

5382181



Support and friendship  
for families

## Home-Start UK

Annual Report and Accounts 2007/08

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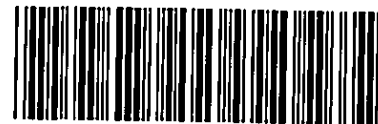
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# Contents

Who we are and what we do	2
Key facts	3
Trustees' Report	
Our key achievements	6
Our funding	13
Structure, governance and management	14
Thank you to our donors	17
Financial review	18
Independent auditor's report	20
Statement of financial activities	22
Balance sheet	23
Cash flow statement	24
Notes to the financial statements	25
Contact us	41

## WHO We are and WHAT We DO

Home-Start is the UK's leading family support charity. Across the UK and with British Forces in Germany and Cyprus, more than 15,000 Home-Start volunteers visit families at home each week, helping parents and carers cope with difficulties such as isolation, bereavement, multiple births, illness and disability.

Volunteers provide non-judgemental, practical and emotional support and help build families' confidence and ability to cope. They provide one to one home visiting support on a weekly basis for as long as a family needs it, offering:

- practical help, for example with budgeting, cooking and shopping, getting to hospitals, clinics and other appointments
- opportunities for children to play, read, get out to the park and local groups
- introductions to local family groups, opportunities to go on trips and outings
- advocacy and moral support
- information and links to other services in the community such as health and advice centres.

Home-Start believes that children need a happy and secure childhood and that parents have the key role in giving their children a good start and helping them achieve their full potential. Home-Start wants to see a society in which every parent has the support they need to give their children the best start in life and focuses its support on the early years, the most crucial time in a child's development.

The Home-Start network consists of Home-Start UK, together with 337 local Home-Starts. Together they form the Home-Start service, providing friendship and practical help for young families through one to one support and additionally, in some schemes, group activities.

Home-Start UK is an independent charity, constituted as a company limited by guarantee. It provides a comprehensive, high quality support service for local Home-Starts, helping them to carry out their work effectively. Home-Start UK provides advice and consultancy support to local Home-Starts on a range of issues including safeguarding children, family policy, governance, staffing, business planning, fundraising, and charity and employment law. Home-Start UK also provides a range of training and development resources for scheme staff and volunteers together with a comprehensive quality assurance system covering all aspects of Home-Start's service. Home-Start UK carries out research and policy work on behalf of the network, and supports local people to set up and expand Home-Start schemes in their communities. It raises the profile of the charity with funders and supporters, runs local and national volunteer recruitment campaigns and manages the national website [www.home-start.org.uk](http://www.home-start.org.uk) and freephone information line (0800 068 63 68)

The local Home-Starts are separate charities in their own right, so they are responsible for their own financial affairs and statements, and these statements do not include local Home-Start accounts. The total gross income of local Home-Starts is £33 million, which together with that of Home-Start UK of £5.2million, gives the Home-Start network gross income of £38.2 million. These statements only include financial information for Home-Start UK.

Home-Start UK is a member of Home-Start International, the organisation which works with the family of Home-Starts throughout the world.

## Key facts 2007/08

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### Where our service was available

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337 local Home-Start schemes provided friendship and support for families in communities right across the UK and with British Forces in Germany and Cyprus.

Our national information line and website received visits from 120,000 individuals this year.

#### Families and children

34,952 families (69,672 children) supported in the year

- 28,384 families (56,701 children) in England
- 2,174 families (4,277 children) in Wales
- 1,639 families (2,959 children) in Northern Ireland
- 2,046 families (4,486 children) in Scotland
- 709 families (1,249 children) in British Forces Germany and Cyprus

#### People

20,226 volunteers of which:

- 15,611 are family home visitors
- 2,407 are trustees
- 2,208 in other roles including helping with family groups and outings, fundraisers

111 Home-Start UK employees  
1648 local Home-Start employees

## Family needs

	No of families expressing this need*	% of families expressing this need*	No of families where there was improvement	% of families where there was improvement
Feeling isolated	7,017	60%	6,664	95%
Parents' emotional health/wellbeing	6,937	60%	6,508	94%
Using other services in area	4,858	42%	4,528	93%
Parents' self esteem	4,683	40%	4,403	94%
Managing the child(ren)'s behaviour	3,677	32%	3,398	92%
Parents' physical health/wellbeing	3,202	28%	2,871	90%
The day to day running of the house	3,233	28%	2,969	92%
Stress caused by conflict in the family	3,171	27%	2,878	91%
Being involved in the child(ren)'s development	3,159	27%	2,981	94%
Children's emotional health/wellbeing	2,713	23%	2,525	93%
Children's physical health/wellbeing	2,485	21%	2,232	90%
Coping with multiple births or multiple children under 5	2,365	20%	2,234	94%
Managing the household budget	1,533	13%	1,387	90%
Other	28	0.2%	27	96%

\* Identified at the start of Home-Start's contact with the family

## Funding

Home-Start UK received funding of £5,230,358. For a full list of funders see page 17.

Home-Start schemes are independent charities and they received £33,031,389 of funding;

- £22,435,574 local statutory sources
- £3,439,335 Big Lottery Fund
- £2,973,162 charitable trusts and foundations
- £4,183,318 other funding sources (including donations, EU funding, bank interest)

# Trustees' Report

The trustees of Home-Start UK present their report and audited financial statements for the year ended 31 March 2008.

## OUR KEY achievements

In last year's annual report we published our key work programmes and activities for 2008, many of which we have successfully delivered. Further details are provided within this section of the report.

Underpinning the work of Home-Start UK and its five work programmes is:

- a commitment to ensuring that Home-Start becomes a more diverse and inclusive organisation. A Diversity and Inclusion Forum meets six times a year to develop our work, understanding and awareness and to provide guidance for schemes
- a strong focus on quality assurance through the Home-Start Agreement and review mechanisms set up to ensure that all Home-Start work is in accordance with agreed and published practice standards
- an open and transparent governance structure whereby scheme representatives play a role in the management and governance of services in each of the four nations and have representation on the UK wide Trustee Board
- a strong commitment to professional development and training opportunities for staff and volunteers.

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## Strengthening the local Home-Start scheme network

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The continued effectiveness of Home-Start's service and its ability to meet the needs of families depends on individual local Home-Start schemes being stable and sustainable. During 2007/8 supporting and sustaining the Home-Start network was a major part of our work.

Home-Start UK provides support to local Home-Starts so that they have the tools to manage themselves. We provide advice and consultancy support on a wide range of issues including governance, staffing, business planning, charity and employment law. Scheme staff and trustees also have access to a range of on-line funding resources, training events and specialist support services.

### During 2007/8 we have:

- supported schemes in all aspects of their work, (day to day and in crisis situations) through a network of regional and national support services including one to one training, information, guidance and support from a Home-Start UK regional consultant
- assisted schemes to develop and implement a sustainable funding strategy. This work has included the continued development of the Funding ToolBOX – our bespoke on-line funding advice and information centre for schemes – and the roll out of a programme of tendering and procurement training and resources to assist schemes making the transition to this new approach for commissioning local services
- co-ordinated a robust quality assurance system that promotes continuous development and ensures best practice in support for families. We conducted over 100 scheme reviews and supported schemes to work through follow up action plans
- provided schemes with a national, regional and local training and induction programme that encourages and promotes best practice in accordance with recommendations from the Children's Workforce Development Council. In a first for the sector, we began work with the University of Central Lancashire and Lifelong Learning UK to develop a standard quality mark for our own teaching qualification. This new university standard qualification is to be made available to all Home-Start staff involved in training other staff and volunteers
- delivered improvements in the efficiency and effectiveness of our service to schemes through the increased use of on-line resources including a UK wide staff intranet
- continued to build the profile of Home-Start across the UK. The introduction of our new corporate image and its roll out throughout the year has been a major part of this work.

