



GRANDPARENTS PLUS
(A COMPANY LIMITED BY GUARANTEE)

Registered charity no 1093975

Company no 4454103

Annual Report and financial statements

31 MARCH 2017

GRANDPARENTS PLUS - FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2017

Contents

Officers and professional advisers	1
Report of the Trustees	2 - 10
Independent auditor's report	11 - 12
Statement of financial activities	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 23

GRANDPARENTS PLUS

OFFICERS AND PROFESSIONAL ADVISERS

Members of the Board

Trevor Bush, Joint Chair (resigned as Joint Chair and elected Chair 26 January 2017)
Helen Jackson, Joint Chair (resigned as Joint Chair and Trustee 26 January 2017)
Brian Edwards, Treasurer (resigned as Treasurer but continues as Trustee 26 January 2017)
Prof Ann Buchanan
Susha Chandrasekhar
Prof Elaine Farmer
Jayne Harrill
Rosaline Jenkins
Stephen Mold (resigned July 2016)
Sharrone Rodgers (resigned 26 January 2017)
Sally Rowe
Stephen Sowden
Julie Wilkes
Abby Wright-Parkes

Chief Executive and Company Secretary

Lucy Peake

Principal address and Registered Office

1 Addington Square
London
SE5 0HF

Auditor

Field Sullivan & Co
Neptune House
70 Royal Hill
London
SE10 8RF

Bankers

Triodos Bank
Deanery Road
Bristol
BS1 5AS

GRANDPARENTS PLUS

TRUSTEES' REPORT

YEAR ENDED 31 MARCH 2017

The Trustees present their report and financial statements for the year ended 31 March 2017. The financial statements have been prepared in accordance with current statutory requirements, the charity's governing instrument, and the Statement of Recommended Practice (revised 2015), Accounting and Reporting by Charities.

Vision statement

A Britain where all grandparents are celebrated and supported in the role they play in the lives of their families, in their grandchildren's wellbeing and in wider society.

Mission statement

To recognise, support and celebrate the role of grandparents in the family and wider society, to support the relationship between grandparents and their grandchildren and to help ensure that children in difficult family circumstances receive the care they need from a family member.

Objectives

The objectives of Grandparents Plus are to promote the better care of children, in particular by:

- Promoting the role of care by grandparents at all levels, particularly in circumstances of family breakdown and other difficult circumstances.
- Supporting and advising grandparents and other kin who are acting, or intend to act, as carers, particularly in the circumstances mentioned above.

Principal activities

Grandparents Plus is the national charity for England and Wales which champions the role of grandparents and the wider family in children's lives - especially when they take on the caring role (as kinship carers) in difficult family circumstances - because we want to make children's lives better. We do this by:

- Campaigning with them for change so that their contribution to children's wellbeing and care is valued and understood.
- Providing evidence, policy solutions and training so that they receive the services and support they need to help children to thrive.
- Advising and supporting them by ensuring that they have access to professional advice, information and peer support, particularly when they are raising children who are not living with their parents or they are providing in depth family support.
- Advising, informing and supporting professionals to develop good kinship care practice.

Our objectives for the year under review are:

- A national **support network**, facilitating peer-to-peer support for kinship carers through learning events, family fun days and a buddying scheme.
- An **advice and information service**, offering tailored financial, practical and emotional support for grandparents and other kinship carers, and a **helpline** supporting grandparents who are denied contact with their grandchildren.

- **Relative Experience**, a kinship carer support project which includes one-to-one support and peer support group development, in all local authority areas in the north east of England.
- **Research and influencing policy and practice**, including through the Kinship Care Professionals Group.
- **Training for kinship carers and professionals.**

The Trustees are aware of their requirements to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Future plans

The key objectives for the current year include:

1. We will connect people, building and supporting a powerful and engaged **network of grandparents and kinship carers.**
2. We will further develop a high quality and accessible multi-platform **information and advice offer** for grandparents as well as other family members who are raising a relative's child.
3. We will further develop **practical help and support** for grandparents, including peer-to-peer support, an online community and high quality resources, training and learning events.
4. We will continue to work with our beneficiaries as powerful agents of change, **influencing policy and practice**, including through new research and the roll-out of high quality, research informed and evidence-based programmes such as Relative Experience.
5. We will build a sustainable future for the charity, diversifying our income, investing in our infrastructure and developing our work with volunteers.

Financial Review

The financial statements reflect the operations of Grandparents Plus for the twelve months ended 31 March 2017.

