974</b>	<b>853,587</b>	<b>2,868,561</b>
<b>Expenditure on:</b>							
Raising funds	7	504,842	-	504,842	178,567	-	178,567
Charitable activities	7						
Information and advice services		280,318	610,595	890,913	363,344	672,030	1,035,374
Learning, skills and employment		693,590	1,579,264	2,272,854	1,492,412	122,406	1,614,818
Research and policy activities		23,666	191,652	215,318	140,246	59,151	199,397
<b>Total expenditure</b>		<b>1,502,415</b>	<b>2,381,511</b>	<b>3,883,926</b>	<b>2,174,569</b>	<b>853,587</b>	<b>3,028,156</b>
<b>Net income / (expenditure) before net gains on investments</b>		<b>(401,365)</b>	<b>251,222</b>	<b>(150,143)</b>	<b>(159,595)</b>	<b>-</b>	<b>(159,595)</b>
Net loss on investments		(11,624)	-	(11,624)	66,370	-	66,370
<b>Net income/ expenditure for the year and net movement in funds</b>	8	<b>(412,989)</b>	<b>251,222</b>	<b>(161,768)</b>	<b>(93,225)</b>	<b>-</b>	<b>(93,225)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		1,261,890	-	1,261,890	1,355,115	-	1,355,115
<b>Total funds carried forward</b>		<b>848,901</b>	<b>251,222</b>	<b>1,100,122</b>	<b>1,261,890</b>	<b>-</b>	<b>1,261,890</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 19a to the financial statements.

**Gingerbread, the Charity for Single Parent Families**

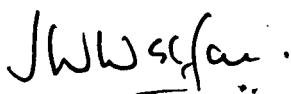
**Balance sheet**

Company no. 402748

**As at 31 March 2018**

	Note	£	2018 £	£	2017 £
<b>Fixed assets:</b>					
Tangible assets	13		42,341		15,084
Investments	14		352,256		584,210
			<u>394,597</u>		<u>599,294</u>
<b>Current assets:</b>					
Debtors	15	658,891		645,653	
Short term deposits		-		6,719	
Cash at bank and in hand		394,333		263,348	
		<u>1,053,224</u>		<u>915,720</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	(347,699)		253,124	
				<u></u>	
<b>Net current assets</b>			<u>705,526</u>		<u>662,596</u>
<b>Total net assets</b>			<u><u>1,100,122</u></u>		<u><u>1,261,890</u></u>
<b>The funds of the charity:</b>	20a				
Restricted income funds			251,222		-
Unrestricted income funds:					
Designated funds		438,423		438,423	
General funds		410,478		823,467	
		<u></u>		<u></u>	
<b>Total unrestricted funds</b>			<u>848,901</u>		<u>1,261,890</u>
<b>Total charity funds</b>			<u><u>1,100,122</u></u>		<u><u>1,261,890</u></u>

Approved by the trustees on 30 January 2019 and signed on their behalf by



Jonathan Welfare  
Chair



Wendy Scott  
Trustee

Statement of cash flows

For the year ended 31 March 2018

	2018		2017	
	£	£	£	£
<b>Cash flows from operating activities</b>				
<b>Net cash provided by / (used in) operating activities</b>		<b>(85,233)</b>		<b>(386,268)</b>
<b>Cash flows from investing activities:</b>				
Dividends, interest and rents from investments	330		394	
Purchase of fixed assets	(37,191)		(9,013)	
Proceeds from sale of investments	246,360		-	
<b>Net cash provided by / (used in) investing activities</b>		<b>209,499</b>		<b>(8,619)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>124,266</b>		<b>(394,887)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>270,066</b>		<b>664,953</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>394,333</b>		<b>270,066</b>
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>				
<b>Net income / (expenditure) for the year</b>		<b>(161,768)</b>		<b>(93,225)</b>
<b>Adjustments for:</b>				
Depreciation charges	9,934		2,929	
Net losses/ (gains) on investments	(14,406)		(66,370)	
Investment income	(330)		(394)	
(Increase) / decrease in debtors	(13,238)		(270,710)	
Increase / (decrease) in creditors	94,575		41,502	
<b>Net cash provided (used in)/provided by operating activities</b>		<b>(85,233)</b>		<b>386,268</b>

Notes to the financial statements

For the year ended 31 March 2018

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**1 Accounting policies**

**a) Statutory information**

Gingerbread is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 520 Highgate Studios, 53-79 Highgate Road, London, NW5 1TL

**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**

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

**d) Going Concern**

The trustees consider that there are no material uncertainties about Gingerbread's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

The key risks to Gingerbread are a fall in income from grants and donations, and an inability to recoup all of the expended funds on contracts. The trustees have put in place arrangements to mitigate and arrangements to mitigate those risks and reduce any financial losses to a minimal and manageable level.

