

Safe and happy childhood

Building the
foundations
to thrive

Annual Report 2018/19

*Action for
Children*

Safe and happy childhood



Action for Children protects and supports children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives.

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**We are
Passionate,
Ambitious,
Collaborative
and Inclusive.**

We passionately believe that every child should have a safe and happy childhood. To make this happen, we work closely with people and organisations that share our values. We have big ambitions, too. By thinking big – and by having a vision of a brighter future that includes every child and young person – we can make a real and lasting difference.

Strategic report

Welcome from Sarika Patel

It is a huge privilege to chair such a wonderful organisation, which has been putting vulnerable children first for almost 150 years. In 1869, the Reverend Thomas Bowman Stephenson took action to improve the lives of children struggling to survive in Victorian Britain. We have continued to put children at the heart of what we do ever since.

What is clear is that Action for Children is still very much needed today. In my first six months, I have seen the vital work carried out by our brilliant colleagues, who made a vast difference to the lives of 387,000 children, young people and families this year. Indeed, we increased the number of people we reached by 86,000 in 2018/19, which is a huge achievement.

I took on this role because it is unacceptable that children in our country face challenges of poverty, neglect and abuse. These have no place in a developed and civilised society, and I want to ensure that this issue is front and centre of the public conscience.

At Action for Children, we tackle challenges head on. We are focused on the positive impact we have on children's lives, whether that's through our work with foster carers, in our nurseries, or across our community children's centres. I have seen the difference we make at an amazing children's centre in Ballymena, Northern Ireland. I have also met outstanding peer mentors in Scotland, and was privileged to hear children talk about their achievements at Headlands School in Penarth, South Wales.

Earlier this year, I was delighted to welcome guests to the Stephenson Awards, which recognise the outstanding contribution of colleagues, volunteers and the people we support. It is a truly inspiring event that demonstrates the role our people play in making us a great organisation. This year also saw Julie Bentley join us as Chief Executive. Julie has already made a mark with her determination, drive and leadership, and is helping shape our plans for the future.

I succeed John O'Brien, who stood down as Chair after six years at the helm. John championed the importance of including the voices of children and young people in everything we do, and steered our charity through changing and challenging times. I thank John for his stewardship and dedication.

Today, Action for Children is at a critical point. Cuts to budgets have placed huge pressure on local authorities and children's services. This at a time when, every 15 minutes, a child is moved into care for their own safety. Scrutiny on charities, rightfully, has also increased. I am clear that we must be completely accountable and transparent, and I have completed a governance review to ensure there is a strong and clear line of sight from each of our services to the Board. Along with my fellow trustees, it is my priority to make sure we are well-run and efficient, enabling our 7,000 colleagues and volunteers to do what they do best: protecting and supporting children and young people.

With these challenges, though, come new opportunities.

We are sharpening our strategy and refreshing our brand, which will help us better explain what we do and connect with supporters, partners and commissioners. It is also important that we respond to the changing external environment. I am proud that the Secret Santa campaign engaged 9,000 supporters, and that our work to reach families using technology was recognised with a Digital Leaders award. We will also continue to raise awareness of the real issues children face, lobbying policymakers and engaging supporters, and be clear about what changes are needed to improve children's lives.

We mark our 150th anniversary in 2019, and I look forward to building on our legacy, working with the Board of Trustees and the Executive team to make sure we continue to do what's best for the children who need us most.

Of course, everything we do is only possible thanks to our incredible supporters. I'd like to personally thank our donors, volunteers, colleagues and every person who helps us make children's lives better, every single day.



Sarika Patel,
Chair of the Board of Trustees



Hello from Julie Bentley

It's almost a year since I joined Action for Children as CEO. In that time, I've travelled the length and breadth of the UK, meeting the incredible colleagues and volunteers who deliver our services.

At Action for Children, we provide care, support, advice and guidance – practically, emotionally and professionally – to hundreds of thousands of children, young people and families. I've been moved by the extraordinary commitment and positivity of our colleagues, who work in a complicated world of reduced resources, rising costs, a growing need, and volatile politics.

As a decade of austerity takes its toll, we're seeing a widening divide between rich and poor. There is a fully-fledged crisis in funding for children's services, and we're working in an increasingly competitive commissioning and fundraising environment. This, at a time, when more and more children need our help.

In an organisation of our size, it's easy to lose our way, to drift from our mission, and to lose sight of why we do what we do: the vulnerable children and young people who need our support. So, this year, we've refreshed our vision to make sure our direction is clear. We want to ensure that:

- Every child and young person in the country has a safe and happy childhood and the foundations they need to thrive.

We've also spelt out how we will achieve this vision through a mission, which is to:

- Protect and support children and young people, providing practical and emotional care and support, ensuring their voices are heard, and campaigning to bring lasting improvements to their lives.

Our new vision and mission statements explain clearly who we are, what we do and how we do it. I'm really excited about these changes, and about our work to sharpen our strategy. This will make sure we're clear about the difference we want to make and how we measure our impact.

I know Action for Children has made a real and lasting difference to millions of children throughout our history. Our challenge today is to build on this, so we can give children and young people a brighter, better future.



Julie Bentley,
Chief Executive Officer



We said, we did

We're here for children, young people and their families. We have been for 150 years. The way we support children has changed a lot since 1869, but our mission – to protect and support vulnerable children – hasn't. Millions of children in the UK today live in poverty. Many face neglect and abuse. We're working tirelessly to change this.

In 2018/19, we helped 387,000 children, young people and their families. We did this in 476 local services across the UK, as well as in schools and online.

But we know that more still needs to be done. Hundreds of thousands of vulnerable children across the UK aren't getting the support they need, and are left to face abuse, neglect, poverty and poor mental health.

Our 2017-22 strategy sets out how we plan to meet these challenges. It's based on what children and young people have told us they need, and is being sharpened to help us achieve our new vision and mission. In 2019/20, we'll be even more ambitious for children and young people, and achieve our goals by working closely with people, partners and organisations that share our values.

We said we'd improve reach and impact – we did

We increased our reach this year by 86,000, mainly through new digital services.

Online parenting support services, including Talk and Dots, offer advice, guidance and signposting to thousands of families across the UK. These services are convenient, easy to access and simple to use.

We're also working hard to come up with new ways of doing things. The Blues Programme, for example, forms part of our Build Sound Minds initiative which helps young people understand and manage their emotional wellbeing.

By listening to children and young people, and by coming up with innovative ideas, we can continue to make a lasting difference.



We said we'd build support to fund our work and influence change for children – we did

Brexit dominated politics in 2018/19, which made it difficult for campaigners to influence government policy. Despite this, we campaigned strongly and made several important breakthroughs during the year.

We continued to call on government to be clearer about the future of early years support. Spend on children's centres in England has fallen sharply – from £1.5 billion in 2010/11 to £579 million in 2017/18¹ – and more than 1,000 Children's centres have closed since 2009². This means many young parents and families don't get the vital support they need. With the help of thousands of our incredible supporters, we asked MPs to pressure the government to reinvest in children. In the last year, politicians and the media have shown a growing interest in the issue, giving us something positive to build on in 2019/20.

In collaboration with the domestic abuse and violence against women and girls sectors, we changed the conversation on domestic abuse in England. Following our recommendations, the government agreed to a number of changes to the draft Domestic Abuse Bill. These include the domestic abuse commissioner role having a specific focus on children, and the inclusion of children in statutory guidance that sits alongside the Bill's definition of domestic abuse. We have also campaigned to make sure that children who experience domestic abuse get the support they need. This includes the importance of children being recognised in law as victims, rather than witnesses. We also welcomed the announcement of a proposed duty on local authorities to provide specialist support for adults and children in residential services. We'll campaign for this to be strengthened so that children and young people get the support they need, wherever they live.

In Northern Ireland, meetings with key Members of the Legislative Assembly secured cross-party support for a Build Sound Minds Parliamentary event in Stormont, Belfast. This lunchtime event helped to raise the profile of Build Sound Minds in Northern Ireland. It also increased awareness of the issues faced by young people, and our work to provide solutions that improve emotional health and wellbeing. This work forms part of our Build Sound Minds mental health and wellbeing platform.

In Scotland, we celebrated several important milestones in 2018/19. Our partnership with Inspiring Scotland reached its tenth year of supporting young people to enter employment or re-engage with education. As part of the partnership, we're creating a legacy fund to help young people get into sport. Our youth justice work continued to grow this year. The Cabinet Secretary for Justice visited our Serious Organised Crime Early Intervention project, which diverts young people

away from serious crime in two areas of Glasgow. To date, the project has supported more than 50 young people.

We also commissioned our groundbreaking 'Kilbrandon Again' report, which can be found on our website. The report made a series of recommendations to improve the justice system for young people in Scotland, one of which was raising the criminal age of responsibility for children. We're driving debate in this area and will continue to do so in 2019/20.

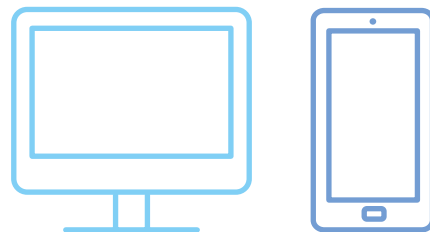
Our four-nation redesign led to newly devolved cross-functional teams. The teams benefit from improved fundraising, media and policy links.

In Wales we also organised an internal residential conference in Cardiff, which galvanised staff support ahead of the development of new residential plans. In February, we held a successful Build Sound Minds event at The Senedd, sponsored by Rhianon Passmore, Assembly Member for Islwyn. The event saw keynote speeches from Vaughan Gething, Minister for Health and Social Services, and other partners in Wales.

Throughout 2018/19, the Media team played an important role in sharing campaign messages with a wider audience. This included the findings from 'Revolving Door 2' – a follow up to our 'Revolving Door' report. Both reports highlight the plight of thousands of children on the edge of social care, who aren't getting the support they need.

The Media team also raised awareness of young carers across the UK, showing how their summer holidays differed to those enjoyed by friends who don't have caring responsibilities.

In November, we launched our first major Christmas campaign, Secret Santa. The campaign sought to raise awareness of the children and young people who miss out on the basics – warm clothing, food or celebrations. Secret Santa was a big success, with over 9,000 members of the public signing up to become a Secret Santa for a vulnerable child. The campaign message hit a wide audience and is something we will build on in the coming years.



We increased our reach this year by
86,000 mainly through
 new digital services.³

We said we'd improve our ability to innovate – we did

In 2018/19, we extended the ways in which we support children, young people and their families. Following successful pilots in 2017/18, we launched two new digital parenting support services: Talk, a live one-to-one online chat service, and Dots, a website that's full of useful advice and links to further information. The services have since been merged to specifically help parents with children under five. Both Talk and Dots give parents easy access to online support and direction to the right resources and services.

We also launched Build Sound Minds, our new mental health and wellbeing platform. The Build Sound Minds website gives parents and children aged 12 to 18 the tools to have a positive conversation about mental health. It includes information, knowledge and tips to promote emotional wellbeing, spot the signs of an emerging mental health issue, and help children deal with the pressures of growing up today. By tackling stress, anxiety, loneliness and self-esteem, we can build healthy, happy young minds.

We piloted a new mental health app for young people aged 10 to 13. The app gives young people the tools they need to cope with change, helping them to build resilience and emotional wellbeing. It also encourages them to track and identify their feelings, find coping strategies, and share information with a trusted adult.

We hope that a self-identifying and self-reporting app will empower young people to better manage their mental health and wellbeing, have positive conversations, and learn to cope with challenges before they reach crisis point.

We also developed a new app, the Big Welcome, to support children and families in foster care. We understand that moving into a new foster home can be difficult, and the feelings and experiences a child or young person goes through can have a big impact on how their placement works out. The app introduces a young person to their new foster family and home before they meet them. Foster carers create profiles, telling the young person about them, their family, their network and what life is like in their home. These profiles are then shared with the young person before they meet their new family.

Young people also continued to enjoy sharing their views on new products and services as part of our Dragons' Den project. Thirteen of the 20 ideas we developed looked at improving mental health and wellbeing. The Den also explored exciting ways of engaging with and recruiting foster carers, while a group of school students and staff pitched a radio station idea to improve educational outcomes.



Money from our Dragons' Den project funded an Action for Children café in Haverfordwest Magistrates Court in Wales. The café offers work experience to young people, some of whom are supported by our services.