The gross income for the year was £1,067,949 (2016 - £1,038,791). This included unrestricted grants of £349,447, some of which is intended to cover expenditure in the rest of 2017. In accordance with the Charities SORP this has been included in income in the year ended 31 March 2017. Total costs were £853,586 (2016: £992,159) and so the surplus for the year is £185,620 (2016: £2,924).

The surplus on unrestricted funds amounted to £189,594 and there was a deficit on restricted funds of £3,974, which was met out of the restricted funds brought forward. The total funds carried forward at 31 March 2017 were £304,111 (2016: £118,491), being unrestricted £195,764 (2016: £6,170) and restricted £108,347 (2016: £112,321).

At 31 March 2017 the charity had cash resources of £403,673 (2016: £126,029). The Trustees continue to make every effort to maintain unrestricted cash reserves and ensure that thereby they will ensure that Grandparents Plus continues to operate and to serve its beneficiaries.

Fundraising

2016/17 saw us begin to diversify our income and we are extremely grateful to all our funders and supporters, including the players of the People's Postcode Lottery for their generous support.

Our funders include:

Barings Foundation
 Big Lottery Fund
 Charles Hayward Foundation
 Esmée Fairbairn Foundation
 Family Holiday Association
 John Ellerman Foundation
 Masonic Charitable Foundation

Middlesbrough and Teesside Philanthropic Foundation
P F Charitable Trust
People's Postcode Lottery
The Headley Trust
The Henry Smith Charity
The Peter Stebbings Memorial Charity
Transform Foundation
Tunstall Jubilee Foundation

We greatly appreciate the generosity of individuals who support our vital work through donations, legacies and fundraising activities including those who participated in cycling and running challenge events to raise funds for Grandparents Plus. Particular thanks to Grandfather Terry Keen, who completed his very own 'Tour de Terry', cycling 1,400 miles to celebrate the Queen's 90th birthday, fundraising for Grandparents Plus in support of grandparent kinship carers along the way. Working with older people's housing and care provider Anchor, his journey was covered across local and regional media, and helped raise awareness of kinship care.

Reserves policy

The charity's reserves policy is to build up its unrestricted reserves to cover six months' operating expenditure.

Governance and management

The Trustees (who are also the directors of the company for the purposes of company law) serve for three years after which period they may put themselves forward for re-appointment. The Board of Trustees keeps the skill requirements of its members under review and may appoint a person as a trustee either to fill a vacancy or as an additional trustee. New Trustees may be sought by open advertisement or through a dialogue with existing supporters of the charity. The Articles of Association provide for a minimum of three Trustees and a maximum of ten Trustees. Newly appointed Trustees receive an induction pack, including the charity's governing document and a briefing document describing the legal status, role and responsibilities of Trustees. They are invited to visit the offices of the charity for further informal briefings by the Chief Executive.

The Board is responsible for setting the strategy and policies of Grandparents Plus. The members of the Board elect the Chair and appoint the Chief Executive. The Chief Executive is responsible to the Board of Trustees, through the Chair, for the execution of those policies.

Members of the Board of Trustees

The Trustees who held office during the year are shown on page 1. There were four Board meetings during the year. The Trustees wish to thank Stephen Mold and Sharrone Rogers who resigned during the year, and especially Helen Jackson who was Co-Chair until January 2016 and who played a key role in the merger of Grandparents Plus and The Grandparents' Association.

Staff and volunteers

The Trustees wish to thank the skilled and committed staff and volunteers who are dedicated to ensuring that grandparents and kinship carers are recognised, valued and supported in the roles that they play in the lives of their families.

Remuneration of key personnel

The pay of the Chief Executive is reviewed annually and normally increased in accordance with average earnings to reflect a cost of living adjustment.

Risk management and internal controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of control, both financial and operational.

The Finance Committee meets regularly and reviews the major financial and operational risks facing the charity. It monitors the implementation of any changes necessary to ensure that, as far as is reasonable, controls are in place to protect the charity, its members, its staff, the general public and other stakeholders. Frank Harding continues to chair that committee.

Grandparents Plus has a formal risk management process through which the Chief Executive identifies the major risks to which the charity may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- An annual budget approved by the Board.
- Regular consideration by the Board of financial results, variance from budgets and non-financial performance indicators.
- Delegation of authority and operating procedures.