### Next year we will:

- expand our intranet to all local Home-Starts, thus providing staff and trustees with a 24 hour home and office gateway to a wide range of Home-Start news, information, advice and resources
- conduct a full review and update of the quality assurance system and secure Charity Commission endorsement for it
- carry out quality assurance reviews with at least another 100 schemes
- update and strengthen the Home-Start Agreement with local Home-Starts
- develop our on-line training resources for local Home-Start staff and trustees
- introduce a range of accredited workforce training and development options
- complete the changeover to our new corporate image.



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## Developing partnerships

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Home-Start UK continually seeks new partnerships and opportunities that will strengthen the service. We also have a wealth of knowledge of our own about the needs of families which we use to inform policy makers and other agencies about how their policies impact in families. We build up a picture of the issues and concerns facing families from case studies, research reports and monitoring and evaluation data. Together with our volunteers' day to day contact with families this helps us to understand how frontline services like Home-Start can respond.

### During 2007/8 we have:

- sustained strong partnerships with each local Home-Start and encouraged and supported them to work collaboratively within their local communities. At the end of the year there were 292 local Home-Start/Childrens Centre partnerships in England
- worked in partnership with Home-Start International to strengthen and maintain the Home-Start ethos, approach and reputation worldwide
- worked in partnership with key policy and decision makers to influence the development of services for parents, families and children and published a useful new guide for providers of local services on 'How Home-Start Helps Families in Your Community'
- gained recognition for the contribution Home-Start makes to the development and delivery of family support services. Consultations we contributed to this year included the Scottish Government's Early Years Strategy, Families Matter (Nlre), the Volunteer Commission's enquiry into the Future of Volunteering, and the Department for Children, Schools and Families Time to Talk consultation
- developed new partnerships with other agencies and the corporate sector to extend the reach of our work. We were very proud to be a lead agency in the government funded Early Learning Partnership Project which set out to support parents of children under three, who could be at risk of learning delay. Home-Start UK worked with eight local Home-Starts in London and Worcestershire, and external partners One Plus One and Bookstart, to explore effective ways for its volunteers to help parents increase their involvement with and understand more about their children's learning and development. 160 families participated in the project, with 237 eligible children under three years.

### Next year we will introduce a new partnership strategy and:

- build on new partnerships with Turn2Us and Shelter amongst others, to help families with financial and housing needs access essential benefits, information and support
- work with CLIC Sargent to provide specialist support to families in which a child has been diagnosed with cancer or leukaemia
- roll out across more communities, the next stage of our Starting Young programme - an innovative three year partnership with Sainsbury's to help improve the health and wellbeing of children under five. During this next phase of the project we will provide local Home-Starts with access to a range of research based resources and activities to help parents provide healthy choices for their children. A new Starting Young Excellence Award will recognise the range and quality of work local Home-Starts are doing in this field.

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## Reaching out to families who need us most

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We need to ensure that all families who need Home-Start support are aware of what we offer and have confidence in our approach. In particular we want to extend our reach to those who are the most disadvantaged and those who do not find it easy to ask for help for themselves or their children. We want to learn what works best for them and how we can shape our service to best meet their needs.

### **During 2007/8 we have:**

- extended the availability of our service with the establishment of new Home-Start schemes in Manchester, Coventry, Ryedale and Blaenau Gwent
- actively worked with the 12 community groups seeking funding to establish a Home-Start service in their area.
- supported schemes to promote Home-Start across their community in ways that encourage families from diverse backgrounds to seek support and have confidence to use the service. A new range of publicity materials for families volunteers and referrers will help promote Home-Start across the diverse communities it serves.

### **Next year we will:**

- appoint a new director of research and policy and a research and evaluation specialist to help us understand better the outcomes of our work and develop the evidence base for it
- update the range of information and materials we provide for families in minority languages
- work with local schemes and communities across the UK to expand the provision of Home-Start support for families. Home-Start UK's two scheme development consultants will continue their work to extend our service in the North East of England and Wales.

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## Championing and Promoting Volunteering

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Volunteers are at the very heart of Home-Start's work. Our family support volunteers provide one to one support for families whilst many thousands of others act as trustees of Home-Starts, raise funds for our work and support family group and other activities.

Home-Start understands how important trained and committed volunteers are and the valuable role they play in our service. We know that because it is offered freely and unconditionally a volunteer's help is different from that of a paid worker. This is especially important for vulnerable and isolated parents. We aim to build greater recognition of the contribution of volunteers.

### During 2007/8 we have:

- provided local Home-Starts with a range of excellent induction and training resources for volunteers. During the year, 4336 new home visiting volunteers completed Home-Start's 10 week Volunteer Preparation Course, developed by Home-Start UK and delivered by local Home-Starts
- continued to co-ordinate the Boots/ Home-Start Healthy Communities employee volunteering partnership. To date, over 160 Boots staff have volunteered 540 hours of their time in local Home-Starts
- Introduced Trustee Start - a new on line training and induction package for Home-Start trustees.

### Next year we will:

- launch a high profile volunteer recruitment campaign to recruit 700 new volunteers for our home visiting work in London and Northern Ireland
- introduce a new long service award for volunteers
- secure funding for a trustee recruitment and development programme in Scotland
- publish in partnership with Boots, guidance for schemes to develop employee volunteering opportunities with companies in their community and promote this opportunity with companies.

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## Promoting excellence and innovation in the field of family support

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Home-Start is a learning organisation. We have 35 years of experience and a tried and tested approach behind us, but also want to invest in new ideas and fresh approaches in family support. We are aware that some of the best new ideas come from our local Home-Start schemes – developing their services in response to what families in their local communities want. We plan to evaluate and share the very best of this excellent and innovative work to support improvements to our services for families and those of others.

### During 2007/8 we have:

- provided opportunities to share learning and best practice across the organisation, for example we began the roll out to all our schemes of the new Early Learning Partnership resources entitled 'Enjoy and Achieve'
- continued to extend and enhance our work, review and evaluate its effectiveness and develop our practice in offering support to parents in ways that are acceptable to them. A study into the effectiveness of Home-Start's approach to engaging with 'hard to reach' families, funded by the Children's and Workforce Development Council, identified a number of key features that contribute to Home-Start's effectiveness in this area. It made some key recommendations for the service and sector more broadly around how best to work alongside families and provide effective multi agency support.

### Next year we will:

- develop new mechanisms such as family forums and surveys to help us listen to and learn from families
- identify 'excellence and innovation' champions within Home-Start UK
- secure funding for a new innovations fund to help enhance existing work and pioneer new approaches to supporting families
- develop additional resources so volunteers can offer specialist support to families facing entrenched and multiple difficulties.

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## Sustaining Home-Start UK

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Our sixth work programme is about ensuring the effectiveness and sustainability of Home-Start UK itself, and ensuring that it has the resources it needs in the form of sound governance, sufficient income, efficient work practices and systems, and learning and development support for its staff, to continue and develop its work.