We said we'd mobilise and engage staff and volunteers – we did

Our work wouldn't be possible without the dedication and commitment of our incredible staff and volunteers. To make sure they get the support they need, our People directorate launched a new structure in April 2018. This included a new People Advice team and self-service portal, which helps managers and staff deal with HR queries. We also recruited a workforce development partner to help us develop our Leadership and Management teams.

In 2018/19, we put projects in place to make sure staff have the training, support and skills they need. We focused on running efficient and cost-effective services, gave managers the tools they need to get the best from their staff. We've also looked to improve the staff experience, so that everyone feels included and can contribute.

We trained more than 130 staff and coached over 20 team leaders to work more effectively. We also reviewed eight of our key processes to make sure they achieve the best possible outcomes for staff and the people we support.

The number of grievance cases went down in 2018/19, which reflects the positive changes we've made to how we handle employee relations. A number of new projects have made a big difference, including an internal coaching bank, which looks at how we deal with conflict, a conflict resolution scheme to help resolve issues before they get worse, and the simplification of all our People procedures.

We reduced the number of staff sick days by investing in our employee wellbeing programme, and by running local attendance management workshops. In July 2018, we changed the way we recruit permanent staff, and launched a new system to better manage how this works. This has reduced the average time it takes to hire new starters from 72 to 58 days. We also received positive scores on Glassdoor and Indeed, and these continue to help us attract talented staff. Civil Society ranked Action for Children the second happiest charity workforce in the UK. We also changed how we recruit temporary and interim staff, reducing costs and disruption to our services.

Our Volunteering team made several improvements in 2018/19. This helped us increase volunteer numbers by 73%, beating all our targets for the year.

Volunteers scored the support they received from us as 4.6 out of 5. All of the volunteers who completed our survey said they enjoyed what they did and felt valued in their roles.

We said we'd improve systems and processes – we did

Our technology strategy aims to improve how we work. By putting in place better systems and processes, we've increased effectiveness and reduced our costs. We've also rolled out the first phase of our IT support service, which helps staff with queries.

We've begun to move documents and systems to the Cloud and are taking a phased approach to refreshing our hardware so that we can work in a more agile way. Plans to upgrade our infrastructure are going well, and are helping us to improve how we use data and automation.

We've also improved wider support systems to help us better understand our supporters. Our Insight team has completed a new framework that maps the experience of an Action for Children supporter. This gives us a better understanding of the distinct stages a supporter goes through, from awareness and first consideration, to signing up and getting involved. This framework will help us ensure the needs and motivations of our supporters remain at the heart of our planning and decision-making. It will also improve integration and increase efficiency.

We take data integrity and security extremely seriously. Following an internal audit of our approach in preparation for GDPR, we put in place more vigorous parameters. This ensures we only hold supporter data where we have a legal or legitimate reason to do so. Old data that doesn't comply with our new, stricter criteria is regularly deleted. This means we only communicate with supporters who want to hear from us, and in a way that reflects their wishes.



324,054 hours

is the incredible amount of time we estimate our volunteers gave to us in 2018/19. Using the minimum wage as a guide, that's an added value of £2,537,569.⁴



“Before, I was feeling quite anxious – you could call it depressed. The Blues Programme has built my confidence. I’m feeling quite happy now, like I’ve got a place in the world”

James

We said we'd build capacity through partnership and collaboration – we did

Strong relationships and partnerships increased our reach in 2018/19, helping us to support more children and young people. They also provided vital funds for our programmes, as well as lots of time and expertise through valuable pro bono projects.

Our 1869 pop-up shop in Watford raised more than £46,000 in a three-month period. We worked closely with the shopping centre, intu Watford, which gave us the space rent-free, as well as several partners who helped us to create a high-end charity shop with a difference.

We also worked with the Scouts on a Department for Education -funded programme to create and test a national early years scheme for children. Two Spring nurseries are part of the pilot, which tests the delivery of a one-hour, weekly Scouting programme as part of the nursery day.

As part of our policy and campaigns work, we worked closely with Women's Aid to create a coalition of organisations from the children's, domestic abuse and violence against women and girls sectors. Together, we highlighted the importance of recognising children and young people in the new Domestic Abuse Bill.

We also played a leading role in the End Child Poverty coalition, and supported the vital campaigning work of the Disabled Children's Partnership. The Partnership brings organisations and parent groups together to improve health and social care support for disabled children.

We continue to work alongside Barnardo's, The Children's Society, NSPCC, National Children's Bureau and the Local Government Association to campaign for additional funding for local authority children's services.

The Blues Programme

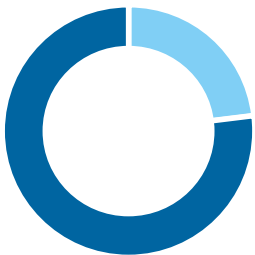
The Blues Programme, funded by our ongoing partnership with Royal Mail, went from strength to strength in 2018/19. A preventative school-based initiative, the Blues supports young people aged 13 to 19 who are experiencing, or at risk of developing, a mental health condition. This vital programme runs over six weeks, and has already been delivered in 97 schools across the UK. More than 1,773 young people have completed the programme, with 78% showing an improvement in their mental health and emotional wellbeing. Young people also reported increased confidence and self-esteem, improved relationships and better engagement at school.

Building skills to support children's mental health

Another of our amazing partners, FirstGroup, funded a mental health practitioner in Wigan. Over nine months, the practitioner delivered more than 240 hours of direct mental health interventions to children and families, and trained 139 Action for Children staff to help those struggling with mental health issues. Thanks to FirstGroup's generosity, we have been able to support even more young people on their journey to better mental health.

Supporting children and young people in foster care

With the generous support of one of our corporate partners, CBRE, we launched two programmes to support children and young people at the beginning and end of their foster care journey. We developed an app, the Big Welcome, which enables children to meet their foster carers before they move in. We're also recruiting six transition workers who will offer specialist support and guidance to young people as they prepare to live independently for the first time. CBRE has also given us extensive pro bono support, including working on our property strategy and managing our future office move.

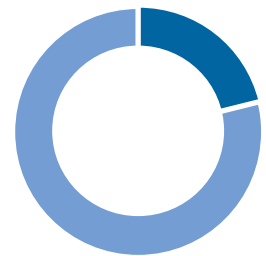


77%

of students involved in the Blues Programme have reduced signs of low mood and depressive tendencies.⁵

78%

have improved mental and emotional wellbeing.⁶



The vital early years

Every child should get the best start in life. Parents have the biggest part to play in their child's early years, but we know that some face challenges that make parenting more difficult. Poverty, physical or mental ill-health, unsuitable and unstable housing, domestic violence, single parenthood, and being a young parent can make it hard to cope.

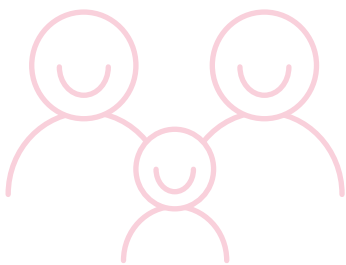
Our parenting programmes offer much needed support. These include courses for parents with disabled children, such as Early Bird, which is for families with a child who has autistic spectrum disorder.

We are one of the largest providers of nurseries, children's centres and early years support programmes in the UK. Our Strategic Early Years team works closely with the Department for Education, and takes part in important early years research.

In our children's centres, we offer parenting advice, early support for families going through difficulties, and drop-in services that cover issues such as budgeting, housing and employment. In some areas, our children's centres have been replaced by early help services. These offer targeted intervention for vulnerable families, including support for parents experiencing mental health or substance misuse issues.

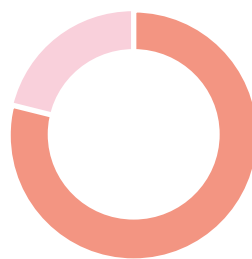
Our early help outreach services offer parenting support in people's homes. We work with a network of professionals to make sure parents get the support they need to improve their parenting skills. This includes helping to set and maintain boundaries, developing routines and managing challenging behaviour. We also suggest activities for parents to do with their children. These help to develop attachments and encourage learning through exploration.

We also help parents of children with special educational needs to navigate their way through complex health and education processes. We help them to ask the right questions and ensure they get the support they're entitled to.



73%

of children have improved emotional health and social and emotional development after getting support from Action for Children.⁷



79%

of children have improved speech and language development – and improved motor skills and readiness for school – after taking part in play and learning activities at our centres.⁸

Our nurseries, Spring, provide rich, stimulating and healthy environments to support children's learning, development and wellbeing. In 2018/19, we made a number of improvements to our nurseries to meet the needs of all children. A total of 89% of our nurseries are now rated 'Good' or 'Outstanding' by Ofsted, with zero 'Inadequate' ratings.

Our Strategic Early Years team is supporting the pilot of an Early Years Toolbox, which is a collection of engaging, game-like assessments designed to capture abilities, which research has shown to be predictive of later academic, social, emotional, cognitive and life outcomes. Early years practitioners from 27 schools and settings have been trained, and are being supported to use the assessments by Professor Ted Melhuish and the Strategic Early Years team.

We continue to work with local authorities to develop effective and innovative partnerships across the early years sector. We are currently focusing on developing relationships between schools, childminders and private voluntary independent settings to improve the quality of early childhood care.

Our Eat Better, Start Better healthy lifestyle programme continues to go from strength to strength. We offer healthy eating guidance, training and a menu checking service to childcare providers and families with children aged one to five. In 2018/19, we expanded our programme to provide high quality nutrition training and support in local authorities, as well as menu checking in nursery chains.

Our Grow programme supports parents from bump to baby, and throughout their early years. Becoming a parent can be daunting, so we make sure families don't feel isolated, lonely or overwhelmed. Through our Grow experiences, we encourage positive mental health and wellbeing for parents and their children. This year, we continued to develop new, high quality products, to help parents give their children the best start in life. One of these new products, our monthly subscription Bump Box, supports pregnant women through their journey to motherhood. Each box includes practical guides and mindfulness activities, as well as a range of specially selected products. These encourage expectant mums to look after their mind and body through pregnancy.





Amy's story

Amy has a debilitating pain condition that makes it difficult to physically care for her son Daley, who's four. Living in a rural location, Amy felt lonely and isolated, until her health visitor told her about a local Action for Children service.

"Everyone worries about being a good mum but, for me, the chronic pain made it difficult to do the simplest tasks," says Amy. "I was struggling, and it felt impossible to do a lot of things for my baby that other people might take for granted. Pushing him on a swing, tying his laces or even picking him up if he fell would leave me in extreme pain."

Amy was introduced to an Action for Children service by her health visitor when Daley was 10 months old. The support she's received has dramatically improved both Amy and Daley's confidence and wellbeing.

"Daley's more confident and sociable now, and his speech and language is coming on in leaps and bounds. I genuinely don't think he would have coped with pre-school or school if he hadn't attended the centre. I think he would have eventually become isolated if he'd not learnt those skills early on."

"The service has made such a difference to me and my family," she says.

Amy also volunteers at her Action for Children Swap 'n' Shop, and is involved in community activities.

Safeguarding

Protecting vulnerable children from neglect and abuse

Keeping children safe and protecting them from harm is at the heart of everything we do. We have a comprehensive quality assurance system and safeguarding policy that makes sure children and young people are safe, secure and get the right support. All of our children's services staff take part in reflective supervision, which gives them the support and skills they need to be there for vulnerable children.



Every year, as part of our annual safeguarding review, we audit our case files and talk to children's services staff and managers across the UK. This helps us to understand the needs of children and families, and any difficulties we might have in meeting those needs. It also helps us to improve our practice, develop our services, and inform our policy and campaigns work.

This year's review comes at a challenging time for children's services. There are concerns about reductions in public spending and rising thresholds for statutory intervention in child protection and mental health. This means that more of our services now deal with cases where children aren't adequately protected by the multi-agency network. The children who are most affected are those experiencing neglect, and teenagers who are at risk of exploitation, self-harm and mental health or psychological issues. A reduction in statutory intervention has also changed the type of support that children need – and the risks and opportunities we face both as an organisation and in our services. We're looking at ways to meet these changes, including campaigning to raise awareness of the challenges children face.

Our Safeguarding Board is chaired by our Chief Executive and meets four times a year. The Board oversees all our safeguarding work, and gives trustees quarterly information about safeguarding practice and policy. This means we can deal with any challenges, respond to changing needs, and do what's best for the children and young people in our care.

Safe, stable and loving homes

We set up our first safe and loving permanent home for children in 1869.
We've been finding stable, happy homes for children and young people ever since.