The principal risks and uncertainties identified by the Trustees are as follows:

Risk identified	Action taken to mitigate the risk
Over reliance on project funding	Fundraising strategy to diversify income
Reduction in funding from major donors	Fundraising strategy to diversify income
Data loss	Data Protection Policy and IT systems and processes reviewed regularly

Statement of Trustees' responsibilities in respect of the Trustees' Report and financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the net movement in funds, including the income and expenditure, of the charity 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 have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

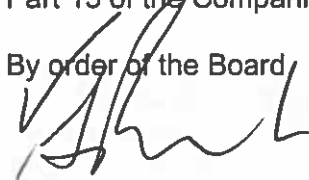
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware there is no relevant audit information of which the auditor is unaware; and 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.

Small companies' provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Board



Trevor Bush
Chair

Dated: 1 November 2017

Summary of our work 2016/17

Advice Service

We will further develop a high quality and accessible multi-platform information and advice offer for grandparents as well as other family members who are raising a relative's child.

Our advice and information service is the first port of call for many grandparents and other kinship carers in need of support, and we've made considerable progress in broadening our services to address the needs of grandparents in a wide variety of situations. Throughout 2016/17 we developed our 'digital first' approach to advice and information, with individual advice pages on our website reaching up to 39,000 hits across the year.

Our telephone advice service continues to be a lifeline for kinship carers, and this year supported 1,604 families, an increase of a third compared to last year. Demand for the service continues to grow as carers struggle to cope with the challenging economic climate – financial issues were again the most frequent subject of enquiries, and our help secured carers £348,606 in welfare benefits. We were also able to secure over £38,000 worth of charity grants for carers in desperate need, thanks to the generous support of other charities, in particular Buttle UK, the Al Mizan Charitable Trust and the Family Holiday Association. Harder to quantify but no less important to carers was the emotional support offered by the service. Comments included:

'Amazing, understanding, caring, patient and non-judgemental.'

'Your service is so valuable. I would feel so alone without it.'

Increasing the sustainability of the service was a key focus for the second part of the year, as was facilitating peer to peer support for kinship carers. Building on our 'buddying' pilot, a new service, 'Someone Like Me', offering peer befriending over the phone for carers has been developed to run alongside the work done by our expert advisors.

Support Network

We will connect people, building and supporting a powerful and engaged network of grandparents and kinship carers.

Our national Support Network continues to be the largest national network of kinship carers, the majority being grandparents, with over 3,700 individual members and 400 kinship care professionals involved. Thanks primarily to the support of the Big Lottery Fund, this year's main activities included:

- A series of bespoke Raising Kinship Children Masterclasses, developed especially for kinship carers to help them raise happy, confident kinship children. The masterclasses, led by an expert clinical psychologist, focussed on therapeutic parenting, and how to rehabilitate children affected by trauma in their early lives. Feedback included:

'It made me look at myself and my behaviours and life-story and see how it impacts on my children. Please more of this, it's been amazing for us and our children.'

- Our annual celebration days, this year supported by the Family Holiday Association, were attended by 310 kinship carers and children at Gulliver's World theme parks in Warrington and Milton Keynes:

'Watching our children happily playing together, with many other children who are being brought up by their grandparents, makes us all feel that we aren't on our own and what we do is worthwhile.'

- The establishment of a monthly e-newsletter for support network members, to keep them informed and involved with developments in the charity and the world of kinship care.
- We introduced a new partnership with Haven holidays, offering discounted holidays to members of our support network.

Policy, research and influencing

We will continue to work with our beneficiaries as powerful agents of change, influencing policy and practice, including through new research and the roll-out of high quality, research informed and evidence-based programmes.

Grandparents Plus continued to speak up with and for grandparents and kinship carers throughout 2016/17, as well as carrying out cutting edge research.

We remain an active member of the Kinship Care Alliance and, together with other charities in our sector, campaigned for a better deal for kinship carers, including securing an exemption from the benefit cap for kinship carers raising two or more children. Grandparents Plus worked closely with peers, including helping to draft an amendment which was accepted by the Minister and we are grateful to 130 kinship carers and other supporters who backed the Grandparents Plus e-action on this issue.

Through our support network, we also completed the largest ever survey of kinship carers, with over 650 responses from our members. The survey tracks the experiences and needs of kinship carers, and informs the development of our services and programmes, as well as our policy and influencing priorities.

We also worked closely with social work professionals to share and develop kinship care practice. Our thriving Kinship Care Professionals Group met quarterly in London and will also meet in the north of England next year. In the North East, our team established a new collaboration with Northumbria University: four social work students joined the team on placements, while our staff and kinship carers delivered sessions on kinship care to undergraduate and postgraduate social work students.