**e) Donations**

Donations are recognised in the accounting period in which they are receivable.

**f) Legacies**

Legacies that are capable of financial measurement are recognised as income in the year in which they are receivable. The Board of Trustees has determined that it does not regard a legacy as receivable until probate has been granted in respect of the legatee's estate.

**g) Fundraising income**

Fundraising income is shown gross of related expenditure.

**h) Investment income**

Investment income is included gross or at the amounts receivable plus the attributable tax credit.

**i) Fees and sales**

Fees for the supply of services and publications are recognised when earned. Income received in advance for services to be delivered in the following year is treated as deferred income and included in creditors. Deferred income in these financial statements is shown in Note 17.

**j) Gifts and services in kind**

Benefits in kind such as services provided free of charge are included in the Statement of Financial Activities at the lower of the cost to the provider and the estimated value to the charity. Where the value cannot be ascertained with any reasonable reliability the income is not included in the Statement of Financial Activities, but the benefit received is described in the Trustees' Report.

**k) Fund accounting**

Restricted funds are subject to restrictions imposed by the donor or by the specific terms of the charity appeal. These are accounted for separately from unrestricted funds.

Details of restricted funds are shown at Note 20. Unrestricted funds are those which are not subject to restrictions. Any surpluses are available for use at the discretion of the Trustees in furtherance of the objectives of the charity. Designated funds form part of the unrestricted funds and represent amounts earmarked by the Trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2018

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**1 Accounting policies (continued)**

**l) Expenditure**

Costs apportioned to activities include costs of staff time spent on each area of activity, costs directly incurred in order to deliver the activity, and support costs apportioned according to the ratio of staff time on the area of activity to total staff time.

**m) Pension costs**

The charity operates a group personal pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. Payments in respect of current service contributions are charged in the accounts as they fall due.

**n) Operating leases**

Rentals payable under operating leases are charged to the income and expenditure account as incurred.

**o) VAT**

Expenditure is recorded net of VAT and any VAT not recovered from HM Revenue and Customs is recorded as irrecoverable VAT.

**p) Fixed assets**

Tangible fixed assets costing more than £500 are capitalised and depreciated over their useful lives and shown in the balance sheet at cost less accumulated depreciation. Depreciation is provided at the following rate: Computers and other equipment - 25% per annum, leasehold improvements - over the remaining period of the lease.

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or change in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

**q) Tax status**

The company is a registered charity and is not liable to Corporation Tax on its current activities.

**r) Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 15 and 16 for the debtor and creditor notes.

**s) Cash and cash equivalents**

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 accounts.

**t) Creditors**

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.

**u) Critical accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates made.

Notes to the financial statements

For the year ended 31 March 2018

**2 Income from donations and legacies**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
The Volant Charitable Trust	250,000	-	250,000	300,000
Donations	269,672	-	269,672	175,730
	<u>519,672</u>	<u>-</u>	<u>519,672</u>	<u>475,730</u>

**3 Information and advice services**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Single parent helpline and advice line	2,587	520,783	523,370	606,484
Membership	423	-	423	43,258
Communications	58	89,812	89,870	118,058
	<u>3,068</u>	<u>610,595</u>	<u>613,663</u>	<u>767,800</u>

**4 Learning, Skills and Employment**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Single parent Employability Training	295,905	10,000	305,905	358,755
Single parent Community Learning	233,507	1,741,897	1,975,404	1,143,174
	<u>529,412</u>	<u>1,751,897</u>	<u>2,281,309</u>	<u>1,501,929</u>

**5 Research and policy activities**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Research and policy	-	270,241	270,241	104,222
	<u>-</u>	<u>270,241</u>	<u>270,241</u>	<u>104,222</u>