Today we do this in lots of different ways. We help children and young people on the edges of the care system to find secure, warm places to live in adoptive, foster and modern residential homes. We also run fun residential short breaks and match young people with adults they can trust through our volunteer independent visitors service.



of children and young people we support have an improved, warm, loving relationship with a parent or carer.⁹

Fostering and adoption

Every year, we help thousands of children find safe, loving foster and adoptive homes.

We're experts in finding the best possible match between children and foster and adoptive families, and we know how best to help children and young people who need specialist support.

These young people can be at particular risk of sexual and other forms of exploitation, and need intensive professional support in a safe, warm and loving environment. We also have a strong track record of placing sibling groups and children with disabilities with suitable foster carers and adopters.

This year, we developed two apps to help make the transition into foster homes a less daunting experience. These apps help to improve relationships between the young person and foster carer, and give them the chance to record how they feel about their new home.

We also campaigned to change the conversation around care. Our Policy team played an important role in the successful campaign to retain the Independent Reviewing Officer (IRO) position, which was threatened as part of the Fostering Review. We talked to ministers and made a compelling case for the IRO, which is a vital safeguard that makes sure local authorities give children in care the support they need.

Safe and permanent homes for children

We opened our first permanent home for children 150 years ago. Today, our ambition is to support children and young people in small, modern family homes. This is because we know that these settings best help us meet the needs of every child and young person.

Staff in all of our homes receive training and support so that they can best support the children who live with us. We use a relationship-based evaluation tool, Residential Outcomes Now, and several models that meet the requirements of local commissioners and the individual needs of children. We're committed to giving children control and helping them to develop their independence. In all of our homes, we make sure children's educational, emotional and practical needs are met.

We also provide specialist housing services for young people who have been through unsuccessful care placements, have been in custody, or who are homeless. These young people often need dedicated help, and our staff are skilled in helping them to overcome depression and anxiety, unemployment, and self-harm.

We support children with additional needs and their families at home, in residential care and on short breaks.

Short breaks

Our short breaks give disabled children the opportunity to have fun and enjoy time away from home. They also give families a much-needed break from their caring responsibilities.

Breaks range from days out to residential trips in different settings and locations across the UK.

On every short break, young people are supported to build their confidence and independence, and make new friends.

In 2018/19, all our fostering and adoption services in England were rated 'Outstanding' or 'Good' by Ofsted.¹⁰



Lissie's story

Lissie was inspired to become an Action for Children foster carer by her mum, who is also a foster parent. She offers children and young people a stable, loving home, and helps them develop the skills they need for later life.

"A lot of the children who come into foster care haven't felt complete, unconditional love before,"

says Lissie. *"They're looking for stability, a family home, perhaps a bedroom of their own. I also think having somebody to listen to them is one of the biggest things they need. We try to provide that."*

Lissie's seen the young people who live with her make incredible progress.

"It's truly amazing to see them make their own choices; to see them develop a sense of self and realise the places they can go," she says. *"They begin to flourish and thrive on the support that's provided."*

"It's just amazing to be able to offer a young person a place to live."



"We offer a wide range of support. So, a referral could come in for behaviour management, but we might bring other agencies to make sure the family gets the support they need. Here, the multi-agency approach really works. ”

*Sian,
Action for Children
Family Support Practitioner*

Mental health – a chance to thrive

We said we'd improve children and young people's mental health and wellbeing – we did

We run several programmes that support children and young people with their emotional health and wellbeing. Some of the children and young people we work with have been through traumatic childhoods; others are dealing with different challenges, such as not living with their birth family, caring for brothers, sisters or parents, living in chaotic home environments, or living with domestic violence, neglect or abuse.

We support each child in a way that works for them, providing specialist support to help them build resilience. We listen, we act, and we help them develop the skills they need to thrive as adults.

Our Build Sound Minds platform gives parents and young people aged 12 to 18 the information and practical tools they need to have a positive conversation about mental health. The website includes advice, guidance and tips that promote emotional wellbeing. It also helps parents and young people spot the signs of an emerging mental health issue, and support to better deal with the pressures of growing up today.

The Blues Programme helps tackle the early signs of depression and mental health issues. Working with young people in schools, the programme aims to reduce the signs of adolescent low mood and negative thoughts, and promote prevention. The six-week course involves weekly one-hour group sessions at school, alongside activities they can do at home.

We've delivered the Blues Programme in 97 schools across the UK so far, supporting approximately 4,000 pupils. Of those who have taken part, 78% have improved mental and emotional wellbeing, 81% have increased confidence and 80% feel comfortable talking about mental health. A total of 97% would recommend Blues to a friend.



Anneliese's story

At 14, Anneliese noticed her hair was falling out. She was diagnosed with alopecia, which left her with feelings she hadn't felt or had to deal with before.

She says: *"I didn't know how to comprehend what was happening. I was diagnosed and then went to get my wigs, but nobody asked me how I was feeling."*

"I wasn't depressed but was worried my head of year thought I was. I had a lot of negative thoughts – I thought my hair made me different to the people at my school. It changed the way I looked at things and I felt negative. I wasn't myself."

We visited Anneliese's school to talk about the Blues Programme. Every student was invited to take part in a questionnaire, and Anneliese was encouraged to join the course.

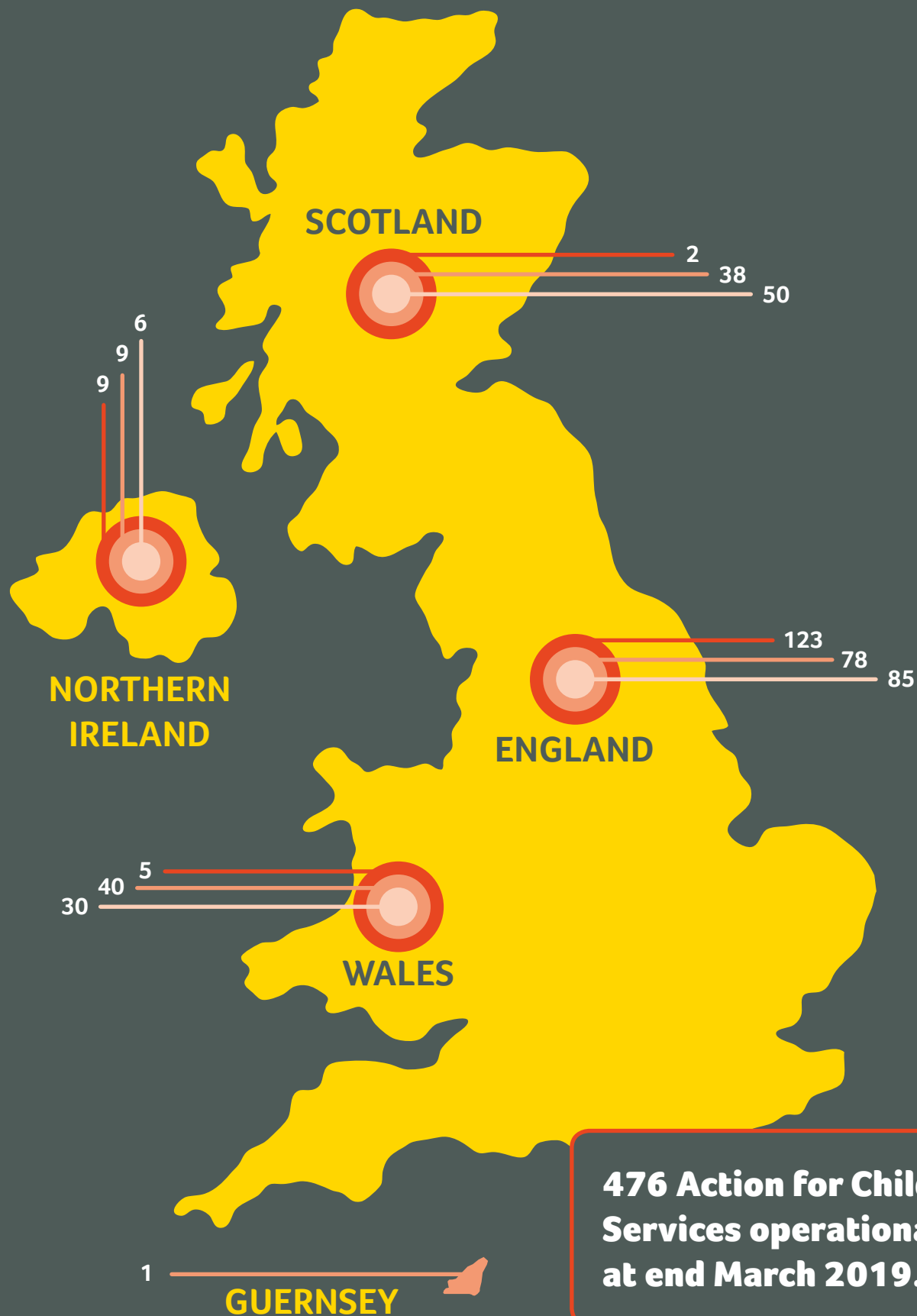
Taking part in the six-week programme helped Anneliese find ways to deal with negative thoughts, using a mood-tracking diary and doing the activities recommended by her Blues practitioner.

"The Blues Programme has helped me pick myself back up again," she says. "Now I feel like I can be out more and be more active. My mental health isn't a routine anymore – I feel happier. I'm more confident and more involved with school. My grades have even gone up."

Anneliese completed the course in January 2019. She believes that more young people should use the programme, to help them before things get worse.

She says: *"I think people my age really need to get involved in tackling negative mental health. It's really important because not enough is done to tackle how we feel mentally. But with programmes like the Blues, lives can be saved."*

■ Best start in life services
 ■ Safe and stable home services
 ■ Mental health and chance to thrive services



476 Action for Children Services operational at end March 2019.

Looking to the future

A century and a half of experience has given us a good understanding of the problems children and young people face. As we enter our 150th year, it's vital we use this experience to come up with new – and develop existing – ways to support children today.

We know that children and young people in the UK face many of the same challenges they did 150 years ago. They also face lots of new pressures at school, at home and online.

Work is under way to sharpen our 2017-22 strategy to meet these challenges – and the changing needs of the children, young people and families we support. By sharpening our focus, we can adapt and develop services that help even more children and young people.

As part of this work, we've redefined our vision, mission and values. They more clearly say who we are, what we do and how we do it. We're also introducing a new brand identity in 2019, which brings this work to life. It's really important we have a brand that children, families and supporters recognise and feel warm towards.

Our vision

Every child and young person in the country has a safe and happy childhood and the foundations they need to thrive.

Our mission

We protect and support children and young people by:

- Providing practical and emotional care and support.
- Ensuring their voices are heard.
- Campaigning to bring lasting improvements to their lives.



Our values

We are

Passionate

We are passionate about all children having a safe and happy childhood.

Ambitious

We are ambitious for children and young people.

Collaborative

We collaborate internally and externally with other organisations to get the best outcomes for children.

Inclusive

We strive to ensure all children are included. We don't ask 'if?'. We ask 'how?'.



Our 2019/20 objectives

1

Make children safer and happier, and reach more children, young people and families.

We'll achieve this in three key areas to give children: the best start in life, a safe and loving home, good mental health and a chance to thrive.

Give children the best start in life

By making sure children under five get the right support – through our nurseries, children's centres, and family support programmes.

Give children a safe and loving home

By helping parents, stepping in early to support children and young people who can't live with their birth families, and finding loving foster and adoptive homes.

Good mental health and the chance to thrive

By having a positive conversation about mental and emotional wellbeing, and giving young people the tools to build resilience, be safe and feel happy.

2

Build support to fund our work and influence change for children.

It's important that we continue to develop our commercial activities and find new ways to fund our work. Showing the impact of what we do – and how our incredible supporters make a difference – is vital. Our refreshed vision, mission, values and brand will bring Action for Children to more people, raise our profile, and encourage more giving and volunteering. We also plan to come up with new ways to get people involved.

Campaigning for real and lasting change for children remains hugely important. We want to make sure the government understands the issues children face today, and raise awareness of the need to take action, now. We will make sure that children's issues are high on the political agenda.