### During 2007/8 we have:

- agreed a new three year funding strategy to diversify and increase our income
- established a new finance sub committee
- introduced an improved project planning system to manage and monitor new programmes of work
- participated in a study on the effectiveness of coaching for women in senior and executive roles
- begun Home-Start UK's Quality Assurance review
- introduced a new ethical policy
- begun work on an environmental policy
- published a beginners guide to children and families workforce development

### Next year we will:

- review the role and contribution that our vice presidents and patrons can make and recruit new supporters to these roles
- relocate our central office to more suitable premises within Leicester
- renew our Investors in People status
- implement a job evaluation exercise for all our staff
- develop our workforce development strategy
- implement an internal audit
- establish a staff volunteering programme for Home-Start UK employees
- review and update our diversity and inclusion policy
- continue to implement our Welsh language scheme.

# OUR FUNDING

## Incoming Resources 2007/08

Annual fees	£627,953
Investment income	£128,554
Other grants and donations	£926,323
Other	£59,585
Government grants	£3,487,943

This grant, together with core funding received from other government departments, represents 67% of the total income received during 2007/08.

Charitable trusts and our corporate partners continued to support our work across the UK with grants and sponsorship for staff posts, projects and events. Total income secured from these sources during the year amounted to £691,300 with an additional £91,148 received from individuals, appeals and a legacy. We were delighted to receive continued support from Sainsbury's, who once again featured Home-Start on their charity Christmas cards, raising £73,698 to help us provide support for local schemes. We also welcomed Rensburg Sheppards Investment Management as sponsors of our London Carol Concert. The event raised £13,135 together with valuable support for our work.

Total incoming resources for the year amounted to £5,230,358. 67% of this income was received from government grant funding across the four UK nations and is for our core work in each country. Increases from the previous period were seen in investment income (58% increase) and annual fees (4% increase) which assist Home-Start UK in providing for staffing, resources and events that are not specifically funded by restricted grants.

Home-Start UK's largest funding source was from the Department for Children, Schools and Families (DCSF). The grant of £2,730,000 was used to support England staffing, training and dissemination of resources, to support and extend the coverage of home visiting services, and to increase the number of families reached in England.

As part of the Agreement between Home-Start schemes and Home-Start UK, all schemes pay an annual fee to Home-Start UK, in return for which they receive resources, information and guidance on family support, safeguarding children, volunteer recruitment, training and management as well as best practice advice relating to governance, fundraising, public relations, human resources and access to legal advice. In 2007/08 annual fees from Home-Start schemes provided 12% of Home-Start UK's income (based on 2% of 90% of scheme income in the previous year).

## Resources Expended 2007/08

Costs of generating funds	£313,524
Governance costs	£64,289
Other charitable activities	£1,076,423
Support of schemes	£3,323,125

Total resources expended amounted to £4,777,361. 92% of this expenditure was applied directly to Home-Start UK's charitable activities through support of schemes plus training, information and communications (2007 - 92%). The remaining expenditure relates to costs of generating funds, 7%, and governance costs, 1%.

# Structure, governance and management

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## Reference and Administrative Information

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**Registered charity name**

Home-Start UK

**Chief Executive**

Kay Bews

**Charity registration number**

1108837 (England and Wales)  
SC039172 (Scotland)

**Company Secretary**

Christine Attfield

**Company registration number**

5382181

**Auditors**

MacIntyre Hudson LLP  
Chartered Accountants & Registered Auditors  
Lyndale House  
Ervington Court  
Harcourt Way  
Meridian Business Park  
Leicester  
LE19 1WL

**Registered office and operational address**

2 Salisbury Road  
Leicester  
LE1 7QR

**Patron**

HRH Princess Alexandra,  
The Hon Lady Ogilvy, KG, GCVO

**Bankers**

National Westminster Bank plc  
92 Queens Road  
Leicester  
LE2 1SY

**Founder and Life President**

Margaret Harrison CBE

\* Chairs of National Committees

\*\* Members of Finance sub committee

**Vice Presidents**

Lord Wright of Richmond GCMG  
Cherie Booth QC  
Lady Cooper  
Dr Penelope Leach  
Sir Patrick Nairne GCB MC PC  
Major-General John Page CB OBE MC  
Alastair Stewart OBE  
James Watson

## Governing document

Home-Start UK was incorporated as a company limited by guarantee and registered as a charity in 2005. The charity is governed by a Memorandum and Articles of Association as amended on 12 September 2007.

## The Board of Trustees

Home-Start UK is governed by the Board of Trustees which meets four times a year to:

- agree the policy of the charity
- determine strategic direction and objectives
- make major decisions on the use of finances
- review operational management matters

**National Committees and Finance Sub Committee**

The Board is aided in its work by the work of the four national committees and a finance sub committee which monitor the charity's work in the four nations and the financial position of the charity respectively and make recommendations thereon to the Board of Trustees.

**Board of Trustees**

Peter Huntingdon\*  
Oliver James  
Brian Lewis\* \*\*  
Jinty Moffett\*  
Lucy Morris  
Lindsay Nicholson  
Louise Posocco (Treasurer) \*\*  
Wendy Rose (Vice Chair)  
Clare Roskill  
James Sainsbury (Chair)  
Wendy Start\*\*  
Andrew Townend  
Maire Young\*\*\*

## Recruiting and training trustees

In the past, Home-Start UK has recruited trustees with particular skills, and interest in children, young families or the voluntary sector. To reflect the new governance structure the chairs of the four national committees were appointed as trustees of Home-Start UK. On 22 May 2007 Peter Huntingdon (chair of England national committee) and Maire Young (chair of Northern Ireland national committee) joined the Board of Trustees. On 12 September 2007 Jinty Moffett (chair of Scotland national committee) and Brian Lewis (chair of Wales national committee) joined the Board of Trustees. In addition, Louise Posocco (nee Turnbull) was appointed on 12<sup>th</sup> September 2007 as a trustee and treasurer of the Board of Home-Start UK while Andrew Townend resigned.

Induction and training is given to the board members by the chair and chief executive. The induction offered to board members is appropriate to their knowledge and experience. All new board members receive an induction pack of information about Home-Start UK and guidance as to their responsibilities as charity trustees and company directors, plus opportunities to attend training events.

## Statement of trustees responsibilities

Company law requires the Board of Trustees, as trustees and directors, to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including income and expenditure, for that period. In preparing those financial statements, the Trustee Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985.

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

Company law also requires each of the trustees to confirm that he or she has taken all reasonable steps to ensure that he or she is aware of all relevant audit information and to ensure that so far as he or she is aware there is no relevant information needed by the company's auditors in connection with preparing their report which has not been made available to them. Each trustee does so confirm.

## Risk management and internal controls

The trustees ensure that major risks to which Home-Start UK is exposed are reviewed and assessed and that systems are in place to mitigate those risks. The trustees have agreed a risk assessment policy for which they have overall responsibility. Operational responsibility is delegated by the trustees to the Chief Executive and the senior management team. A risk register identifies risks and assigns specific actions and responsibilities for mitigating the risks. The risk management process is ongoing. The trustees consider that a major risk is one which has a high likelihood of occurring and would, if it occurred, have a severe impact on operational performance. The Chief Executive reports regularly to the Board of Trustees on major risks and how they are being managed.

The trustees expect all staff and volunteers when engaging in any activity on behalf of Home-Start UK to consider the risks posed and to act in accordance with the risk management policy and procedure. All increases to on-going or new activities are risk assessed prior to being introduced or undertaken.

The Board of Trustees want to be risk alert but do not wish to be averse to taking reasonable risks as part of their strategy to achieve the objects of Home-Start UK.