**6 Income from investments**

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
John Bruce's Will Trust investments	48,568	-	48,568	18,486
Bank deposit and other interest	214	-	214	281
Common investment fund deposit interest	116	-	116	113
	<u>48,898</u>	<u>-</u>	<u>48,898</u>	<u>18,880</u>

Gingerbread, the Charity for Single Parent Families

Notes to the financial statements

For the year ended 31 March 2018

7 Analysis of expenditure

	Charitable activities						2018 Total £	2017 Total £
	Raising funds £	Information and advice services £	Learning, Skills and Employment £	Research and policy £	Governance costs £	Support costs £		
Staff costs (Note 9)	187,263	528,979	1,279,397	183,562	116,201	325,412	2,620,813	1,907,651
Direct costs	33,036	187,722	656,571	8,090	-	-	885,419	442,764
Management	-	-	-	-	9,905	20,007	29,913	155,675
Finance	-	-	-	-	-	3,288	3,288	109,581
Premises	-	-	-	-	-	145,863	145,863	167,202
IT	-	-	-	-	-	24,155	24,155	48,601
Trustee meetings	-	-	-	-	4,870	-	4,870	564
Audit	-	-	-	-	12,400	-	12,400	11,070
Office administration costs	-	-	-	-	935	28,339	29,274	83,583
Depreciation	-	-	-	-	-	9,934	9,934	2,929
Irrecoverable VAT	-	-	-	-	-	117,997	117,997	98,536
	220,299	716,701	1,935,968	191,652	144,311	674,995	3,883,927	3,028,156
Support costs	278,439	145,623	230,333	20,601	-	(674,995)	-	-
Governance costs	6,103	28,589	106,553	3,065	(144,311)	-	-	-
<b>Total expenditure 2018</b>	<b>504,842</b>	<b>890,913</b>	<b>2,272,854</b>	<b>215,318</b>	<b>-</b>	<b>-</b>	<b>3,883,926</b>	<b>3,028,156</b>
<b>Total expenditure 2017</b>	<b>178,567</b>	<b>1,035,374</b>	<b>1,614,818</b>	<b>199,397</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Of the total expenditure, £2,381,511 was restricted and £1,514,039 was unrestricted.

In prior year some staff costs totalling £293,300 were allocated across management, finance, premises and IT. For 2018 all staff costs are shown as staff costs.



Notes to the financial statements

For the year ended 31 March 2018

**8 Net income / (expenditure) for the year**

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	9,934	2,929
Operating lease rentals:		
Property	133,132	89,600
Other	9,119	6,669
Auditor's remuneration (excluding VAT):		
Audit	12,400	10,400
	<b>12,400</b>	<b>10,400</b>

**9 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	2,162,909	1,854,437
Redundancy and termination costs	49,339	-
National insurance contributions	216,649	179,813
Pension costs	96,657	83,035
Temporary staff	79,185	50,752
Staff recruitment	16,073	32,914
	<b>2,620,813</b>	<b>2,200,951</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 - £69,999	1	4
£80,000 - £89,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £357,324 (2017: £371,229).

The charity trustees were neither paid nor 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 £4,870 (2017: £565 incurred by members relating to attendance at meetings of the trustees) for 2 trustees (2017: 1).

Notes to the financial statements

For the year ended 31 March 2018

**10 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 69.8 (2017: 60).

Staff are split across the activities of the charitable company as follows:

	2018 No.	2017 No.
Raising funds	6.3	4.0
Information and advice services	15.6	17.0
Learning, skills and employment	38.0	26.0
Research and policy activities	3.5	4.0
Support	6.4	9.0
	<b>69.8</b>	<b>60.0</b>

**11 Related party transactions**

There are no related party transactions to disclose for 2018 (2017: none).