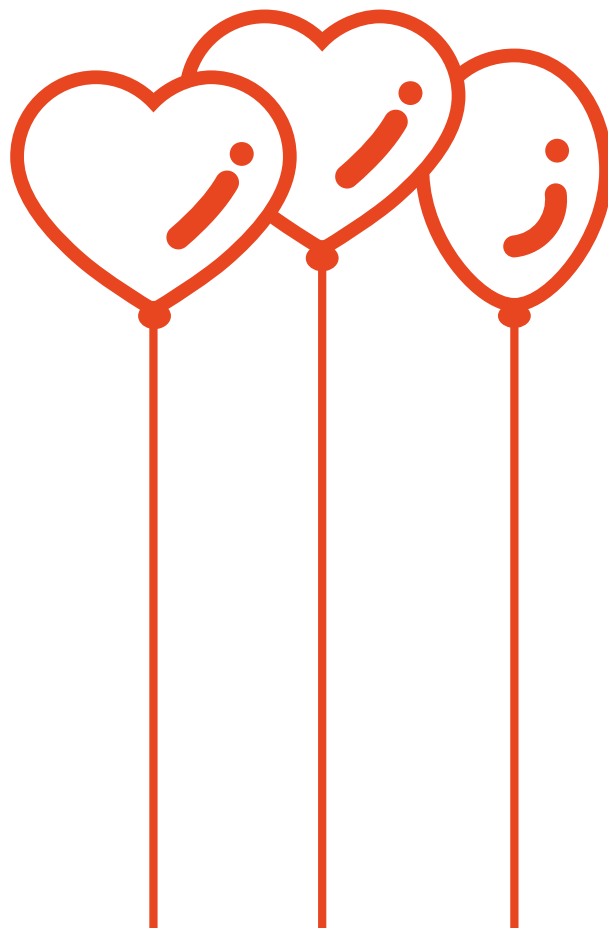
We will also continue to build support through strong partnerships with organisations that share our vision for children.

3

Develop an organisation for the future.

We plan to:

- Sharpen our strategic direction for 2019-24.
- Create a workforce development strategy to support, enable and develop our people, and maximise our collective impact for children.
- Further embed equality, diversity and inclusion, and develop the 2019-24 Equality Scheme and Plan.
- Make best use of new and existing technology to grow our services and respond to change.
- Build performance and insight capability to enable effective strategic planning.
- Grow, develop and recognise our volunteers, making sure their experience is rewarding and enjoyable.



Governance structure and management

Under the guidance of our new Chair, Sarika Patel, new CEO, Julie Bentley, and our trustees, we continue to review and improve our governance. This is in line with best practice, industry standards and the Charity Code of Governance 2017.

We recently developed a new governance action plan, following an external review of our performance against the Charity Code of Governance 2017. The plan will increase our efficiency, embed good governance in our work (in line with legal requirements), support our strategic objectives, and make sure we achieve our organisational purpose.

Our charitable purpose

Our charitable purpose is set out in our articles of association (otherwise known as our charitable objects). It is:

The promotion of the upbringing and care of children and young people in need, from all backgrounds, cultures and faiths, or none in particular, by:

- Promoting their health.
- Promoting better care, and safeguarding them.
- Promoting their education and establishment in life.
- Providing assistance to them, their families, and carers.

We're satisfied that the services we provide reflect our charitable purpose and the public benefit requirement, as set out in section 17 of the Charities Act 2011.

The Board of Trustees

The Action for Children Board of Trustees meets six times a year, and is responsible for overseeing our performance and providing strategic direction. The Board consists of 12 trustees, who each bring considerable experience and expertise. The Board regularly reviews its own – and the Chair's – performance, and has standing committees that report on specific issues.

Each committee has agreed terms of reference and includes specialist co-opted members, as well as trustees. The Board delegates the day-to-day running of Action for Children to the CEO and Executive Leadership team.

Our trustees

We appoint our trustees and committee members based on their skills and experience. We want to attract a broad range of candidates, and invite children from our services to take part in their final selection.

Once appointed for a three-year term, trustees and committee members go through an induction programme to make sure they understand their roles under charity and company law.

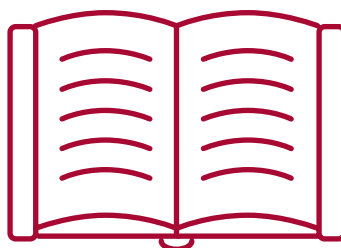
We continue to have close links with the Methodist Church, and these are reflected in our constitution, which means the Church can nominate a trustee. The knowledge, expertise and passion that our Methodist trustee brings is hugely important.

Trustees often visit services to meet staff and the people we support, to see what's happening on the ground. This helps them to keep in touch with what we're doing, and lets them see the impact our work has on children and families.

All of our trustees give their time voluntarily and receive no rewards or benefits from Action for Children. They get involved because they believe in what we do, and want to make a real difference. A full list of our trustees can be found on page 72.

Any expenses claimed by the trustees are set out in our financial statements.

The average attendance figure of current trustees, while in post this year, was 76%.



Committees

Finance Committee

Oversees our finances and maintains the short and long-term viability of Action for Children. The Committee also advises the Board on appropriate financial strategy.

Audit and Risk Committee

Makes sure we meet our statutory accounting obligations and have in place an effective system of internal control, audit function and risk management.

The Nation Committees

Offer advice and support in Northern Ireland, Scotland, Wales and England, so that we can provide high quality children's services and meet our strategic objectives across the UK.

The Nation Committees also help us to form deep and long-lasting connections in each of the countries we work in.

Governance and Remuneration Committee

Supports the effective running of the organisation, ensuring standards of excellence and taking a leading role on people, policy and remuneration.

Executive Leadership team

The Executive Leadership team includes the CEO and Managing Directors, and is responsible for the day-to-day running of Action for Children.

The team works closely with the Board of Trustees to support our vision, mission and values, and to achieve our objectives.

Ethical framework

We have a framework in place to help us manage any issues that arise when we receive donations, in our work with suppliers or partners, or when appointing trustees, staff and ambassadors.

To make sure we meet legal and sector standards, we do not work with any organisations:

- That compromise our values.
- That conflict with our principles and policies.
- That undermine our services to children.
- That undermine our commitment to safeguarding.
- That undermine our commitment to diversity.
- That operate in markets known to damage children and families.
- That treat the environment in a sustainable way.
- Whose actions breach the UN Convention of the Rights

of the Child.

Where potential partners work in countries that aren't subscribed to the UN Convention of the Rights of the Child, we require them to honour the statements above in all their work.

Modern Slavery Act 2015

Action for Children has a zero-tolerance approach to modern slavery.

We are committed to:

- Acting ethically – and with integrity – in all our business dealings and relationships.
- Having effective systems and controls that make sure modern slavery is not taking place in our own business, or in any of our supply chains.
- Being transparent in our approach to tackling modern slavery in our supply chains, so that we meet our disclosure obligations under the Modern Slavery Act 2015.

We expect the same high standards from all of our contractors, suppliers and partners. We specifically prohibit the use of forced, compulsory or trafficked labour – or anyone held in slavery or servitude, whether adults or children – as part of the due diligence we conduct on our contracting process.

We also expect our suppliers to hold the people they work with to the same high standards.

To make this happen, we:

- Comply with anti-slavery and anti-human trafficking laws, by putting in place processes, reporting and prevention mechanisms.
- Include clearly written template clauses in our procurement documents and our pre-qualifying questionnaire (PQQ).
- Include modern slavery in our policies – including our safeguarding framework – and in training materials for staff.

Serious incident reporting

The Charity Commission recently updated its guidance for charities, including an increase in reporting requirements. We have put in place new measures to meet these changes.

Action for Children reports any notifiable serious incidents to the Charity Commission. This is done through the serious incident reporting group, which meets four times a year. The group shares any potentially serious problems with the Board, who make a final decision about whether this should be reported to the Charity Commission, using the bulk reporting procedure. We also now have an expedited procedure in place, should we urgently need to report a serious incident.

Equality, diversity and inclusion

We're committed to promoting equality, valuing diversity and championing inclusion. We include these principles in all of our behaviours and everything we do – as an employer, as a provider of services, and as a campaigning organisation.

Our five-year equality scheme, which is looked after by our national inclusion group, is chaired by a UK Director and includes inclusion leads from every department. The scheme puts equality, diversity and inclusion at the heart of all our processes, policies, practices and behaviours. This shows our absolute commitment to eliminating discrimination and promoting equal opportunities.

We work hard to recruit and retain a diverse workforce that reflects the communities we work in. We do this to make sure our services feel welcoming to the children, young people and families who need them.

We ask that people treat each other with mutual respect, regardless of age, disability, gender, relationship status, gender reassignment, race, religion and belief, or sexual orientation.

Our staff go above and beyond, promoting equality through a variety of networks:

- Celebrate LGBT+.
- Gender Empowerment Network.
- Christian Faith Network.
- BAME mentoring scheme.
- Breakthrough (race and ethnicity).
- Inspire (disability, carers and illness).

A group of inclusion champions, who work across our services, and a network of young people who have used our services, give their opinions on inclusion and equality.

Reward strategy

More than 200 staff took part in mindfulness workshops, training as mental health first aiders. We also ran stress management workshops across the UK, with the help of our Trade Union partners. Our occupational health and employee assistance programme (Health Assured) has been improved, and we are exploring new ways to help staff apply for financial support, including savings and loans.

Making sure staff are happy is an absolute priority for us. We have developed several new reward and recognition benefits, including buying and selling annual leave, a paid volunteer day for staff, and a mindfulness app to manage stress. Our new discount portal and total reward statement, which lets staff see the benefits they are getting, launches in summer 2019.

Volunteer strategy

Our fantastic volunteers help us in lots of different ways, every day, right across the UK. They mentor young people, support our fundraising events and help out in our consistency of children's centres. We want Action for Children to be the go-to place for potential volunteers. One of the best ways to achieve this is by getting the NCVO Inventors in Volunteers Award.

In 2019/20, we want to:

- Increase the number of volunteers by 10%.
- Record how many children and families are directly supported by our volunteers.
- Increase the number of volunteers recording their hours by 10%.



Fundraising

Thanks to our wonderful supporters – and our fundraising transformation programme – we increased our voluntary fundraising income in 2018/19. Across the UK, our supporters organised and took part in thousands of fundraising events, ranging from abseiling and the London Marathon to cake bakes. More than 9,000 people signed up to become a Secret Santa for a vulnerable child at Christmas, raising over £180,000. Our amazing corporate partners, listed towards the end of this report, helped us develop projects and run services that otherwise wouldn't have been possible. We'd also like to thank our legacy supporters, whose gifts underpin our work to give children a safe and happy childhood.

We're extremely grateful to have the continued support of the Methodist Church. Long-held traditions, such as Action for Children Sunday and Christmas celebrations, in addition to new ways of raising money and awareness, have helped maintain our close bond. Fundraising activity within local churches totalled an incredible £1.3 million in 2018/19. Members have also volunteered, campaigned and offered premises for some of our services. We look forward to coming up with more ways of working together in the future.

The United Reformed Church also supported our work this year, and we look forward to developing this relationship in 2019/20.

Byte Night – the biggest corporate sleep out event in the UK – celebrated its 21st year in 2018/19. The event saw our Chief Executive, Julie, join teams from businesses across the UK to spend a night sleeping on the street. Julie started her journey in Belfast before crossing to Scotland, travelling down from Glasgow to Manchester, over to Cardiff, and ending up in London – all in the space of 24 hours.

Last year, the Fundraising team introduced a new policy to manage the acceptance and refusal of donations, and to assess potential contributions. This policy means we don't compromise our vision, mission, values and charitable purpose when raising money for our work.

Our Audit and Risk Committee audited our compliance with the Charity Commission's CC20 guidance on trustee oversight of charity fundraising. Our internal auditor, Moore Stephens (BDO), led the work, and an action plan – which will address the audit findings – will be completed by the end of 2019. The audit found that we are compliant with most of the CC20 guidance.

We've also strengthened our fundraising procedures to make sure we are compliant with the Code of Fundraising Practice. We ask our fundraising partners to make sure due diligence is conducted and services are performed based on our expectations and values. We've reviewed our vulnerable person's policy, making sure it meets the current Institute of Fundraising guidance, so that our supporters and the public are protected and treated with respect by our fundraisers.

We regularly monitor the fundraising agencies we use, and try to do at least one mystery shop and shadowing of street, private site and door-to-door fundraisers every month. Any agency that raises money on our behalf has to comply with the Code of Fundraising Practice, and meet our values and expectations. Guidance is provided to fundraising agencies, and staff run training sessions with an agency before a campaign begins. We review a minimum of 10 fundraising phone calls each month, per agency. We also review complaints and supporter satisfaction ratings.

Dealing with complaints

We take complaints extremely seriously, and have robust procedures in place to make sure all issues are dealt with appropriately. Feedback and complaints about our services are vital, and ensure the children and families we work with are listened to. They also help us to evaluate and improve what we do.