Other developments include:

- A new research project, led by Professor Joan Hunt, exploring the needs of kinship care professionals and the role of our Kinship Care Professionals Group.
- The continuation of our ground-breaking Growing Up in Kinship Care research, supported by the Paul Hamlyn Foundation, which explores the experiences of young people and their carers.

Grandparents Plus continues to be the first port of call for expertise around the role of grandparents in the UK, and our work has been quoted in over 140 pieces of positive media coverage throughout the year.

- We teamed up with insurers Royal London and former pensions minister Sir Steve Webb to raise awareness of a national insurance credit for grandparents providing childcare, which led to the Chief Executive being interviewed on BBC Radio 4, BBC2's Victoria Derbyshire, and ITV news as well as coverage on ITV Good Morning Britain and in the Guardian, Financial Times, Daily Mail and Daily Express. Our work with kinship carers has also been featured by The Telegraph, while regional BBC and ITV News profiled Relative Experience in their evening news bulletins.

The experiences of young people in kinship care were featured in our short film Growing up in Kinship Care, produced with the Media Trust thanks to the support of the Big Lottery Fund and the Tunstall Jubilee Foundation. Our Westminster event in November shared early findings from our ground-breaking new research on growing up in kinship care and featured high profile speakers, including Lisa Nandy MP, Suella Fernandes MP, Children's Commissioner Anne Longfield and Grandparents Plus Trustee and Luton Director of Children & Adult Services Sally Rowe.

Kinship Carer Support Programmes

We will further develop practical help and support for grandparents, including peer-to-peer support and high quality resources, training and learning events.

Relative Experience, our kinship carer support programme in the north east of England (delivered in partnership with Family Lives and the Family and Childcare Trust), reached its final year. During 2014-17 we supported 532 kinship carers and worked with kinship carers to develop 18 support groups which are now peer-led. During the year 283 carers received tailored support including one to one support from an expert project worker, befriending from a volunteer, access to grants, a network of kinship carer support groups and signposting to other services of benefit. Feedback from participants has continued to emphasise the life changing impact of the programme:

'If it hadn't been for kinship carers and the likes of [name of peer support member] [name of grandson] would have been in foster care and me and Di would've been in hospital.'

'I don't know where I'd be without you, my bit of sanity in life.'

Of the families we supported through Relative Experience the number of children on child protection plans reduced by 86%, saving an estimated £165,000 in local authority costs. The number of children classed as children in need reduced by 88% saving an estimated £46,690. This is an estimated total cost saving for local authority budgets of just under a quarter of a million pounds.

This year we also delivered:

- A new programme of activities to engage with young people living in kinship care, including: opportunities to participate in research, a residential opportunity through a new partnership with Outward Bound Trust, opportunities to raise awareness about kinship care by speaking at events and taking part in media interviews.

- A successful Relative Experience event, showcasing the work and achievements of the project along with the voices of kinship carers, young people growing up in kinship care, practitioners and volunteers, as well as a meeting with kinship carers and Shadow Children's Minister Emma Lewell-Buck MP.

The independent evaluation of Relative Experience highlighted clear evidence of the positive impact the Relative Experience project had on kinship carers. These areas were evidenced to have had a statistically significant positive impact:

- Improved relationships with family members: befrienders helped kinship carers discuss their problems and offered help.
- Reduced isolation: kinship carers had time out for themselves to meet other people to share their experiences and seek advice.
- Reduced financial concerns: kinship carers were supported to access emergency grants and to understand their entitlement to financial support from their local authorities.
- Reduced levels of concern: with children's behaviour; children's health and wellbeing; and concerns with kinship carers' ability to cope.

The evaluation showed a statistically significant positive impact on kinship carers' concerns about finance, their relationships with family members, and feelings of isolation. It also showed a reduction in kinship carers' concerns about their children's behaviour, health and wellbeing, and, importantly, Relative Experience led to carers feeling more able to cope with the challenges of being a kinship carer.

The evaluation concluded:

'Staff delivered a very successful project, extending the impact of Relative Experience beyond delivery, to help influence practice and strategy across the North East. Their commitment to kinship carers and their families has been evident throughout and kinship carers in the north east are in a significantly better position as a result of this support.'

As a result of Relative Experience's success, working with delivery partner Family Lives, we were delighted to be awarded a £50,000 development grant, and then a further year's funding from the Big Lottery Fund to continue the programme in the North East, to develop a demonstration programme in six London boroughs and to run a national campaign to raise awareness of kinship care.