**12 Taxation**

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

**13 Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At the start of the year	17,551	81,510	99,061
Additions in year	20,179	17,013	37,191
At the end of the year	37,730	98,523	136,252
<b>Depreciation</b>			
At the start of the year	17,041	66,936	83,977
Charge for the year	929	9,005	9,934
At the end of the year	17,970	75,941	93,911
<b>Net book value</b>			
At the end of the year	19,760	22,581	42,341
At the start of the year	510	14,574	15,084

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2018

14 Listed investments

	2018 £	2017 £
Fair value at the start of the year	551,888	485,518
Disposal proceeds	(246,360)	-
Net gain / (loss) on change in fair value	(11,624)	66,370
	<b>293,904</b>	<b>551,888</b>
Cash held by investment broker pending reinvestment	<b>58,353</b>	<b>32,322</b>
Fair value at the end of the year	<b>352,256</b>	<b>584,210</b>
Investments comprise:		
	2018 £	2017 £
UK Common investment funds	169,193	432,605
Shares listed on the London Stock Exchange	124,711	119,284
Cash	58,353	32,322
	<b>352,256</b>	<b>584,210</b>

The listed investments were last valued on 31 March 2018 by Seven Investment Management (7im), Compass Group, Santander, HSBC, Aberdeen Diversified and Severn Trent.

15 Debtors

	2018 £	2017 £
Trade debtors	80,190	173,898
Other debtors	11,153	5,512
Prepayments and accrued income	567,547	466,243
	<b>658,891</b>	<b>645,653</b>

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost.

16 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	136,367	114,026
Taxation and social security	81,174	70,280
Accruals	68,027	30,913
Deferred income (note 16)	38,300	28,358
Other creditors	23,830	9,547
	<b>347,699</b>	<b>253,124</b>

Included within other creditors is £22,691 in respect of pension contributions outstanding at 31 March 2018 (2017: £9,347).

Notes to the financial statements

For the year ended 31 March 2018

17 Deferred income

Deferred income comprises of income received for year ending 31st March 2019 from the City Bridge Trust and Talent Match.

	2018 £	2017 £
Balance at beginning of year	28,358	20,764
JCP Vale of Glamorgan	-	(20,764)
Money Advice Service	(13,358)	13,358
Universal Credit Project	(15,000)	15,000
City Bridge Trust ( City of London)	15,000	-
Talent Match	23,300	-
Balance at the end of the year	38,300	28,358

18 Pension scheme

The charity operates a group personal pension scheme ( Aegon). The assets of the scheme are held separately from those of the charity in independently administered funds. Payments in respect of current service contributions are charged in the accounts as they fall due. Amounts owed to the pension scheme at 31 March 2018 was £22,691 and 71 employees were on the scheme.

19a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	42,341	-	-	42,341
Investments	33,833	318,423	-	352,256
Current assets	682,002	120,000	251,222	1,053,224
Current liabilities	(347,699)	-	-	(347,699)
Net assets at 31 March 2018	410,478	438,423	251,222	1,100,122

19b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	15,084	-	-	15,084
Investments	145,787	438,423	-	584,210
Net current assets	915,720	-	-	915,720
Current liabilities	(253,124)	-	-	(253,124)
Net assets at 31 March 2017	823,467	438,423	-	1,261,890

## Notes to the financial statements

For the year ended 31 March 2018

## 20a Movements in funds (current year)

	At 1 April 2017 £	Income £	Expenditure & losses £	Transfers and losses £	At 31 March 2018 £
<b>Restricted funds:</b>					
HMRC Advice & Information	-	209,990	(209,990)	-	-
DFE Family Support	-	228,918	(228,918)	-	-
Big Lottery - Advice and Information	-	164,498	(137,831)	-	26,667
Big Lottery - Building Better Opportunities	-	1,430	(1,430)	-	-
Big Lottery - 'Make it Work'	-	138,069	(138,069)	-	-
Big Lottery - Reaching Communities 1	-	517,144	(517,144)	-	-
London and Quadrant	-	72,044	(69,941)	-	2,103
Trust for London: City Bridge Trust	-	10,000	(672)	-	9,328
Barrow Cadbury	-	16,000	(16,000)	-	-
DWP - Single Parent Employment Pathways	-	154,253	(154,253)	-	-
Welsh Council for Voluntary Action	-	481,763	(481,763)	-	-
Talent Match	-	140,674	(140,674)	-	-
London Youth - Talent Match	-	105,681	(105,681)	-	-
Preston College	-	30,437	(30,437)	-	-
JP Morgan - Scraping and Saving	-	240,000	(26,876)	-	213,124
Money Advice Service	-	121,833	(121,833)	-	-
<b>Total restricted funds</b>	-	2,632,733	(2,381,511)	-	251,222
<b>Unrestricted funds:</b>					
Designated funds:					
Investment fund	438,423	-	-	(120,000)	318,423
Digital strategy	-	-	-	120,000	120,000
<b>Total designated funds</b>	438,423	-	-	-	438,423
<b>General funds</b>	823,467	1,101,050	(1,502,415)	(11,624)	410,478
<b>Total unrestricted funds</b>	1,261,890	1,101,050	(1,502,415)	(11,624)	848,901
<b>Total funds</b>	1,261,890	3,733,783	(3,883,926)	(11,624)	1,100,122

The narrative to explain the purpose of each fund is given at the foot of the note below.