The complaints we receive at local level are investigated and dealt with by a manager. If a complainant remains unsatisfied, an independent manager will be assigned to review the investigation. The information on complaints is held centrally, and an annual report is produced to highlight any thematic areas, and outline recommendations.

We also complete an annual complaints return for the Fundraising Regulator. This covers campaigns for one-off donations, regular giving, legacy gifts, outdoor social events, advertising (including events), and partnerships with businesses, trusts and foundations that generate income.

Over 9,000 people
signed up to become a Secret Santa for
a vulnerable child at Christmas, raising
more than

£180,000¹¹

Managing risk

Our Board of Trustees is responsible for making sure we safeguard all the children in our care, we are financially sustainable, and we manage risk effectively.

We continually review our risk management approach to make sure it's in line with Institute of Risk Management best practice. We also ensure our approach to risk meets the requirements set out by regulatory standard CC26, 'charities and risk management'. A clear governance structure, an established internal control framework, experienced staff and the selective use of external experts help us manage risk. We also have tools in place to minimise technological threats, including cyber attacks and data theft. Our people play an important role, and everyone at Action for Children is viewed as a risk manager.

Taking a proportionate approach to strategic risk helps us to provide the best possible support for children and young people. The Board of Trustees, Executive team and our committees continued to develop ways to identify, prevent and mitigate risks in 2018/19.

Clear accountability

The Board of Trustees has overall responsibility for establishing an effective system of internal control, including the identification and management of risk. We manage and review our approach through our assurance framework, which includes oversight by the Audit and Risk Committee.

The Committee receives regular reports from the independent internal auditors on the effectiveness of our internal control systems. They also provide an annual report to the Board of Trustees on the internal audit activity and an opinion on the effectiveness of our systems of internal controls.

Their work is complemented by our Practice Improvement division, which oversees the safeguarding, operational performance and quality of our children's services.

Strategic risks

These are overseen by the Board of Trustees, who work closely with the Audit and Risk Committee and Executive team.

Together, they identify potential barriers to the delivery of our strategic objectives. Execution plans for core services, including fostering, adoption, residential and nurseries, have been developed to overcome any barriers.

Operational risks

Operational risks concern our day-to-day activities and are managed by skilled teams and experts in each area. These risks are regularly reviewed, with updates provided every month. Significant risks are logged on the operational risk register, and are reviewed by the Executive Leadership team on a quarterly basis and at each meeting of the Audit and Risk Committee.

Our risk register recognises a number of risks:

Income risk

Expected or unexpected pressures on our income streams can adversely impact on our ability to support an increasing number of children, young people and families. Corporate planning and reporting processes are in place to identify adverse trends early on and so that mitigating actions can be taken where possible.

We also completed a fundraising transformation programme, which is expected to significantly increase the income we receive from donations.

Safeguarding risks

The safety of children in our care is of paramount importance. We have comprehensive safeguarding policies and procedures in place, and continually look to improve our practice to best protect and support children and young people in our care. These efforts are supported by our Central Practice Improvement team. Strict controls are in place around the supervision of staff working with children. We also work hard to enhance working practices through a process of ongoing improvement.

Capability risks

We are proud of our experienced, passionate and dedicated staff. Our policies emphasise the importance of both retaining and attracting talented people, so that we become an employer of choice. Staff receive regular performance appraisals, and management regularly monitor performance and engagement metrics. We continue to hold Investors in People accreditation.

Brexit

We continued to assess and plan for the potential impact of Brexit. A recovery and resolution plan has been put in place, and is being reviewed regularly as the situation changes.

Pension liabilities

Like many organisations with defined benefit pension schemes an unplanned increase in the deficit in the Charity's closed scheme could lead to deficit contributions becoming unsustainable. In collaboration with our Pension Fund Trustees, we have maintained a strategy to address this deficit over a 20 year period commencing 2009. We were on target as at 31 March 2019 and we continue to regularly assess the funding position of the organisation's closed defined benefit pension scheme, as detailed on page 37. Investment strategy including appropriate de-risking, performance and demographic impacts are carefully monitored with the involvement of subject matter experts.



Our finances

Everything we do supports our mission to protect and help vulnerable children. This goes for our financial performance, too. Making sure our finances are sound means we can do more for children, young people and families across the UK.

The last 12 months have been tough for charities. But – despite difficult economic conditions and a reduction in income from our services – we remain in a strong financial position.

Pressure has continued to grow on local authority budgets. More have stopped funding children's centres, which has reduced our income. This means we need to come up with new ways of funding what we do, as well as constantly reviewing our costs.

We need to focus our spend on the services that have the biggest impact on the lives of children, young people and families. These include areas of need that are short of high quality providers, such as residential services.

In 2018/19, we continued to develop our early years education and family support services. We opened new nurseries, increasing not only the services we offer, but also adding a valuable source of income.

Our supporters and volunteers made a huge difference last year. Their generosity saw income from donations rise by £2.4 million, up 15%. Legacy gifts increased by £0.6 million and donations from corporate partners increased by £0.7 million. We also developed new activities to grow our income. Our integrated Secret Santa campaign brought in more than £180,000 and over 9,000 supporters. We have ambitious plans to build on the success of the campaign to increase levels of unrestricted income.

As we do every year, we looked closely at our support costs and overheads. By spending efficiently and encouraging good working practices, we reduced costs in a number of areas.

Our activity in 2018/19 helped us achieve a stable total income of £150.8 million. Net income for the year – before investment and pension valuation movements – was £1.6 million.

Our results for the year to 31 March 2019 are reported in our statement of financial activities (SOFA). The figures are summarised in the table on the following page.



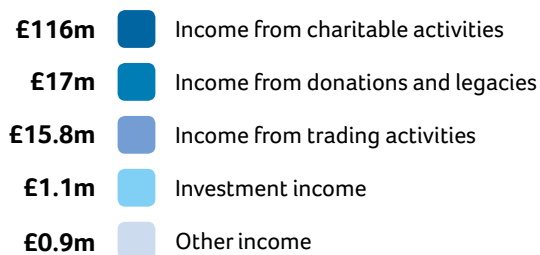
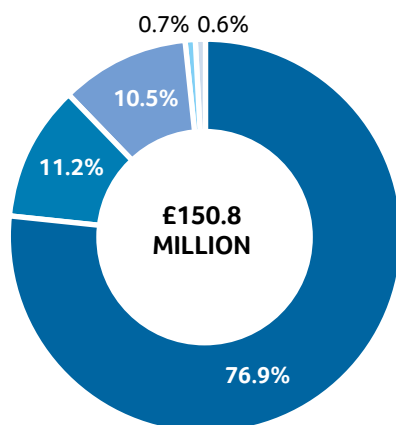
Statement of financial activities

	2018/19	2017/18
	£m	£m
Income from donations and legacies	17.0	14.6
Income from trading	15.8	14.6
Investment income and fixed asset disposals	2.0	2.3
Income from charitable activities	116.0	119.8
Total income	150.8	151.3
Expenditure on raising donations	(7.7)	(6.2)
Expenditure on trading	(16.5)	(15.4)
Expenditure on charitable activities	(125.1)	(126.9)
Pension finance charge	-	(0.3)
Total expenditure	(149.3)	(148.8)
Net income for the year	1.6	2.5
Gain on investment valuation *1	5.7	2.2
Actuarial (loss)/gain on pension liability	(5.1)	6.8
Net movements in funds	2.1	11.5

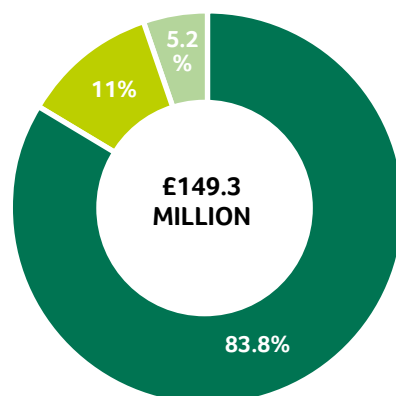
Notes *1 In the SOFA included in net income.



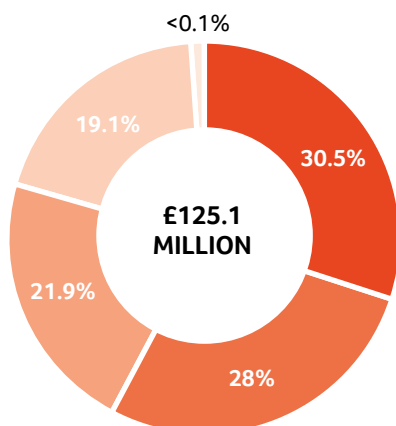
Total income



Total expenditure



Expenditure on activities to help children



Group financial statements

The Action for Children group's consolidated financial statements include two other charitable trusts. These trusts share common trustees and management.

The National Children's Home (charity number 215301) is an unincorporated trust. It continues to hold permanent endowments and receive legacies left in the former name of the charity. This trust only administers the permanent endowments of Action for Children, and all income is used to help us meet our objectives.

The Nicholas Galperin Trust (charity number 210618) supports young people under the age of 25. In 2018/19, the Trust granted £0.2 million to Action for Children to support our work with young people.

Three wholly owned subsidiary companies, registered in England and Wales, also support our work.

- Action for Children Services Limited (company number 2332388) provides welfare and educational services. The company faces many of the same challenges as Action for Children. New contracts with local authorities are placed through the company, and turnover increased by 72% in 2018/19, to £63.5 million. The company made a profit of £4.7 million, which is paid to Action for Children under Gift Aid.
- Action for Children Trading Limited (company number 3776025) is a subsidiary for our fundraising and trading activities. The company made a profit of £0.2 million in 2018/19, which is paid to Action for Children under Gift Aid.
- Action for Children Developments Limited (company number 6842765) is a company limited by guarantee. The company looks after commercial trading, property transactions and other developments that support Action for Children's objectives. The company also runs children's nurseries under the trading name 'Spring'. Investment in the brand and running the nurseries saw the deficit improve from £0.5 million to £0.2 million in 2018/19. Other activities included selling donated clothes and recycled stationery, and running a mobile coffee shop.

A further three wholly owned subsidiary companies were incorporated in 2018/19, reflecting how Action for Children works across the UK. These companies are not currently trading, however.

- Action for Children (Northern Ireland) Limited (company number NI638222), registered in Northern Ireland.
- Action for Children (Scotland) Limited (company number SC526474), registered in Scotland.
- Action for Children (Wales) Limited (company number 10011497), registered in England and Wales.

Action for Children bought St Bart's Day Nurseries in November 2018. We don't have any plans to use the company for trading purposes.

- St Bart's Day Nurseries Limited (company number 11010289), registered in England and Wales.

Charity funds

Trust and charity law requires that we present our funds in the following categories:

- **Restricted funds**, which include legacies, donations and other income that can only be used for particular purposes. Where these funds are held on trust, to be kept for our benefit as a capital fund, they are classed as endowment funds. These funds are for scholarships and general use. At 31 March 2019, our endowment funds were £10.2 million. Specific-purpose funds were £4.3 million.
- **Unrestricted designated funds** form the capital fund and the charged asset fund. These totalled £38.2 million at 31 March 2019. The capital fund is the amount invested in tangible fixed assets that are used in our operational work, net of financing. At 31 March 2019, this fund was £17 million. The Action for Children Pension Fund has a charge of £40 million at market value over charity assets. Assets that are operational property are covered by the capital fund. The charged asset fund represents the balance of the £40 million charge for investment properties and securities. At 31 March 2019, the fund was £21.2 million.
- The **revaluation reserve** is the amount by which investment market values exceed their historical cost. This reserve is required by company law, and totalled £19.9 million at 31 March 2019.
- The **general fund** includes the unrestricted funds needed to support our operations and protect against risk. Our reserves policy determines whether or not we use general funds, including the revaluation reserve. The general fund totalled £28.2 million at 31 March 2019.
- The **pension reserve** represents the difference between the fair values of pension assets and liabilities on the FRS102 basis to the extent that any surplus is recognised in the balance sheet.

Reserves policy and forward financial forecast

Like most charities, Action for Children has a limited number of potential funding sources. We've listed these in our accounts. Our reserves, therefore, reflect the capital we need to safely continue our activities in times of uncertainty.

The Finance Committee reviews our reserves policy – as well as the level of general reserves – every year. This is shown in the financial statements as the general fund and revaluation reserve. The review is then approved by the Board of Trustees. A risk-appraisal approach – determining the likelihood of future costs, potential liabilities and risks – is used to work out the general reserves needed. This is based on the latest business and financial plan. Risks include a loss of income from partners and voluntary donations, and changes to costs.