All key policies within the organisation are regularly reviewed and updated as appropriate to reflect legislative changes and the latest developments and thinking in relation to best practice.



## **Operational management**

The day to day management for the charity is delegated to the Chief Executive who reports to the Board of Trustees. The Chief Executive is supported by a senior management team which meets once a month. Home-Start UK's Central Office is in Leicester. It also has a Training Office in Sheffield, Policy, Planning and Practice office in Cambridgeshire, national offices in Wales, Scotland and Northern Ireland and regional offices in eight of the England government regions.

## **Home-Start International**

Home-Start UK enjoys a close working relationship with its sister charity, Home-Start International, which supports countries across the world to set up and sustain their own local Home-Start schemes. Home-Start schemes now operate in 18 countries and on five continents across the world. Home-Start UK continues to work closely with Home-Start International's Director, Anna Stuttard.

## **Volunteers**

Home-Start is greatly indebted to all its volunteers for their dedication, time and skills. In particular our 15,611 home-visiting volunteers – Home-Start could not provide its service without them. An estimate of the time given by these volunteers in 07/08 came to over 2 million hours.

Another group of volunteers plays a vital role in our work – individuals who volunteer as local trustees to manage and support the work of each local scheme. This year 2,407 individuals were involved in this way – thank you for all they have done to sustain and develop our service this year.

## THANK YOU to our DONORS

Home-Start could not exist without funding from individual donors, companies, trusts, public bodies and other associations.

Home-Start would like to thank the following major contributors for grants, donations and support, awarded during the financial year 2007/08:

Army Central Fund  
The Band Trust  
Big Lottery Fund Wales  
Boots plc  
C H K Charities Limited  
City Bridge Trust  
The Dulverton Trust  
Esmée Fairbairn Foundation  
Football Premier League  
The Freemasons' Grand Charity  
John Ellerman Foundation  
John Lyon's Charity  
Lloyds TSB Foundation for Scotland  
Mears Group Ltd  
Marsh  
Rensburg Sheppards  
Scarborough Building Society  
J Sainsbury plc  
Tedworth Charitable Trust

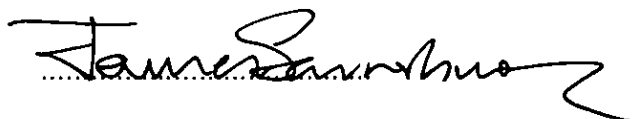
Department for Children, Schools and Families  
Family and Parenting Institute  
National Assembly of Wales  
Northern Ireland Department of Health, Social  
Services and Public Safety  
Scottish Government (formerly Scottish Executive)

Thanks also to the following major contributors, from whom donations and support have been received to date in the current financial year 2008/09:

Army Central Fund  
Alliance Boots  
Barclaycard HR Dept  
HBOS  
J Sainsbury plc  
Marsh  
Next plc  
Robertson Trust  
The Moffat Trust  
Scarborough Building Society  
Tedworth Charitable Trust

This report was approved by the Board of Trustees on 22nd September 2008 and signed on its behalf by:

James Sainsbury



# Financial Review

The Statement of Financial Activities for the year shows net incoming resources of £452,997. This represents net incoming resources in unrestricted funds of £337,652 and £115,345 of restricted funds.

Total incoming resources for the year amounted to £5,230,358. 67% of this income was received from government grant funding across the four UK nations and is for our core work in each country. Increases from the previous period were seen in investment income (58% increase) and annual fees (4% increase) which assist Home-Start UK in providing for staffing, resources and events that are not specifically funded by restricted grants.

Total resources expended amounted to £4,777,361. 92% of this expenditure was applied directly to Home-Start UK's charitable activities through support of schemes, training, information and communications (2007 - 92%). The remaining expenditure relates to costs of generating funds, 7%, and governance costs, 1%.

The surplus for the year of £452,997 exceeded the budgeted surplus agreed at the meeting of the Board of Trustees in March 2007 of £10,062. This was mainly due to the savings made on our salaries budgets with the natural turnover of staff and a number of positions remaining vacant for longer periods, whilst further overhead savings were achieved through improved office working practices and contract negotiations. Fundraising activities resulted in greater than budget income, mainly for specific project work, and some restricted grants late on in the year. At the year end £247,694 of restricted income remains unspent and is carried forward to be utilised to complete specific project work.

As a consequence of the timing of project expenditure The Board of Trustees has agreed a budget deficit of £193,289 for the financial year ending 31<sup>st</sup> March 2009. The reserves of the organisation remain within the reserve policy over the two years 2007/08 and 2008/09.

The Balance Sheet at 31<sup>st</sup> March 2008 shows net assets of £2,913,232. Of this amount, £295,018 represents restricted funds that must be expended on work specified by the donor. In the opinion of the Board of Trustees, the balance of restricted funds is sufficient to enable the work specified by donors to be completed. Unrestricted funds of £2,618,214 include £400,695 represented by the buildings and equipment held by Home-Start UK, which, by their nature, cannot be applied to the work of the charity without disposing of the assets that these funds represent.

The budget deficit for the year ending 31<sup>st</sup> March 2009, shows an income target of £4,559,000 and expenditure of £4,752,289. The Board of Trustees were presented with this budget following extensive discussions on the expenditure budgets, at a senior level, as a result of the core grant from the DCFS remaining at its current level, and the setting of realistic fundraising targets. The expenditure budgets were compiled based on current staffing levels but with some minor reductions in overheads. The budget also reflected the estimated expenditure carried forward, as well as the effect of inflationary factors.

The Trustees have designated £22,031, being the net proceeds of an online charity lottery run by Chariot, towards a scheme partnership fund to be called the Together for Families Fund which will help schemes through funding crises and to develop their services.

## Land and buildings

The Trustees are of the opinion that the land and buildings included in the Balance Sheet at £348,015 could be worth more than that figure but the current market value cannot be determined without a professional valuation.

## Investment policy

The Memorandum and Articles of Association give the trustees unrestricted powers of investment.

The charity's current investment strategy is to deposit funds in short and medium term interest bearing accounts with UK banks.

As at 31<sup>st</sup> March 2008 the charity's unrestricted general reserves amounted to £2,145,488, which represents approximately 5.4 months revenue expenditure (2007 - 4.7). The charity's policy is to maintain this level of reserves with a view to building on that level out of annual operating surpluses.

## Reserves policy

Home-Start's work is primarily of a long-term, fixed nature to provide training, information, guidance and support to existing and potential local Home-Start schemes. 64% of expenditure relates to staffing costs.

The policy is monitored and reviewed annually by the Board of Trustees.

Unrestricted reserves are needed:

- to provide funds to maintain a level of service delivery in the event of unanticipated shortfalls in income;
- to provide funds which can be designated to projects at short notice in the event of a perceived need;
- to avoid the necessity of realising fixed assets held for charitable use; and
- to cover management, administration, fundraising and support costs without which the charity could not function.

The trustees have examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity's work, free reserves should be a minimum of three months revenue expenditure, but with the intention of achieving a level of six months.

Three months revenue expenditure approximates to the costs of the management, administration, fundraising and support functions of the charity. The policy of seeking a further three months revenue expenditure provides for unanticipated shortfalls in income and makes funds available for project work.

# INDEPENDENT AUDITOR'S REPORT

## To the trustees of Home-Start UK

We have audited the financial statements of Home-Start UK for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of trustees and auditors

The trustees, (who are also the directors of Home-Start UK for the purposes of company law), are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you, if in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information beyond that referred to in this paragraph.

## Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent Auditor's Report

For the year ended 31 March 2008

### Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

In our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

MacIntyre Hudson LLP

25th November 2008

MacIntyre Hudson LLP  
Chartered Accountants & Registered Auditors

Lyndale House  
Ervington Court  
Harcourt Way  
Meridian Business Park  
Leicester  
LE19 1WL

# Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 March 2008

		Unrestricted funds	Restricted funds	Year ended 31 March 2008	Period ended 31 March 2007
	Note	£	£	£	£
<b>Incoming resources</b>					
<b><i>Incoming resources from generated funds</i></b>					
<b><i>Voluntary income:</i></b>					
Donations	2	69,978	6,169	76,147	90,844
Grants	3	226,214	4,095,325	4,321,539	3,789,587
<b><i>Activities for generating funds:</i></b>					
Fees received		1,576	-	1,576	5,400
Carol Concert		13,135	-	13,135	11,031
Play Monday lottery		1,869	-	1,869	28,088
<b><i>Investment income</i></b>	4	128,554	-	128,554	81,145
<b><i>Incoming resources from charitable activities</i></b>					
Annual Fees		627,953	-	627,953	601,343
Sales of materials and publications		59,585	-	59,585	78,392
<b>Total incoming resources</b>		<b>1,128,864</b>	<b>4,101,494</b>	<b>5,230,358</b>	<b>4,685,830</b>
<b>Resources expended</b>	6				
<b><i>Cost of generating funds:</i></b>					
Cost of generating voluntary income		93,342	220,182	313,524	307,120
<b><i>Charitable activities:</i></b>					
Support of Home-Start schemes		513,717	2,809,408	3,323,125	3,234,704
Training		124,437	542,349	666,786	457,000
Information & communications		70,290	339,347	409,637	460,622
<b><i>Governance costs</i></b>		<b>16,108</b>	<b>48,181</b>	<b>64,289</b>	<b>58,186</b>
<b>Total resources expended</b>		<b>817,894</b>	<b>3,959,467</b>	<b>4,777,361</b>	<b>4,517,632</b>
<b>Net incoming resources before transfers</b>		<b>310,970</b>	<b>142,027</b>	<b>452,997</b>	<b>168,198</b>
<b>Transfers between funds</b>		<b>26,682</b>	<b>(26,682)</b>	<b>-</b>	<b>-</b>
<b>Net incoming resources</b>		<b>337,652</b>	<b>115,345</b>	<b>452,997</b>	<b>168,198</b>
<b>Net movement in funds</b>		<b>337,652</b>	<b>115,345</b>	<b>452,997</b>	<b>168,198</b>
<b>Total funds brought forward</b>		<b>2,280,562</b>	<b>179,673</b>	<b>2,460,235</b>	<b>2,292,037</b>
<b>Total funds carried forward</b>		<b>2,618,214</b>	<b>295,018</b>	<b>2,913,232</b>	<b>2,460,235</b>

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.


The accounting policies and notes on pages 25 to 40 form part of these financial statements.

# Balance Sheet

As at 31 March 2008

	Note	2008 £	2007 £
<b>Fixed assets</b>			
Tangible fixed assets	13	448,019	470,101
Fixed asset investments	14	100	100
		<u>448,119</u>	<u>470,201</u>
<b>Current assets</b>			
Stock	15	42,719	54,392
Debtors	16	307,890	320,197
Cash at bank and in hand		2,428,244	2,037,584
		<u>2,778,853</u>	<u>2,412,173</u>
<b>Creditors: amounts falling due within one year</b>	17	(313,740)	(422,139)
<b>Net current assets</b>		<u>2,465,113</u>	<u>1,990,034</u>
<b>Net assets</b>		<u>2,913,232</u>	<u>2,460,235</u>
<b>Funds</b>			
<b>Restricted funds</b>	18		
Fixed asset fund		47,324	48,192
Other funds		247,694	131,481
		<u>295,018</u>	<u>179,673</u>
<b>Unrestricted funds</b>	19		
Fixed asset fund		214,069	251,849
Designated funds		258,657	270,222
General funds		2,145,488	1,758,491
		<u>2,618,214</u>	<u>2,280,562</u>
<b>Total funds</b>		<u>2,913,232</u>	<u>2,460,235</u>

These financial statements were approved by the Board of Trustees on 10 September 2008 and signed on its behalf:

James Sainsbury 

The accounting policies and notes on pages 25 to 40 form part of these financial statements.



# Cash Flow Statement

For the year ended 31 March 2008

		Year ended 31 March 2008 £	Year ended 31 March 2007 £
	Note		
<b>Reconciliation of net incoming resources to net cash inflow from operating activities</b>			
Net incoming resources		452,997	168,198
Investment income		(128,554)	(81,145)
Depreciation and loss on disposal		61,992	74,116
Decrease in stock		11,673	2,146
Decrease/(Increase) in debtors		12,307	(134,318)
(Decrease)/Increase in creditors		(108,399)	168,440
<b>Net cash inflow from operating activities</b>		<b>302,016</b>	<b>197,437</b>
<b>CASH FLOW STATEMENT</b>			
Net cash inflow from operating activities		302,016	197,437
Returns on investment and servicing of finance	23	128,554	98,757
Capital expenditure	24	(39,910)	(22,460)
<b>Increase in cash in the year</b>		<b>390,660</b>	<b>273,734</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
<b>Increase in cash in the year</b>		<b>390,660</b>	<b>273,734</b>
<b>Net funds at 31 March 2007</b>		<b>2,037,584</b>	<b>1,763,850</b>
<b>Net funds at 31 March 2008</b>		<b>2,428,244</b>	<b>2,037,584</b>

The accounting policies and notes on pages 25 to 40 form part of these financial statements.

## Notes to the Financial Statements

For the year ended 31 March 2008

### 1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

#### **Fund accounting**

- Unrestricted funds are available for use at the discretion of the Board of Trustees in furtherance of the general objects of the charity.
- Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.
- Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

#### **Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable certainty. The following specific policies are applied to particular categories of income:

- Voluntary income received by way of donations and gifts is included in full in the Statement of Financial Activities when receivable.
- Grants from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as voluntary income where the money is given in response to an appeal or as core funding with greater freedom of use. Grants are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.
- Revenue grants are carried forward to the extent that the grantor specifies that the grant is for expenditure in future accounting periods or when the charity has to fulfil conditions before becoming entitled. Grants carried forward in this way are accounted for as deferred income.
- Income tax recoverable on covenanted giving and Gift Aid donations is accounted for in the year of receipt of the associated income on an accruals basis.
- Annual fees from Home-Start Schemes are based on 2% of 90% of their total income and are recorded in the Statement of Financial Activities on an accruals basis.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is accounted for when receivable.
- Legacies are accounted for when the conditions of entitlement, certainty and measurement are satisfied.

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

- Costs of generating funds comprise the costs associated with attracting voluntary income. Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time, as set out in note 6.
- The company operates a defined contribution pension scheme for the benefit of the employees. The pension cost charged in the Statement of Financial Activities represents the amount of contributions payable to the scheme in respect of the accounting year. The assets of the scheme are held in an independently administered fund.

### Operating leases

Operating lease rentals are charged to the Statement of Financial Activities at current rates under lease agreements.

### Fixed asset investments

Investments in subsidiary undertakings are stated at cost.

### Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

### Fixed Assets

Major expenditure on tangible fixed assets is capitalised. Expenditure on fixed assets not exceeding £500 for each asset is written off in the year in which it is incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life on the following bases:

Freehold buildings	2% per annum on cost
Fixtures and fittings	15% per annum on cost
Computer equipment	33% per annum on cost

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 2. Voluntary income: donations

	Unrestricted	Restricted	2008 Total	2007 Total
	£	£	£	£
General donations	36,170	6,169	42,339	27,583
Appeals	14,313	-	14,313	26,579
Big Tea Party	46	-	46	640
Donated services	19,449	-	19,449	-
Legacies	-	-	-	36,042
	<u>69,978</u>	<u>6,169</u>	<u>76,147</u>	<u>90,844</u>

The Charity is indebted to Rensburg Sheppards for the donation of their services towards the Carol Concert, valued at £19,449. An equivalent charge is included within Event Expenses.

### 3. Voluntary income: grants

	Unrestricted	Restricted	2008 Total	2007 Total
	£	£	£	£
Government grants	-	3,487,943	3,487,943	3,153,814
Charitable Trusts	143,400	391,963	535,363	363,324
Corporate partners	81,837	74,100	155,937	232,229
Other	977	141,319	142,296	40,220
	<u>226,214</u>	<u>4,095,325</u>	<u>4,321,539</u>	<u>3,789,587</u>

### 4. Investment income

	Unrestricted	Restricted	2008 Total	2007 Total
	£	£	£	£
Bank interest	128,539	-	128,539	39,104
COIF	15	-	15	42,041
	<u>128,554</u>	<u>-</u>	<u>128,554</u>	<u>81,145</u>

Investment returns are in accordance with expectations and the charity's investment policy.

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 5. Deferred income

	Government	Corporate Partners	Charitable Trusts	Other	Total
	£	£	£	£	£
At 31 March 2007	64,000	1,000	161,102	14,305	240,407
Released in the period	(64,000)	(1,000)	(161,102)	(14,305)	(240,407)
Deferred in the period	-	-	139,802	4,612	144,414
At 31 March 2008 (Note 17)	<u>-</u>	<u>-</u>	<u>139,802</u>	<u>4,612</u>	<u>144,414</u>

# Notes to the Financial Statements (continued)

For the year ended 31 March 2008

## 6. Total resources expended

Costs directly allocated to activities	Basis of Allocation	Fundraising £	Support of Home-Start schemes £	Training £	Information & Communications £	Governance £	2008 Total £	2007 Total £
Staff costs	direct	166,198	2,151,584	234,057	216,204	33,784	2,801,827	2,599,876
Recruitment	direct	8,156	30,147	341	2,096	-	40,740	50,795
Travel	direct	6,685	258,065	31,024	8,901	-	304,675	314,737
Office costs	direct	48,756	342,042	81,157	97,515	-	569,470	667,704
Internal meetings	direct	483	35,122	7,442	1,169	-	44,216	53,939
Grants to schemes	direct	-	20,000	141,443	9,871	-	171,314	80,650
Consultancy /PR	direct	6,145	11,437	22,455	9,238	-	49,275	81,066
Training & development	direct	1,746	-	85,210	1,468	-	88,424	98,312
Information helpline	direct	5,912	-	-	-	-	5,912	7,056
Depreciation & and loss on disposal	direct	3,157	21,778	2,103	3,405	-	30,443	42,539
Fundraising materials/ events expenses	direct	34,001	12,056	12,826	12,582	-	71,465	39,639
Audit fees/legal & professional	direct	-	169	-	1,013	26,000	27,182	24,341
<b>Support costs allocated to activities</b>								
Salaries & recruitment	Staff time	15,306	208,942	23,101	21,891	2,136	271,376	222,280
Premises	Staff time	15,200	207,492	22,941	21,739	2,121	269,493	203,121
Depreciation & loss on disposal	Staff time	1,779	24,291	2,686	2,545	248	31,549	31,577
<b>Total resources Expended</b>		<b>313,524</b>	<b>3,323,125</b>	<b>666,786</b>	<b>409,637</b>	<b>64,289</b>	<b>4,777,361</b>	<b>4,517,632</b>

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 7. Net incoming resources for the period

This is stated after charging:	2008	2007
	£	£
Depreciation	61,052	72,671
Auditors' remuneration: for audit services	16,123	12,778
for accountancy services	1,414	4,259
Operating lease rentals: plant and machinery	15,514	16,265
land and buildings	142,893	154,888

### 8. Staff costs and numbers

Staff costs are as follows	2008	2007
	£	£
Salaries and wages	2,683,344	2,464,607
Social security costs	253,442	242,616
Pension contributions	130,615	110,189
	<u>3,067,401</u>	<u>2,817,412</u>

1 employee (2007: 0) received emoluments of between £75,000 - £80,000 in the year. Total pension contributions paid for the benefit of higher paid staff amounted to £5,250 (2007: £4,942). The number of higher paid staff accruing benefits under defined contribution schemes was 1 (2007:1).

The average number of employees during the year calculated on the basis of full time equivalents was 85 (2007: 86).

### 9. Pensions costs

The charity participates in a defined contribution pension scheme administered externally. Membership of the scheme is available to employees satisfying qualifying conditions. Payments made to the fund are charged annually in the financial statements. The pension cost charge amounted to £130,615 (2007: £110,189). Unpaid contributions at the end of the financial year amounted to £18,845 (2007: £16,447) which are included in other creditors.

Home-Start UK participates in the Pension Trust's Growth Plan.

The Growth Plan is a multi-employer pension plan which is in most respects a money purchase arrangement but it has some guarantees. Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

The last formal valuation of the Plan was performed at 30 September 2005 by a professionally qualified actuary. The market value of the Plan's assets at the valuation date was £675 million. The financial assumptions underlying the valuation were that the rate of return on accumulated assets would be 6.7%, bonuses on accrued benefits would be 0%, and the rate of price inflation would be 2.5%.

The on-going funding position was updated by the scheme actuary at 30<sup>th</sup> September 2006 and reported that the scheme assets had increased to £747.4m, indicating that the asset value is slightly higher than the liabilities (funding level of 100.2%).

Following a change in legislation in September 2005 there is a potential debt on an employer that could be levied by the Trustee of the Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up and, in that event, such a debt could amount to £310,200 (2007: £549,316). The decline in the amount of the liability reflects the improved funding position of the plan.

### 10. Trustee remuneration and related party transactions

No member of the Board of Trustees received any remuneration during the year. Travel and subsistence costs amounting to £4,449 (2007: £908) were reimbursed to 10 (2007: 5) members of the Board of Trustees.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

### 11. Taxation

As a charity, Home-Start UK is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 12. Transfers between funds

In accordance with developments in charity reporting and now generally accepted accounting practice the net book value of fixed assets purchased out of restricted funds, where the acquisition of the fixed assets satisfied the donor/grantor imposed restriction on use of funds, is recognised as a designated fund. Transfers between funds have been made to this effect.

Transfers between restricted and unrestricted funds are disclosed separately in the Statement of Financial Activities. Transfers arise from the transfer of the value of fixed assets from restricted to unrestricted funds when the asset has been purchased from a restricted fund donation but the asset is held for a general and not a restricted purpose.