Middlesbrough & Teesside Kinship Carer Support Programme

In 2017 we began an exciting new programme supporting kinship carers in the Tees Valley area. With the generous support of the Middlesbrough and Teesside Philanthropic Foundation, the programme includes:

- One to one support from an expert project worker.
- Development work building and strengthening local support groups.
- A programme of specialist training events for kinship carers.
- A localised Kinship Care Champions programme, empowering individuals to raise awareness of kinship care in their local areas.

Programmes currently in development

- Raised by Relatives, a support service for young people growing up in kinship care.
- Our Parenting Programme for kinship carers, developed in partnership with PAC UK, was externally evaluated, and is expected to be commissioned for the first time in 2017/18.

- The Early Help Model, a training programme for professionals dealing with kinship care arrangements.

Building our organisation

We will build a sustainable future for the charity, diversifying our income, investing in our infrastructure, building a strong team and developing our work with volunteers.

2016/17 was a year of change for Grandparents Plus, and we started the next year with a new senior leadership team in place, ready to drive the organisation forwards.

We were delighted to be awarded a significant grant from the players of the People's Postcode Lottery to enable us to expand our reach and to support more families in need.

We were also delighted to be shortlisted for the Guardian Charity of the Year Awards in 2016, and have started work with Pilotlight, a unique capacity building charity that matches selected charities with business leaders who support strategic planning.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRANDPARENTS PLUS

Opinion

We have audited the financial statements of Grandparents Plus (the 'charitable company') for the year ended 31 March 2017 which comprise the statement of financial activities (incorporating the income and expenditure account), the balance sheet 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).

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.³

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 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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' 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;

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.⁵

 Timothy Sullivan FCA

Senior Statutory Auditor

For and on behalf of Field Sullivan Ltd Chartered Accountants and Statutory Auditors

Neptune House

70 Royal Hill

London SE10 8RF

Date 21 November 2017

Statement of Financial Activities
Income and expenditure account
For the year to 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	2016 £
INCOME					
See note 19 for detail					
Income from generated funds					
Voluntary income	2	384,611	45,112	429,723	198,317
Investment income		215	-	215	432
Income from charitable activities					
Advice Service	3	-	57,095	57,095	35,000
Service Development		-	81,438	81,438	80,159
Policy and Research		-	9,795	9,795	52,781
Relative Experience		-	410,678	410,678	369,668
Support Network		-	79,005	79,005	302,434
TOTAL INCOME		<u>384,826</u>	<u>683,123</u>	<u>1,067,949</u>	<u>1,038,791</u>
EXPENDITURE					
Costs of charitable activities					
Cost of generating voluntary income	4	-	12,335	12,335	73,070
Charitable activities	6	157,968	674,503	832,471	911,938
Governance costs	5	8,521	259	8,780	7,151
TOTAL EXPENDITURE		<u>166,489</u>	<u>687,097</u>	<u>853,586</u>	<u>992,159</u>
Net income/(expenditure)	10	218,337	(3,974)	214,363	46,632
Exceptional costs of merger and re-organisation	9	<u>(28,743)</u>		<u>(28,743)</u>	<u>(43,708)</u>
Net Income/(expenditure) for the year		189,594	(3,974)	185,620	2,924
Fund balances at 1 April 2016		6,170	112,321	118,491	115,567
Fund balances as at 31 March 2017		<u>195,764</u>	<u>108,347</u>	<u>304,111</u>	<u>118,491</u>

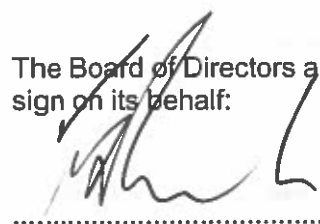
The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

BALANCE SHEET
As at 31 March 2017
Company number: 04454103

		£	<u>2017</u> £	£	<u>2016</u> £
FIXED ASSETS					
Tangible fixed assets	13		740		987
CURRENT ASSETS					
Grants receivable	14	61,406		91,420	
Prepayments and sundry debtors	14	4,256		4,509	
Cash at bank and in hand		<u>403,673</u>		<u>126,029</u>	
		469,335		221,958	
CREDITORS: due within one year	15		<u>(165,964)</u>		<u>(104,454)</u>
Net current assets			303,371		117,504
Net assets			<u>304,111</u>		<u>118,491</u>
FUNDS					
Restricted funds			108,347		112,321
Unrestricted funds			195,764		6,170
TOTAL FUNDS			<u>304,111</u>		<u>118,491</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

The Board of Directors approved the financial statements on...24/11/17... and duly authorised the Chairman to sign on its behalf:



.....
Trevor Bush - Chairman

The notes on pages 16 to 23 form part of these financial statements

STATEMENT OF CASH FLOWS
For the year ended 31 March 2017
Company number: 04454103

	2017 £	2016 £
Net cash generated/(used) in operating activities	277,644	(53,811)
<i>Cash flows from investing activities</i>		
Purchase of fixed assets	-	(987)
Change in cash and cash equivalents in the year	<u>277,644</u>	<u>(54,798)</u>
Cash and cash equivalents brought forward	126,028	180,827
Cash and cash equivalents carried forward	<u><u>403,672</u></u>	<u><u>126,029</u></u>
 Reconciliation of net movement of funds to net cash used in operating activities		
Net movement in funds	185,621	2,925
Depreciation	247	-
(Increase)/decrease in debtors	30,267	(89,593)
Increase/(decrease) in creditors	61,509	32,857
Net cash used in operating activities	<u><u>277,644</u></u>	<u><u>(53,811)</u></u>

The notes on pages 16 to 23 form part of these financial statements

**Notes to the Financial Statements
For the year to 31 March 2017**

1. Accounting policies

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)), and the Companies Act 2006. This standard was first implemented in the financial statements for the year ended 31 March 2016.

Merger with Grandparents Association ("GPA")

The charity merged with GPA on 1 November 2015. On that date the assets and liabilities of GPA were transferred to the charity and its reserves were treated as donations to the charity. The transactions of GPA since that date have been included in the Statement of Financial Activities of the charity.

The following principal accounting policies have been applied:

Income

Voluntary income and income from charitable activities comprise amounts received and receivable by way of donations and grants where the amounts are certain and there are no outstanding conditions to be met to confirm that they are payable.

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.

Fund accounting

Restricted and unrestricted funds are separately disclosed, as set out in note 16.

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objects of the charity.

Restricted funds are to be used in accordance with specific restrictions imposed by donors for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Statutory grants which are given as contributions towards the charity's core services are treated as unrestricted.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, which cannot be directly attributed to particular activities, have been apportioned proportionately based on the staff numbers.

Governance costs are those incurred in connection with the management of the charity's assets, routine administration and compliance with constitutional and statutory requirements.

Tangible fixed assets and depreciation

Computer and office equipment and furniture costing less than £500 is written off in the year of purchase. Assets costing more than £500 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Fixtures, fittings and office equipment 25% straight line

Taxation

No taxation has been provided for in the financial statements because, as a registered charity, the income is exempt from taxation.

Notes to the Financial Statements
For the year to 31 March 2017

2. Voluntary income	Unrestricted funds £	Restricted funds £	Total funds <u>2017</u> £	Total funds <u>2016</u> £
Grants and donations (see below)	349,447	45,112	394,559	182,359
Publications	475	-	475	863
Individual fundraising	12,037	-	12,037	10,915
Membership fees	14,034	-	14,034	-
Sundry income	8,618	-	8,618	4,180
	<u>384,611</u>	<u>45,112</u>	<u>497,723</u>	<u>198,317</u>

Analysis of voluntary grants, trust fundraising and donations

Peoples Postcode Lottery	250,000	-	250,000	-
Paul Hamlyn Foundation	-	-	-	8,133
The Tudor Trust	-	-	-	2,933
Esmée Fairbairn Foundation	-	-	-	11,052
Headley Trust	25,000	-	25,000	25,000
John Ellerman Foundation	-	25,000	25,000	8,333
Funds of Grandparents Association transferred on merger.	-	-	-	111,402
Other grants, donations	74,447	20,112	94,559	15,506
	<u>349,447</u>	<u>45,112</u>	<u>394,559</u>	<u>182,359</u>

Grants raised that are not for one specific activity have been included within voluntary income. Grants related to specific activities have been reflected in charitable activities in note 3.

Notes to the Financial Statements
For the year to 31 March 2017

3. Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	Total funds 2017	Total funds 2016
	£	£	£	£
Advice Service				
Garfield Weston Foundation	-	-	-	10,000
The Henry Smith Charity	-	57,095	57,095	25,000
		57,095	57,095	35,000
Support				
Department for Education	-	(1,130)	(1,130)	149,999
The Tudor Trust	-	-	-	25,867
Henry Smith Family Support Middlesbrough and Teesside Philanthropic Foundation	-	13,727	13,727	-
Big Lottery Fund - Reaching Communities	-	66,408	66,408	83,436
Big Lottery Fund - Leeds office	-	-	-	30,757
	-	79,005	79,005	302,434
Service Development				
Big Lottery Fund- Accelerating Ideas	-	20,032	20,032	-
Esmée Fairbairn Foundation	-	61,406	61,406	80,159
	-	81,438	81,438	80,159
Policy & Research				
Paul Hamlyn Foundation			-	52,781
Big Lottery Fund Awards for All	-	9,795	9,795	-
	-	9,795	9,795	52,781
Relative Experience				
Big Lottery Fund - Silver Dreams Fund	-	410,678	410,678	369,668
	-	410,678	410,678	369,668
	-	638,011	638,011	840,052