The trustees make sure we have sufficient general reserves to protect Action for Children's financial stability. This gives us a safety net should income and expenditure need to be rebalanced. Taking into consideration our strategic plans, and economic and market conditions, we hold general reserves of between £20 million and £30 million.

The trustees believe that the charity has sufficient reserves, based on current projections, to meet future requirements. In 2018/19, general reserves increased following property revaluation, sales and planned investment. At 31 March 2019, our general reserves stood at £28.2 million. Based on income and expenditure, forecasts and planned capital expenditure, these reserves are expected to remain between £20 million and £30 million.

Our financial plan and reserves policy includes Pension Fund contribution costs. The accounting disclosure required for pension liabilities is included in the balance sheet, which can be found in note 6. We have allowed for planned cash flow for the next five years and no further adjustment to the reserves policy for pension costs is needed.

The trustees have considered our financial plans for 2019/20 and 2020/21 – covering a period of 12 months from the signing of these financial statements. Our plans are built on a solid foundation of contract income. They also consider a further potential decline in funding that is increasingly offset by the expansion of residential and nursery activities, as well as a realistic net fundraising target, and continuing cost control. Any residual risks are managed by moving the cost base and planning, monitoring and managing cash flows. The trustees believe Action for Children will be able to effectively continue our operations in the next two years.

Our approach to risk management, as well as the key risks we face, can be found on page 30. Despite volatile economic and market conditions, the pension deficit matches both our recovery plan and the target funding level agreed with the Pension Fund trustees in 2009. It's also in line with subsequent triennial valuations.

Taking everything into account, the trustees have a reasonable expectation that Action for Children has the necessary resources to operate for the foreseeable future. Accordingly, the annual report and financial statements have been prepared on a going concern basis.



Investments

A large portion of our investments are managed by the Central Finance Board (CFB) of the Methodist Church. The CFB has a social, environmental and ethical investment approach that matches our aims, objectives and ethical policy. The CFB is interested in a wide range of issues, including the environment, climate change and human rights. Its ethical approach excludes companies deemed inappropriate, such as those involved with alcohol, tobacco, pornography and armaments, or those who use child labour. The CFB works closely with other church-based organisations to maximise the influence they have over the companies they invest in. The CFB is also signed up to, and compliant with, the Financial Reporting Council's UK Stewardship Code.

Our investments provide the reserves we need to manage future developments, risks and uncertainties. One of our main objectives is to keep an asset allocation model that matches the timing of potential liabilities, within reserves, to appropriate investment assets. The investment policy and statement of investment principles is based on this model, and was reviewed and updated in 2018/19. Investment decisions and performance are reviewed by a sub-group of the Finance Committee, which includes three expert members.

We measure the performance of the CFB fund against a benchmark linked to some of the other investments they manage. In 2018/19, our investments underperformed slightly, at 0.2% below the benchmark. The main general fund however, returned 6%. Performance is regularly reviewed by our investment group and discussed with the CFB. The investment group also looks at external benchmarking. The independent ARC indices have comparable returns of 6% for 'steady growth' and 4.2% for 'balanced asset'. Investment income was up £0.1 million year-on-year, at £1.1 million.

Pensions

Pension funds are valued in different ways for different purposes. A triennial valuation establishes an appropriate funding level, and uses set financial assumptions that differ from those used for including pensions in the financial statements of the sponsoring employer. These accounting disclosure requirements are governed by the Financial Reporting Standard, FRS 102.

At the 31 March 2018 triennial valuation, the deficit was £38.4 million: a funding level of 94%. This is based on estimating the long-term liabilities over the remaining lives of members. The deficit at 31 March 2019, calculated on the same basis, was £27.8million and a funding level of 96%. The FRS 102 position is a surplus of £42.8 million: a funding level of 107%. The FRS valuation assumes lower inflation and higher interest/discount rates than the triennial valuation. These differences lead to a lower calculation of pension liabilities.

This disparity doesn't help us to measure or understand Action for Children's Pension Fund liability. Ultimately, we use the ongoing valuation basis, as used for the triennial valuation, to agree contribution levels and the recovery plan. We haven't recognised the surplus on the FRS 102 basis as an asset in the accounts as we have no certainty that were it to crystallise, this sum would be refundable from the pension scheme.

Settling pension liabilities takes a long time, with costs spread over many years. The funding level is also volatile, and valuations are sensitive to changes in the financial market. We receive a regular report on the funding position of the Pension Fund from the actuary, which we closely monitor.

We have continued to make pension recovery payments in line with the 20-year plan agreed with the Pension Fund trustee directors in 2009. Despite market volatilities, we are on track to meet the recovery plan funding position. This has been helped by the implementation of the agreed investment strategy. Additional steps have been taken to move to a lower risk asset portfolio over the last year to limit the down-side risk to Action for Children. From 2019/20 the annual level of deficit contributions we are paying to the Pension Fund will fall from £7.5 million to £3 million.



Statement of trustees' responsibilities

The trustees (who are also directors of Action for Children for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the strategic report) and the financial statements in line with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under this law, the trustees have chosen to prepare the financial statements in line with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and the group. Trustees must also be satisfied with the incoming resources and application of resources – including income and expenditure – of the charitable group for this period.

To prepare the financial statements, the trustees need to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles set out in the Charities SORP (FRS 102).
- Make reasonable and prudent judgements and accounting estimates.
- State whether applicable UK accounting standards have been followed, subject to any differences disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it's inappropriate to presume that the group will continue in business.

The trustees are responsible for keeping accounting records that show and explain the charitable company's and group's transactions. They are also responsible for accurately disclosing the financial position of the charitable company and the group. The financial statements should comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the articles of association. The trustees are also responsible for protecting the assets of the charitable company and the group, and for taking reasonable steps to prevent and detect fraud and other irregularities.

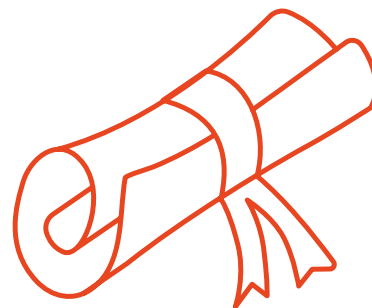
The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken the necessary steps to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information. The trustees are responsible for maintaining the integrity of the corporate and financial information included on the charitable company's website. UK legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report (incorporating the strategic report) was approved and signed on behalf of the trustees on 29 July 2019.



Sarika Patel,
Chair of the Board of Trustees



Independent auditor's report

Opinion

We have audited the financial statements of Action for Children (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019, which comprise the consolidated statement of financial activities, charity statement of financial activities, the Group and parent charitable company balance sheet and consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2019 and of the group's and the parent charitable company's 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 have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 group and parent 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 group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Opinion 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 Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Trustees' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or
- returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 38, 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 group and the parent 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 group or parent 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

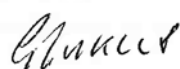
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steve Maslin

Senior Statutory Auditor
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants

London

Date: 29 July 2019



A young girl with dark skin and curly hair, some of which is dyed red, is holding a pink piggy bank. She has a surprised or excited expression on her face, with her mouth open. The piggy bank is a simple, rounded design with a coin slot on its side. The background is a plain, light gray.

Financial statements

Consolidated statement of financial activities

(incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds		Total funds 2019
			Specific purpose	Endowment	
		£'000	£'000	£'000	£'000
Income and endowments	3				
Income from donations and legacies		12,556	4,408	-	16,964
Income from trading activities		15,779	-	-	15,779
Investment income		1,025	92	-	1,117
Income from charitable activities					
Best start in life		26,538	507	-	27,045
Disabled children's services		33,352	-	-	33,352
Mental health and chance to thrive		19,034	-	-	19,034
Safe and stable home		35,812	756	-	36,568
Campaigning and public policy		-	-	-	-
		114,736	1,263	-	115,999
Other income					
Net gain on disposal of fixed assets		926	-	-	926
Pension finance credit	6	51	-	-	51
Total income and endowments		145,073	5,763	-	150,836
Expenditure	4,5				
Expenditure on raising funds					
Donations and legacies		7,694	-	-	7,694
Trading		16,448	-	-	16,448
Investment management costs		34	-	-	34
		24,176	-	-	24,176
Expenditure on charitable activities					
Best start in life		26,523	888	-	27,411
Disabled children's services		34,518	452	-	34,970
Mental health and chance to thrive		21,246	2,687	-	23,933
Safe and stable home		36,658	1,477	-	38,135
Campaigning and public policy		664	-	-	664
		119,609	5,504	-	125,113
Other expenditure					
Pension finance charge	6	-	-	-	-
Total expenditure		143,785	5,504	-	149,289
Net gain/(loss) on investments	9	5,229	-	467	5,696
Net income for the year before transfers		6,517	259	467	7,243
Transfers between funds	14	(81)	81	-	-
Net income for the year before other recognised gains and losses		6,436	340	467	7,243
Other recognised gains/(losses)					
Actuarial (loss)/gain on pension liability	6	(5,104)	-	-	(5,104)
Net movement in funds		1,332	340	467	2,139
Funds brought forward	14	65,032	3,976	9,767	78,775
Funds carried forward	14	66,364	4,316	10,234	80,914

Consolidated statement of financial activities (continued)

(incorporating the income and expenditure account)

Unrestricted funds	Restricted funds		Total funds 2018
	Specific purpose	Endowment	
£'000	£'000	£'000	£'000
11,624	2,979	-	14,603
14,587	-	-	14,587
982	83	-	1,065
29,019	497	-	29,516
33,686	-	-	33,686
21,318	-	-	21,318
34,551	758	-	35,309
1	-	-	1
118,575	1,255	-	119,830
1,256	-	-	1,256
-	-	-	-
147,024	4,317	-	151,341
6,185	-	-	6,185
15,417	-	-	15,417
44	-	-	44
21,646	-	-	21,646
29,085	1,023	-	30,108
34,455	512	-	34,967
21,963	2,098	-	24,061
35,521	1,640	-	37,161
592	-	-	592
121,616	5,273	-	126,889
282	-	-	282
143,544	5,273	-	148,817
2,210	-	(36)	2,174
5,690	(956)	(36)	4,698
(84)	84	-	-
5,606	(872)	(36)	4,698
6,837	-	-	6,837
12,443	(872)	(36)	11,535
52,589	4,848	9,803	67,240
65,032	3,976	9,767	78,775

All activities derive from continuing operations. The surplus for the year, including realised and unrealised gains of £5,696,000, for Companies Act purposes was £6,797,000 (2018 surplus of £4,729,000, including realised and unrealised gains of £2,174,000).

Charity statement of financial activities

(incorporating the income and expenditure account)

	Notes	Unrestricted funds	Restricted funds		Total funds 2019
			Specific purpose	Endowment	
		£'000	£'000	£'000	£'000
Income and endowments	3				
Income from donations and legacies		17,598	4,408	-	22,006
Investment income		782	-	-	782
Income from charitable activities					
Best start in life		21,569	507	-	22,076
Disabled children's services		31,661	-	-	31,661
Mental health & chance to thrive		14,534	-	-	14,534
Safe & stable home		40,085	756	-	40,841
Campaigning & public policy		150	-	-	150
		107,999	1,263	-	109,262
Other income					
Net gain on disposal of fixed assets		926	-	-	926
Pension finance credit	6	51	-	-	51
Total income and endowments		127,356	5,671	-	133,027
Expenditure	4,5				
Expenditure on raising funds					
Donations and legacies		7,839	-	-	7,839
Investment management costs		34	-	-	34
		7,873	-	-	7,873
Expenditure on charitable activities					
Best start in life		26,235	859	-	27,094
Disabled children's services		34,916	434	-	35,350
Mental health & chance to thrive		21,309	2,660	-	23,969
Safe & stable home		36,886	1,459	-	38,345
Campaigning & public policy		668	-	-	668
		120,014	5,412	-	125,426
Other expenditure					
Pension finance charge	6	-	-	-	-
Total expenditure		127,887	5,412	-	133,299
Net gain on investments	9	5,219	-	-	5,219
Net income for the year before transfers		4,688	259	-	4,947
Transfers between funds	15	(81)	81	-	-
Net income for the year before other					
Recognised gains and losses		4,607	340	-	4,947
Other recognised gains/(losses)					
Actuarial (loss)/gain on pension liability	6	(5,104)	-	-	(5,104)
Net movement in funds		(497)	340	-	(157)
Funds brought forward	15	62,263	3,976	-	66,239
Funds carried forward	15	61,766	4,316	-	66,082

Charity statement of financial activities (continued)

(incorporating the income and expenditure account)

Unrestricted funds	Restricted funds		Total funds 2018
	Specific purpose	Endowment	
£'000	£'000	£'000	£'000
12,551	2,979	-	15,530
758	-	-	758
30,732	497	-	31,229
38,257	-	-	38,257
10,921	-	-	10,921
35,033	758	-	35,791
92	-	-	92
115,035	1,255	-	116,290
1,256	-	-	1,256
-	-	-	-
129,600	4,234	-	133,834
6,069	-	-	6,069
44	-	-	44
6,113	-	-	6,113
29,063	994	-	30,057
34,605	497	-	35,102
22,012	2,075	-	24,087
35,606	1,624	-	37,230
593	-	-	593
121,879	5,190	-	127,069
282	-	-	282
128,274	5,190	-	133,464
2,210	-	-	2,210
3,536	(956)	-	2,580
(84)	84	-	-
3,452	(872)	-	2,580
6,837	-	-	6,837
10,289	(872)	-	9,417
51,974	4,848	-	56,822
62,263	3,976	-	66,239

All activities derive from continuing operations. The surplus for the year, including realised and unrealised gains of £5,219,000, for Companies Act purposes was £4,947,000 (2018 surplus of £2,580,000, including realised and unrealised gains of £2,210,000).