## Notes to the financial statements

For the year ended 31 March 2018

## 20b Movements in funds (prior year)

	At 31 March 2016 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2017 £
<b>Restricted funds:</b>					
HMRC Advice and information	-	239,879	(239,879)	-	-
Big Lottery, 'Working Forward'	-	53,384	(53,384)	-	-
Big Lottery, 'Make it Work'	-	69,022	(69,022)	-	-
DfE Family Support Services	-	229,836	(229,836)	-	-
Big Lottery - Advice & information	-	164,282	(164,282)	-	-
Big Lottery - Peer Support	-	43,101	(43,101)	-	-
Barrow Cadbury	-	33,583	(33,583)	-	-
Trust for London	-	20,500	(20,500)	-	-
<b>Total restricted funds</b>	-	853,587	(853,587)	-	-
<b>Unrestricted funds:</b>					
Designated funds:					
Investment fund	485,901	-	-	(47,478)	438,423
<b>Total designated funds</b>	485,901	-	-	(47,478)	438,423
<b>General funds</b>	869,214	2,014,974	(2,174,569)	113,848	823,467
<b>Total unrestricted funds</b>	1,355,115	2,014,974	(2,174,569)	66,370	1,261,890
<b>Total funds</b>	1,355,115	2,868,561	(3,028,156)	66,370	1,261,890

**Purposes of restricted funds**

Restricted funds are funds that have restrictions imposed by donors and can only be used for the particular purposes specified by the donors.

[A] HMRC: Providing tailored support to hard-to-reach single parents facing significant life events that require engagement with HMRC.

[B] DfE: Providing information and advice to single parents as part of the DfE's Family Support Services

[C] Big Lottery: Providing grassroots and intensive practical support to single parents with the Big Lottery programmes.

[D] London and Quadrant: Empowering You aims to give holistic support to single parents living in L&Q Housing – factoring in primary considerations for single parents, the project teaches single parents how to access childcare and how to meet other single parents.

[E] Trust for London and Barrow Cadbury: Research investigating the impact of benefits sanctions on lone parents and their families in London.

[F] DWP: Contract to provide programmes to improve employment opportunities, strengthen social inclusion, fight poverty and promote education, skills and life-long learning for Single Parents.

[G] Welsh Council for Voluntary Action: Project across Wales that are designed to engage with workless single parents who require support to access jobs and other opportunities within the local area. Gingerbread does this within the community, delivering information, advice and guidance, skills training and confidence and motivation sessions, helping participants to achieve positive progressions.

[H] Talent Match: To deliver positive outcome progression with single parents aged 18-24 years.

[I] Preston College: Delivery of a learning programme for Single Parents

[J] JP Morgan: Delivered in partnership with Toynbee Hall – supports low income single parent families to confidently save.

[K] Money Advice Service: The project was focused on low income and workless single parents, a group which falls into both of the above categories. Gingerbread worked with single parents to help them understand their own finances and therefore become better financial role models for their children. As 1 in 4 families in the UK are headed by a single parent, targeting this client group could have a significant impact on supporting the next generation to be more financially literate.

**Purposes of designated funds**

The Trustees have designated the investments, received from the John Bruce Will Trust following a transfer of all assets and shares in 2014, as they are invested to generate future income. During the the year 2017/18, £120,000 was released from the investment fund to invest in our digital strategy.

Notes to the financial statements

For the year ended 31 March 2018

**21 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	243,658	133,132	12,497	9,119
One to five years	899,105	788,667	28,665	22,531
	<b>1,142,763</b>	<b>921,799</b>	<b>41,162</b>	<b>31,650</b>

**22 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.