# Notes to the Financial Statements (continued)

For the year ended 31 March 2008

## 13. Tangible fixed assets

	Freehold land and buildings £	Computers and other equipment £	Total £
<b>Cost</b>			
At 31 March 2007	421,919	432,438	854,357
Additions	-	39,910	39,910
Disposals	-	(10,442)	(10,442)
At 31 March 2008	<u>421,919</u>	<u>461,906</u>	<u>883,825</u>
<b>Depreciation</b>			
At 31 March 2007	67,562	316,694	384,256
Charge for the year	6,342	54,710	61,052
Eliminated on disposals	-	(9,502)	(9,502)
At 31 March 2008	<u>73,904</u>	<u>361,902</u>	<u>435,806</u>
<b>Net book value</b>			
At 31 March 2008	<u>348,015</u>	<u>100,004</u>	<u>448,019</u>
<b>Net book value</b>			
At 31 March 2007	<u>354,357</u>	<u>115,744</u>	<u>470,101</u>

Included in freehold land and buildings are two freehold properties which were included in the transfer agreement between the charitable company and Home-Start (an unincorporated charity) dated 1 May 2005. At the date of approving the financial statements the trustees are in the process of conveying the legal title of these freehold properties.

Tangible fixed assets are primarily used for charitable purposes. Use of tangible fixed assets for generating funds and governance is incidental relative to charitable use.

Included in the cost of freehold land and buildings is land valued at £104,834, which is not depreciated.

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 14. Investments

	2008	2007
	£	£
Investment in subsidiary undertaking	100	100
	<u>100</u>	<u>100</u>

#### Investment in subsidiary undertaking

The investment represents 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England and Wales. The subsidiary undertaking did not trade during the year. The net assets of the company as at 31 March 2008 amounted to £18.

The charity has not prepared group financial statements as the results of the subsidiary undertaking are not material for the purpose of presenting a true and fair view of the group results for the year and year end financial position.

### 15. Stock

	2008	2007
	£	£
Literature	42,719	54,392
	<u>42,719</u>	<u>54,392</u>

### 16. Debtors

	2008	2007
	£	£
General activities	9,271	5,339
Income tax recoverable	4,167	2,723
Other debtors	237,561	250,225
Prepayments	56,891	61,910
	<u>307,890</u>	<u>320,197</u>

Included within other debtors are amounts falling due after more than one year of £6,000 (2007: £9,600).

### 17. Creditors: amounts falling due within one year

	2008	2007
	£	£
General activities	61,990	82,181
Other creditors	20,574	18,579
Other taxation and social security	73,762	68,472
Accruals	13,000	12,500
Deferred income (note 5)	144,414	240,407
	<u>313,740</u>	<u>422,139</u>

# Notes to the Financial Statements (continued)

For the year ended 31 March 2008

## 18. Movement in restricted funds

	Balance at 31 March 2007	Movement in resources		Transfers between funds	Balance at 31 March 2008
	£	Incoming £	Outgoing £	£	£
<b>Regional Work</b>					
<b>England</b>					
- Sure Start Unit (DfES/DWP)	-	2,730,000	(2,730,000)	-	-
- DfES	-	34,000	(34,000)	-	-
- DfES	-	30,000	(30,000)	-	-
- Dept for Children, Schools and Families	-	20,570	(20,570)	-	-
- Dept for Children, Schools and Families	-	15,930	(5,179)	(10,751)	-
<b>Eastern</b>					
- National Children's Bureau	-	33,833	(33,833)	-	-
<b>East Midlands</b>					
- Premier League Creating Chances	-	2,000	(2,000)	-	-
- George & Grace Hart Charitable Trust	-	1,150	(1,150)	-	-
- Maud Elkington Charitable Trust	-	1,000	(1,000)	-	-
- Other	-	400	(400)	-	-
<b>London</b>					
- John Lyon's Charity	5,700	5,000	(10,700)	-	-
- FA Premier League	-	1,500	(1,500)	-	-
- City Bridge Trust	-	22,500	(22,500)	-	-
<b>South East</b>					
- Pfizer Ltd	500	-	(500)	-	-
<b>South West</b>					
- Lloyds TSB Foundation for England	1,554	-	(1,554)	-	-
- Other	-	5,000	(5,000)	-	-
<b>West Midlands</b>					
- Other	-	270	(270)	-	-
<b>Yorks, Humber &amp; North East</b>					
- The Freemasons' Grand Charity	-	35,000	(35,000)	-	-
- The Band Trust	-	10,000	(10,000)	-	-
- The Dulverton Trust	-	12,500	(12,500)	-	-
<b>Northern Ireland</b>					
- Dept of Health, Social Services & Public Safety - Family Support Unit	-	47,990	(47,990)	-	-
- Various (Peru Trek)	17,828	-	-	-	17,828
<b>Scotland</b>					
- Scottish Executive	-	110,642	(110,642)	-	-
- Henry Smith Charity	5,745	-	(5,745)	-	-
- Esmée Fairburn Foundation	-	18,333	(18,333)	-	-
- Lloyds TSB for Scotland	-	6,228	(6,228)	-	-
- Hugh Frazer Foundation	-	4,000	(4,000)	-	-
- Robertson Trust	-	7,500	-	-	7,500
- The Moffat Trust	-	7,000	-	-	7,000
<b>Carried forward</b>	31,327	3,162,346	(3,150,594)	(10,751)	32,328

# Notes to the Financial Statements (continued)

For the year ended 31 March 2008

	Balance at 31 March 2007 £	Movement in resources		Transfers between funds £	Balance at 31 March 2008 £
		Incoming £	Outgoing £		
<b>Brought forward</b>	31,327	3,162,346	(3,150,594)	(10,751)	32,328
<b>Wales</b>					-
- Big Lottery Fund Wales	5,993	67,182	(67,453)	-	5,722
- National Assembly of Wales	-	12,250	(12,250)	-	-
- National Assembly of Wales	-	128,998	(128,998)	-	-
<b>Fundraising &amp; Publicity</b>					
- The Vodafone UK Foundation	8,223	-	(8,223)	-	-
- Nationwide Foundation	9,631	-	(8,883)	-	748
- Tedworth Charitable Trust	-	12,500	(12,500)	-	-
<b>Specific Project Work</b>					
<b>Scotland</b>					
- Scottish Executive	83	-	-	-	83
<b>Training</b>					
- National Council for Voluntary Child Care Organisations	-	2,458	(2,458)	-	-
- Children's Workforce Development Council	-	74,528	(74,528)	-	-
- Family & Parenting Institute - ELPP	35,808	357,563	(329,055)	-	64,316
- National Council for Voluntary Organisations	-	10,000	(10,000)	-	-
<b>General</b>					
- CHK Charities Limited	-	88,670	(44,333)	(15,931)	28,406
- Calouste Gulbenkian Foundation	4,668	-	-	-	4,668
- Anonymous Donor	15,212	-	-	-	15,212
- J Sainsbury plc	20,000	13,500	(33,500)	-	-
- Boots plc	536	33,100	(33,636)	-	-
- Army Central Fund	-	15,000	(15,000)	-	-
- J & J Wall	-	3,500	(3,500)	-	-
- Marsh	-	10,000	(9,750)	-	250
- Anonymous Donor	-	899	(899)	-	-
- Scarborough Building Society	-	2,500	(2,500)	-	-
- Boots plc	-	13,500	(5,786)	-	7,714
- Anonymous Donor	-	93,000	(4,753)	-	88,247
	131,481	4,101,494	(3,958,599)	(26,682)	247,694
<b>Capital</b>					
<b>Northern Ireland</b>					
- Northern Ireland (DHSS)	48,192	-	(868)	-	47,324
	179,673	4,101,494	(3,959,467)	(26,682)	295,018