Balance sheet

As at 31 March 2019

	Notes	Group		Charity	
		2019	2018	2019	2018
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	7	16,990	15,559	16,990	15,559
Intangible fixed assets	8	649	42	649	42
Investments	9	52,089	46,393	41,609	36,390
		69,728	61,994	59,248	51,991
Current assets					
Debtors	10	25,818	24,782	17,241	17,673
Notice deposits		7,809	12,296	7,725	12,177
Cash		841	409	316	284
		34,468	37,487	25,282	30,134
Creditors: amounts falling due					
within one year	11	(20,992)	(18,532)	(16,158)	(13,712)
Net current assets		13,476	18,955	9,124	16,422
Total assets less current liabilities		83,204	80,949	68,372	68,413
Provisions for liabilities	12	(2,290)	(2,041)	(2,290)	(2,041)
Net assets excluding pension liability		80,914	78,908	66,082	66,372
Pension liability	6	-	(133)	-	(133)
Net assets including pension liability		80,914	78,775	66,082	66,239
Funds					
Restricted funds:					
Endowments		10,234	9,767	-	-
Specific purpose		4,316	3,976	4,316	3,976
Total restricted funds		14,550	13,743	4,316	3,976
Unrestricted funds:					
Designated funds		38,180	37,309	38,180	37,309
General fund	14, 15	8,298	11,749	3,700	8,980
Revaluation reserve		19,886	16,107	19,886	16,107
Total general fund and revaluation reserve		28,184	27,856	23,586	25,087
Pension reserve	6	-	(133)	-	(133)
Total unrestricted funds		66,364	65,032	61,766	62,263
Total funds	14, 15	80,914	78,775	66,082	66,239

The notes on pages 48 - 71 form part of these financial statements.

These accounts were approved by the Board of Trustees on 29 July 2019 and signed on its behalf.



Sarika Patel
Company number 04764232



Richard Cryer

Consolidated cash flow statements

As at 31 March 2019

	Notes	Group		Charity	
		2019	2018	2019	2018
		£'000	£'000	£'000	£'000
Net cash outflow from operating activities (below)		(2,990)	(8,390)	(3,020)	(8,049)
Cash flows from/(to) investing activities					
Interest received	3	117	49	116	45
Dividends received	3	634	653	300	350
Rental income from investment properties	3	366	363	366	363
Proceeds of sale of tangible fixed assets		1,022	4,765	1,022	4,765
Purchase of tangible fixed assets	7	(2,524)	(678)	(2,524)	(678)
Purchase of intangible fixed assets	8	(680)	(48)	(680)	(48)
Proceeds of sale of investments	9	5,180	2,063	5,180	2,063
Purchase of investments	9	(5,180)	(1,120)	(5,180)	(1,120)
Net cash (to)/from investing activities		(1,065)	6,047	(1,400)	5,740
Change in cash and cash equivalents in the year		(4,055)	(2,343)	(4,420)	(2,309)
Cash and cash equivalents at 1 April		12,705	15,048	12,461	14,770
Cash and cash equivalents at 31 March		8,650	12,705	8,041	12,461

Reconciliation of net expenditure to net cash outflow from operating activities

Net income for the year (as per the statement of financial activities)		7,243	4,698	4,947	2,580
Adjustments for:					
Depreciation charges	7, 8	1,070	1,620	1,070	1,620
Net (gains) on investment assets		(5,696)	(2,174)	(5,219)	(2,210)
Investment income	3	(1,117)	(1,065)	(782)	(758)
Net (gains) on disposal of tangible fixed assets		(926)	(1,256)	(926)	(1,256)
Pension current service and administration cost	6	3,664	979	3,664	979
Pension finance (credit)/charge	6	(51)	282	(51)	282
Pension employer contributions	6	(8,850)	(9,139)	(8,850)	(9,139)
(Increase)/decrease in debtors		(1,036)	(112)	432	1,192
Increase/(decrease) in creditors		2,460	(2,215)	2,446	(1,331)
Increase/(decrease) in provision for liabilities	12	249	(8)	249	(8)
Net cash outflow from operating activities		(2,990)	(8,390)	(3,020)	(8,049)

Analysis of cash and cash equivalents

Cash in hand		841	409	316	284
Notice deposits (less than 3 months)		7,809	12,296	7,725	12,177
Total cash and cash equivalents		8,650	12,705	8,041	12,461

Notes to the financial statements

1. Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the 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 Ireland (FRS 102) (Charities SORP (FRS102)) and the Charities Act 2011.

Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (SORP 2018), Financial Reporting Standard 102 and the Companies Act 2006. The particular accounting policies adopted by the Council are described below:

Basis of consolidation

The results of subsidiaries are consolidated on a line by line basis and acquisitions are included at fair value at the date acquired. The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its wholly owned subsidiaries, Action for Children Services Limited, Action for Children Developments Limited and Action for Children Trading Limited. Based on the nature of the trusts, which have Action for Children as the sole trustee and share management arrangements and common control with Action for Children, two associated charities, National Children's Home and Nicholas Galperin Trust are also treated as subsidiaries and consolidated in the group accounts.

Income

All incoming resources are included in the SOFA when the charity is legally entitled to the income, there is a high degree of probability of receipt of the income and the amount can be quantified with reasonable accuracy. Entitlement, for legacies, is the earlier of the charity being notified of an impending distribution and the legacy being received.

Incoming resources from charitable activities, including capital grants, are included in the SOFA when they are receivable. The full amount of capital grants is taken to the SOFA when receivable. Where cash is received in respect of contractual work to be undertaken in the next financial year, if there is agreement from the funding body, this is treated as deferred income. Where such agreement has not been obtained it is included in other creditors.

Donations and gifts received at offices and projects during the year are recorded gross, or at estimated value, except that the sale proceeds from gifts donated for resale are included, at their sale price, when they are sold. All other incoming resources are reported gross of fees and expenditure whether raised by the charity or its agents, except for small fundraising events, not under the direct control of Action for Children, where funds are remitted and recorded net of direct expenses.

No amounts are included in the financial statements for services donated by volunteers.

Expenditure

Expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they are allocated to activities on a basis consistent with the use of resources.

The costs of generating funds include fundraising and publicity costs, trading costs and investment management costs. Fundraising and publicity comprises the salaries of staff and other direct and indirect costs, which include appropriate allocations of central support costs.

Expenditure on charitable activities includes the operating expenses of social work together with the costs of informing and educating the public about the work, and the costs of other supporting services, management and administration essential to the professional and competent execution of the work. Where arrangements exist for the delivery of work by partner organisations, the cost of this is included within the relevant activity. Where central services support both direct charitable work and fundraising, allocations of their costs are made on a head count basis which reflects the use made of those services.

Governance costs

Governance costs represent the salaries, direct expenditure and overhead costs incurred by the corporate resources department as well as internal and external audit costs. The corporate resources department is involved in the compliance with the constitutional and statutory requirements of operating a charitable company.

Significant accounting estimates and judgements: retirement benefits

Action for Children contributes to a variety of pension arrangements on behalf of staff. Most benefits are provided by the Action for Children Pension Fund, which has a number of sections, including defined benefit and defined contribution elements.

The costs of providing defined benefit pensions are treated in accordance with FRS102. The following elements are charged to the SOFA: the service cost of pension provision relating to the period, together with the costs of any benefits relating to past service (allocated to staff costs); the pension finance cost, which is a charge equal to the increase in the present value of the pension fund's liabilities at the previous year end, less a credit equivalent to the pension fund's long-term expected return on assets; and the actuarial gain or loss on the pension fund's assets and liabilities (allocated to other recognised gains and losses). The difference between the market value of the assets of the pension fund and the present value of accrued pension liabilities is shown as an asset or liability on the balance sheet, except that an asset is only recognised where the Charity has the sole right to determine the use of a surplus of assets over liabilities.

Pension costs for the defined contribution part of the Fund are charged to the accounts on an accruals basis in the period in which they occur.

Action for Children also contributes to the teachers', local government and NHS pension schemes in respect of a number of its employees. All such costs are included within the SOFA on an accruals basis as incurred.

Leases

Rentals under operating leases are charged to the SOFA over the term of the lease on a straight line basis.

Value Added Tax

As part of Action for Children's activities is classified as exempt or non-business activities for the purposes of VAT, Action for Children is unable to reclaim all the VAT that it suffers on its operating costs. Expenditure in these financial statements is therefore shown inclusive of VAT paid and not reclaimable.

Funds

General funds are unrestricted funds which are available for use, at the discretion of the Board of Trustees, in furtherance of the general objectives of the charity and which have not been designated for particular purposes.

The revaluation reserve comprises the difference between the historic cost of fixed asset investments and the revalued amount included in the balance sheet.

Designated funds comprise unrestricted funds that have been set aside by the Board of Trustees for particular purposes. The aim and use of each designated fund are set out in the annual report of the Board of Trustees and the notes to the financial statements. The Board of Trustees periodically reviews the levels of designated funds to ensure that they are adequate to support the purposes for which they were set up, and any surplus or deficit is transferred to or from general funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The costs of administering such funds are charged against the specific fund.

Endowment funds represent those assets that must be held permanently by the charity, and are invested to produce income to meet expenditure, either as directed by the endowment or for general purposes.



Tangible fixed assets

Tangible assets are recorded at cost or, in cases where tangible assets have been donated to Action for Children or acquired through a merger, at open market valuation at the time of the donation or merger. Assets in the course of construction are transferred to the relevant category of asset and depreciated when practical completion is achieved. The threshold for capitalisation is £1,000.

Depreciation is charged on the following basis: in the case of freehold buildings the acquisition cost of buildings, together with any adaptation costs that add value to the property, is capitalised and depreciated over the estimated useful life of the property. No depreciation is provided on freehold land.

For the purposes of depreciation, 999 year leasehold buildings are treated as if they were freehold buildings. Capital expenditure on other leasehold buildings will normally be regarded as a depreciating cost and as such is written off over the estimated useful life (see below).

Other tangible assets are depreciated on a straight line basis over their useful lives which are estimated to be:

Assets in the course of construction	no depreciation
Freehold buildings	50 years
Leasehold buildings	10 years or lease period if shorter
Equipment	4 years
Computer software	4 years
Computer software (major)	5 years
Furniture and fittings	5 years
Motor vehicles	4-6 years

When the currently expected useful life of individual assets is considered to be less than these periods, shorter periods are used.

Intangible fixed assets

Intangible fixed assets are held on the balance sheet at cost less accumulated depreciation and any impairment losses.

The purchase of brands is capitalised as an intangible fixed asset and amortised on a straight line basis over an expected useful life of seven years. Goodwill arising on the acquisition of a business is capitalised as an intangible fixed asset and amortised on a straight line basis over an expected useful life of seven years.

Impairment reviews are made when events and changes in circumstances indicate that an impairment may have occurred. If any asset is found to have a carrying value materially higher than its benefit to generate future revenues, it is written down accordingly.