Grants related to specific activities have been included in charitable activities. Grants raised that are not for one specific activity have been reflected within voluntary income in note 2.

4. Costs of generating voluntary income

	Unrestricted funds	Restricted funds	Total funds 2017	Total funds 2016
	£	£	£	£
Staff costs	10,416	-	10,416	64,707
Other costs	1,919	-	1,919	8,363
	12,335	-	12,335	73,070

Notes to the Financial Statements
For the year to 31 March 2017

5. Governance costs

Audit fees	6,000	-	6,000	3,006
Trustees expenses	1,862	-	1,862	3,812
Other	659	259	918	333
	<u>8,521</u>	<u>259</u>	<u>8,780</u>	<u>7,151</u>

6. Resources expended

	Staff costs	Activities undertaken directly	Support costs	Total 2017	2016
	£	£	£	£	£
Advice Service	66,178	225	15,174	81,577	31,795
Support Network	80,022	7,061	6,865	93,948	169,510
Relative Experience (BLF)	161,260	226,521	26,565	414,346	363,183
Service Development	58,753	-	247	59,000	57,379
Policy and Research	14,423	7,792	3,417	25,632	54,965
Core	38,589	9,511	109,868	157,968	235,106
Total charitable expenditure	419,225	251,110	162,136	832,471	911,938
Costs of generating charitable income (note 4)	10,416	-	1,919	12,335	73,070
Governance costs (note 5)	-	-	8,780	8,780	7,151
Exceptional costs (note 9)	28,743	-	-	28,743	43,708
Total resources expended	<u>458,384</u>	<u>251,110</u>	<u>172,835</u>	<u>882,329</u>	<u>1,035,867</u>

Details of staff costs are given in note 8.

7. Support costs

	Total	Other charitable Activities	Core	Core
	2017	2017	2017	2016
	£	£	£	£
Other staff costs	51,780	18,643	33,137	24,527
Premises costs	10,132	2,041	8,091	26,992
Postage	3,532	704	2,828	4,373
Telecommunications	13,740	3,733	10,007	13,305
Office equipment maintenance	10,675	426	10,249	9,298
General administration costs	46,345	24,156	22,189	10,063
Professional costs	25,932	2,565	23,367	40,598
Other costs	-	-	-	4,713
	<u>162,136</u>	<u>52,268</u>	<u>109,868</u>	<u>133,869</u>

Notes to the Financial Statements
For the year to 31 March 2017

8. Staff numbers and costs

	2017	2016
	£	£
Salaries	424,875	441,271
Social security costs	33,509	36,753
	<u>458,384</u>	<u>478,024</u>

Staff costs split:

Charitable activities (note 6)	388,565	327,776
Core (note 6)	59,403	85,541
Costs of generating funds (note 4)	10,416	64,707
	<u>458,384</u>	<u>478,024</u>

The average number of employees during the year was:

	Number	Number
Direct activities	21	20
Governance	-	-
Cost of raising funds	-	-
	<u>21</u>	<u>20</u>

1 employee received remuneration of more than £60,000.

A majority of staff are employed on a part-time basis

9. Merger and subsequent re-organisation costs

GPA Office closure costs	-	6,430
Redundancy costs	28,743	37,278
	<u>28,743</u>	<u>43,708</u>

10. Net income/(expenditure) is stated after charging:

	2017	2016
	£	£
Depreciation	2,967	-
Audit fees	4,500	3,000

Notes to the Financial Statements
For the year to 31 March 2017

11. Trustees' remuneration and expenses

During the year no Trustee received any remuneration (2016: £nil).

4 Trustees (2016: 5) received reimbursement of expenses amounting to £1,811 for travel (2016: £4,209).

12. Indemnity insurance

During the year £895 (2016: £914) indemnity insurance was paid to protect the charity from loss arising from the neglect or defaults of its Trustees, employees or agents, and to indemnify the Trustees and other officers against the consequences of neglect or default on their part.