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### Purpose of Restricted Funds

Source	Purpose
<b>Regional work</b>	
<b>England</b>	
Sure Start Unit (DfES/DWP)	* To support national and regional staffing in England, training and dissemination of resources to support and extend the coverage of home visiting services and to increase the number of families reached
DfES	* For the review, update and implementation of monitoring and evaluation systems
DfES	* Updating and development of on-going training resources for volunteers
Department for Children, Schools and Families	* To create, co-ordinate and disseminate tender ready guidance and statements for schemes
Department for Children, Schools and Families	* To develop and run training and learning input sessions for schemes on successful tendering
<b>East</b>	
National Children's Bureau	* Home-Start Norfolk schemes partnership project
<b>East Midlands</b>	
Premier League Creating Chances	* To help fund East Midlands development work
George & Grace Hart Charitable Trust	* To support our work with families in Leicestershire
Maud Elkington Charitable Trust	* Legal advice line to Leicestershire and Northamptonshire schemes
Other	* To support the work of Home-Start in Notts & Leics
<b>London</b>	
John Lyon's Charity	* Support towards the establishment of schemes in Hammersmith & Fulham
FA Premier League	* To fund a London regional volunteer event
City Bridge Trust	* Towards a Development Worker in London
<b>South East</b>	
Pfizer Ltd	* To support work in the East Kent area
<b>South West</b>	
Lloyds TSB Foundation for England & Wales	* Towards the costs of local events to promote work in the South West
Other	* To support Home-Start work in Hampshire
<b>West Midlands</b>	
Other	* To support the work of Home-Start Stroud & Dursley

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

Source	Purpose
<b>Yorks, Humber &amp; North East</b>	
The Freemasons' Grand Charity	*
The Band Trust	*
The Dulverton Trust	*
<b>Northern Ireland</b>	
Department of Health, Social Services & Public Safety - Family Policy Unit	*
Various (Peru Trek)	*
<b>Scotland</b>	
Scottish Executive	*
Henry Smith Charity	*
Esmée Fairbairn Foundation	*
Lloyds TSB Foundation for Scotland	*
Hugh Frazer Foundation	*
Robertson Trust	*
The Moffat Trust	*
<b>Wales</b>	
Big Lottery Fund Wales	*
National Assembly for Wales	*
National Assembly for Wales	*
<b>Fundraising &amp; publicity</b>	
The Vodafone UK Foundation	*
Nationwide Foundation	*
Tedworth Charitable Trust	*
<b>Specific Projects</b>	
<b>Scotland</b>	
Scottish Executive	*

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

Source		Purpose
<b>Training</b>		
National Council for Voluntary Child Care Organisations	*	A beginner's guide to workforce Development
Childrens' Workforce Development Council	*	New Types of Worker Project
Family & Parenting Institute - ELPP	*	Early Learning Partnership Project
National Council of Voluntary Child Care Organisations	*	Governance Hub Partnership Programme
<b>General</b>		
CHK Charities Limited	*	Development of a scheme Intranet
Calouste Gulbenkian Foundation	*	Towards policy research in supporting families
Anonymous donor	*	To fund the Trustee Recruitment and Induction campaign
J Sainsbury plc	*	Towards the 'Starting Young' Project
Boots plc	*	Healthy Communities Project
Army Central Fund	*	Grants for supporting work with service families
J & J Wall	*	Practitioner led Research Project
Marsh	*	Research - families living under multiple disadvantages
Anonymous Donor	*	Towards funding the freephone information line
Scarborough Building Society	*	Production of Home-Start UK general information leaflet
Boots plc	*	To support Employee Volunteering
Anonymous Donor	*	Volunteer Recruitment Campaign
<b>Capital</b>		
Northern Ireland DHSS	*	Northern Ireland office premises

## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 19. Movement in unrestricted funds

	Balance at 31 March 2007 £	Transfers between funds £	Movement in resources Incoming £	Outgoing £	Balance at 31 March 2008 £
<b>Fixed asset fund</b>	<u>251,849</u>	<u>-</u>	<u>13,229</u>	<u>(51,009)</u>	<u>214,069</u>
<b>Designated funds</b>					
Fixed asset fund	170,060	26,682	-	(10,116)	186,626
Staff development fund	13,000	-	-	(13,000)	-
Corporate image fund	17,000	-	-	(17,000)	-
Scheme partnership fund	20,162	-	1,869	-	22,031
Northern Ireland fund	50,000	-	-	-	50,000
	<u>270,222</u>	<u>26,682</u>	<u>1,869</u>	<u>(40,116)</u>	<u>258,657</u>
<b>General</b>	<u>1,758,491</u>	<u>-</u>	<u>1,113,766</u>	<u>(726,769)</u>	<u>2,145,488</u>
<b>Total unrestricted funds</b>	<u>2,280,562</u>	<u>26,682</u>	<u>1,128,864</u>	<u>(817,894)</u>	<u>2,618,214</u>

#### Purpose of unrestricted Funds

##### Fixed asset fund

The fixed asset fund represents all funds invested in fixed assets.

##### Designated funds

Designated funds represent amounts set aside by the trustees for future expenditure. Designations are at the trustees' discretion and do not legally restrict the trustees' application of the funds.

##### Staff development fund

Amount set aside to allocate to the training and development of Home-Start UK staff.

##### Corporate image fund

Amount set aside to support the work to review and strengthen our corporate image.

##### Northern Ireland fund

Amounts set aside to support the charity's work in Northern Ireland.

##### Scheme partnership fund (Together for families)

Funds set aside to support schemes through crises and development work.

##### General funds

General funds represent the balance of unrestricted funds that may be used for revenue or capital expenditure without having recourse to externally imposed restrictions.



## Notes to the Financial Statements (continued)

For the year ended 31 March 2008

### 20. Analysis of net assets between funds

	2008 General Fund £	2008 Designated Funds £	2008 Restricted Funds £	2008 Total Funds £	2007 Total Funds £
Tangible fixed assets	214,069	186,626	47,324	448,019	470,101
Investments	100	-	-	100	100
Current assets	2,459,128	72,031	247,694	2,778,853	2,412,173
Current liabilities	(313,740)	-	-	(313,740)	(422,139)
	<u>2,359,557</u>	<u>258,657</u>	<u>295,018</u>	<u>2,913,232</u>	<u>2,460,235</u>

### 21. Operating lease commitments

At 31 March 2008 the charity had annual commitments under non-cancellable operating leases on premises and on other equipment as set out below:

	Other equipment		Land and buildings	
	2008 £	2007 £	2008 £	2007 £
Operating leases which expire:				
Within one year	14,889	16,836	72,378	66,922
In the second to fifth year	-	-	65,040	65,040
Over five years	-	-	5,000	4,350
	<u>14,889</u>	<u>16,836</u>	<u>142,418</u>	<u>136,312</u>

### 22. Controlling party

The charity is controlled by the Board of Trustees.

### 23. Returns on investment and servicing of finance

	2008 £	2007 £
Interest received	128,554	98,757
	<u>128,554</u>	<u>98,757</u>

### 24. Capital expenditure

	2008 £	2007 £
Purchase of tangible fixed assets	(39,910)	(22,460)
	<u>(39,910)</u>	<u>(22,460)</u>

### 25. Non-adjusting post balance sheet event

Home-Start UK intends to acquire a new property to the value of £1,200,000 in the latter part of the financial year 2008/09, whilst disposing of its current central office facilities, currently owned and some rented.

## Contact US

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