13. Tangible fixed assets

Fixtures, fittings and office equipment

Cost

At 1 April 2016	8,824
Additions	-
At 31 March 2017	<u><u>8,824</u></u>

Depreciation

At 1 April 2016	7,837
Charge for year	247
At 31 March 2017	<u><u>8,084</u></u>

Net book values

At 31st March 2017	<u><u>740</u></u>
At 31st March 2016	<u>987</u>

14. Debtors

	2017	2016
	£	£
Due within one year:		
Grant debtors	61,406	91,420
Prepayments	-	-
Other debtors	4,256	4,509
	<u><u>65,662</u></u>	<u><u>95,929</u></u>

15. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Trade creditors	4,482	31,455
Accruals	49,164	34,324
Deferred grant income	112,318	38,675
	<u><u>165,964</u></u>	<u><u>104,454</u></u>

Deferred grant income represents income relating to the next year received in the current year. Income of £112,318 which related to 2017/18 has been deferred and deferred income of £38,675 from last year has been released as it related to the current year.

Notes to the Financial Statements
For the year to 31 March 2017

16. Statement of funds

	Brought forward £	Incoming resources £	Resources expended £	Carried forward £
Unrestricted funds	6,170	384,826	195,232	195,764
Restricted funds				
Support Network	67,000	124,117	106,542	84,575
Relative Experience	8,561	410,678	414,346	4,893
Advice Service	3,872	57,095	81,577	(20,610)
Policy and Research	10,108	9,795	25,632	(5,729)
Service Development	22,780	81,438	59,000	45,218
Total restricted funds	112,321	683,123	687,097	108,347
Total funds	118,491	1,067,949	882,329	304,111

Restricted funds

Notes on the restricted grant funding

a.) Big Lottery Fund Reaching Communities funded the support network activities and also made a contribution towards the advice service and to core. Awards for All funding supported our activity with kinship care experienced young people. The Big Lottery Fund Silver Dreams Fund supported the scale up of the Relative Experience project in the North East. The Big Lottery Fund Accelerating Ideas Fund supported scoping the roll-out of Relative Experience to other parts of the UK.

b.) The Advice Service was funded by The Henry Smith Charity and The Big Lottery Fund Reaching Communities.

c.) The Esmee Fairbairn Foundation has financed Service Development.

17. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds 2017 £	Total Funds 2016 £
Tangible Fixed Assets	740	-	740	987
Cash	244,414	159,259	403,673	126,029
Other net current liabilities	(49,390)	(50,912)	(100,302)	(8,525)
	195,764	97,705	304,111	118,491

18. Other official commitments

	2017 £	2016 £
Commitments of operating leases expire as follows:		
Office equipment: 2-5 years	-	2,683

Notes to the Financial Statements
For the year to 31 March 2017

19. Comparative numbers for the Statement of Financial Activities

	2017			2016		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from						
Generated funds						
Voluntary income	384,611	45,112	429,723	179,498	18,819	198,317
Investment income	215	-	215	432	-	432
	-	-	-	-	-	-
Income from						
Charitable activities						
Advice Service	-	57,095	57,095	-	35,000	35,000
Service Development	-	81,438	81,438	-	80,159	80,159
Policy and Research	-	9,795	9,795	-	52,781	52,781
Relative Experience	-	410,678	410,678	-	369,668	369,668
Support Network	-	79,005	79,005	-	302,434	302,434
TOTAL INCOME	384,826	683,123	1,067,949	179,930	858,861	1,038,791
EXPENDITURE						
Costs of charitable activities						
Cost of generating voluntary income	-	12,335	12,335	-	73,070	73,070
Charitable activities	157,968	674,503	832,471	235,106	676,832	911,938
Governance costs	8,521	259	8,780	7,151	-	7,151
TOTAL EXPENDITURE	166,489	687,097	853,586	242,257	749,902	992,159
Net income/(expenditure)	218,337	(3,974)	214,363	(62,327)	108,959	46,632
Exceptional costs of merger and re-organisation	(28,743)	-	-	(43,708)	-	(43,708)
Net Income/(expenditure) for the year	189,594	(3,974)	214,363	(106,035)	108,959	2,924
Transfers between funds	-	-	-	33,244	(33,244)	-
Net incoming/(outgoing) transfers, being net movement in funds	189,594	(3,974)	185,620	(72,791)	75,715	2,924
Fund balances at 1 April 2016	6,170	112,321	118,491	78,961	36,606	115,567
Fund balances as at 31 March 2017	195,764	108,347	304,111	6,170	112,321	118,491