Investments

Action for Children holds investments both in order to generate income for the support of charitable activities over a long-term period and to provide assets to meet the needs of reserves, identified in the reserves policy. Investments are stated at current market value on the balance sheet date unless there is evidence of a different fair value.

Investment properties are revalued at the end of each year on the basis of open market value. The valuations have been prepared by external firms of chartered surveyors.

Gains or losses arising during the year are disclosed in the consolidated statement of financial activities within other recognised gains and losses in the year and in note 7.

Cash equivalents

Cash equivalents are represented by cash balances held on a short term basis.

Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

FRS 102 Defined Benefit Pension Fund Surplus

As the charity does not have an unconditional right to it the surplus arising on the FRS 102 valuation of the Defined Benefit Pension Fund has not been recognised.

3. Income and endowments

Incoming resources from charitable activities are analysed across the main activities of Action for Children on the face of the statement of financial activities. This income is mostly derived from work with local authorities, health trusts and central government sources, providing services to children, young people and their families.

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Donations and legacies				
Donations	12,908	11,140	17,950	12,067
Legacies	4,056	3,463	4,056	3,463
	16,964	14,603	22,006	15,530

Specific purpose receipts for the Group included above are £4,408,000 (2018: £2,979,000).

Subsidiaries and associated charities

Action for Children Services Limited, Action for Children Trading Limited and Action for Children Developments Limited are wholly owned trading subsidiaries of Action for Children, the charity. They are engaged in delivering welfare and educational services on behalf of the charity, fundraising, and commercial activities respectively. All profits are gift aided to the charity. National Children's Home (NCH), the unincorporated charity, and Nicholas Galperin Trust are associated charities that share common trustees and management.

A summary of the results for the year ended 31 March 2019 is given below:

	Trading subsidiaries			Associated charities		Total 2019	Total 2018
	Services	Trading	Developments	NCH	Nicholas Galperin		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Turnover	63,528	99	15,559	-	-	79,186	51,758
Cost of sales	(58,771)	101	(14,768)	-	-	(73,438)	(48,637)
Gross profit	4,757	200	791	-	-	5,748	3,121
Charitable activities	-	-	-	(213)	(154)	(367)	(292)
Administration costs	(13)	(3)	(980)	-	-	(996)	(741)
Surplus/(deficit) on ordinary activities before investment income	4,744	197	(189)	(213)	(154)	4,385	2,088
Investment income	-	-	-	213	123	336	306
Net gains/(losses) on investment assets	-	-	-	304	174	478	(36)
Surplus/(deficit) on ordinary activities before tax	4,744	197	(189)	304	143	5,199	2,358

3. Income and endowments (continued)

The net assets of the subsidiaries and associated charities are set out below

	Trading subsidiaries			Associated charities		Total 2019	Total 2018
	Services	Trading	Developments	NCH	Nicholas Galperin		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	-	6,662	3,817	10,479	10,003
Current assets	13,737	697	4,130	60	118	18,742	13,489
Creditors	(8,993)	(500)	(4,833)	(60)	(4)	(14,390)	(10,956)
Net assets	4,744	197	(703)	6,662	3,931	14,831	12,536

	Group		Charity	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Investment and other income				
CFB funds - UK	566	566	232	263
CFB funds - Overseas	68	87	68	87
Interest income	117	49	116	45
Income from securities	751	702	416	395
Rental income from investment properties	366	363	366	363
	1,117	1,065	782	758



4. Expenditure

	Direct costs	Support costs	Total 2019	Direct costs	Support costs	Total 2018
Group	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on raising funds						
Donations	7,187	256	7,443	5,845	206	6,051
Legacies	247	4	251	131	3	134
	7,434	260	7,694	5,976	209	6,185
Trading	14,701	1,747	16,448	13,890	1,527	15,417
Investment management costs	34	-	34	44	-	44
	22,169	2,007	24,176	19,910	1,736	21,646
Expenditure on charitable activities						
Best start in life	25,627	1,784	27,411	27,535	2,573	30,108
Disabled children's services	32,366	2,604	34,970	31,633	3,334	34,967
Mental health & chance to thrive	22,682	1,251	23,933	22,503	1,558	24,061
Safe & stable home	36,545	1,590	38,135	35,292	1,869	37,161
Campaigning & public policy	645	19	664	566	26	592
	117,865	7,248	125,113	117,529	9,360	126,889
Other expenditure						
Pension finance charge	-	-	-	282	-	282
Total expenditure	140,034	9,255	149,289	137,721	11,096	148,817

Charity	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on raising funds						
Donations	7,274	314	7,588	5,697	238	5,935
Legacies	247	4	251	131	3	134
	7,521	318	7,839	5,828	241	6,069
Investment management costs	34	-	34	44	-	44
	7,555	318	7,873	5,872	241	6,113
Expenditure on charitable activities						
Best start in life	24,910	2,184	27,094	27,084	2,973	30,057
Disabled children's services	32,161	3,189	35,350	31,250	3,852	35,102
Mental health & chance to thrive	22,437	1,532	23,969	22,287	1,800	24,087
Safe & stable home	36,398	1,947	38,345	35,072	2,158	37,230
Campaigning & public policy	644	24	668	564	29	593
	116,550	8,876	125,426	116,257	10,812	127,069
Other expenditure						
Pension finance charge	-	-	-	282	-	282
Total expenditure	124,105	9,194	133,299	122,411	11,053	133,464

Support costs comprise HR, training, strategy, premises, finance, IT and governance costs to the organisation. All support costs are allocated on the basis of the number of employees across the different activities.

4. Expenditure (continued)

Trustee costs

9 trustees were reimbursed travel expenses totalling £10,000 (2018 11 recipients of £6,000). Trustees are not entitled to and did not receive any remuneration.

	2019	2018
	£'000	£'000
Fees payable to the auditors of Action for Children		
In respect of the charity audit	92	92
In respect of subsidiary and associated trust audits	21	21
	113	113
In respect of certificates for project partners	47	43
In respect of tax and other advice	42	38
	202	194
Value added tax		
As stated in the accounting policy, Action for Children is unable to reclaim all the value added tax which it suffers on its purchases of goods and services. During the year the cost of irrecoverable value added tax amounted to:	2,638	3,124
Rentals under operating leases		
Plant and machinery	(7)	49
Land and buildings	2,103	2,560
	2,096	2,609
Depreciation	997	1,614
Governance costs		
Wages, salaries and related costs	452	436
Internal and external audit fees	183	183
Legal fees	20	(28)
Other costs	156	102
	811	693

Governance costs are included within support costs.

5. Employees' emoluments

	2019	2018
	£'000	£'000
Staff costs comprise:		
Wages and salaries	80,211	82,243
Redundancy costs	1,494	912
Temporary staff costs	7,115	7,569
Social security costs	6,313	6,459
Apprenticeship levy	378	387
Action for Children Pension Fund - defined benefit current service cost	108	128
Action for Children Pension Fund - defined contribution cost	3,472	3,412
Teachers', Local Government Pension Schemes and NHS Pension Fund contributions	592	559
	99,683	101,669

Redundancy costs represent amounts due to employees in accordance with UK legislation regarding redundancy payments. At 31 March 2019 the amount due but not paid was £410,000 (2018 £151,000).

Included in the redundancy costs is £700,000 (2018 £232,000) of ex gratia redundancy payments made in line with Action for Children's redundancy policy. Such payments are made at the discretion of senior management and are non contractual.

Other than the Action for Children Pension Fund, the charity participates in a number of defined benefit schemes, where the accounting treatment is as for defined contribution plans.

The Teachers' Pension Scheme and the NHS Pension Fund are unfunded schemes. Liabilities in addition to ongoing contributions potentially arise with redundancy or early retirement. But that is a risk controlled by the charity, and provision is made for the full liability if the occurrence arises.

The charity also has admitted body status in various Local Government Pension Schemes (LGPS), which may potentially carry a risk to the charity. Action for Children ensures that potential risks outside its control are passed back to the relevant local authority in line with the Department for Communities and Local Government guidance dated December 2009, "Admitted body status provisions in the Local Government Pension Scheme when services are transferred from a local authority or other scheme employer", and the local authority retains the actuarial, mortality, inflation, regulatory changes, discount rate and investment return risks.

5. Employees' emoluments (continued)

	2019	2018
	£'000	£'000
The average number of employees during the year was:		
Fundraising	130	127
Trading	820	790
Charitable activities	3,496	3,814
Support services	162	200
	4,608	4,931
Number of full time equivalents at year end	3,007	3,283
The number of staff whose emoluments fell within each of the following bands was:		
£60,001 to £70,000	18	16
£70,001 to £80,000	15	17
£80,001 to £90,000	7	5
£90,001 to £100,000	2	1
£100,001 to £110,000	1	-
£120,001 to £130,000	2	3
£140,001 to £150,000	-	1

Of the staff listed above, 43 were accruing benefits under the Action for Children Pension Fund defined contribution section (in 2018 it was 43). The amount of contribution paid in respect of these staff to the scheme was £200,000 (2018 £204,000).

The total emoluments paid in 2018/19 and the current annual salaries of existing key management personnel are shown below. In the bandings above, where these staff are also included, the required definition of emoluments is total gross pay plus any benefits in kind. The analysis below also includes employer pension and national insurance contributions and termination payments.

As shown in note 4, trustees are not entitled to and do not receive any remuneration.

	Total emoluments 2018/19 ¹	Current annual salary	Contribution to pension scheme
	£	£	%
Chief Executive Officer - Julie Bentley (from 1 August 2018)	118,484	153,333	5%
Interim Chief Executive Officer (from 1 April 2018 to 31 July 2018) & Managing Director Operations - Carol Iddon	152,624	123,333	7%
Managing Director Fundraising, Communications and Policy - Nicholas Jones	144,760	123,333	7%
Managing Director Corporate Shared Services - Charles Scott (to 30 June 2018)	62,702	-	5%

¹The total cost of key management personnel for 2018/19 was £478,570 (2017/18 £615,452) excluding any costs in relation to termination of employment. Inclusive of such costs the aggregate amounts were: £572,795 (2017/18 £615,452).

6. Pensions

Action for Children provides pension benefits mainly through the Action for Children Pension Fund. The assets of the Pension Fund are held in a separate trustee administered fund.

Current staff are members of the defined contribution section of the Pension Fund, into which new employees are auto-enrolled.

Until 30 April 2010 benefits were provided to employees through a number of defined benefit sections and a hybrid scheme combining career average revalued earnings and defined contribution arrangements. On 1 May 2010, following a review of benefits and consultation with members of the Pension Fund, staff of Action for Children and Unions, all sections of the Pension Fund were closed, with one exception, for both new and existing members. Staff who transfer to Action for Children under Fair Deal TUPE arrangements are eligible to join a defined benefit section of the Pension Fund comparable to the local government pension scheme. A new defined contribution section was created for all other staff.

The Pension Fund is subject to triennial valuations by an independent actuary. The last completed valuation as at 31 March 2018 showed a deficit of £38.4m, a funding level of 94%, comparing the market value of the assets of the Pension Fund to the estimated value of liabilities to members. In conjunction with the actuarial valuation a recovery plan and schedule of contributions was agreed with the trustees of the Pension Fund. The actuarial estimate is that the Pension

Fund assets and liabilities will be balanced by 2029.

The recovery plan, accepted by the Pensions Regulator, is underpinned by a Memorandum of Understanding to regularly communicate and share information between the employer and the Pension Fund. Action for Children has been paying deficit contributions of £7.5m per annum up to, and including, 2018-19 and from 2019-20 this becomes £3m per annum. There is a charge in favour of the Pension Fund over assets owned by Action for Children in the event of default. The Memorandum of Understanding includes agreement that up to 50% of the receipt from some property sales, less any investment in property, may at the discretion of the pension fund trustees, be paid to the Pension Fund

Action for Children pays a 2% contribution for all active members into the defined benefit section to cover death in service and to meet the administration costs of the Pension Fund.

Contribution rates for the Fair Deal TUPE section range from 5.5% to 8.5% for the employee and 35.1% for the employer.

The total employer contribution to the defined benefits section of the Action for Children Pension Fund for the year was £8,850,000 (2018 £9,139,000).

Contributions for the defined contribution section are variable with the following matching rates:

Employee	3%	4%	5%	6%	7%	above 7%
Employer	5%	5%	5%	6%	7%	7%

Membership of the Pension Fund at 31 March 2019 was:

	2019	2018
Active members - defined benefit section	17	23
Active members - defined contribution section	2,880	3,172
	2,897	3,195
Deferred members	7,846	5,786
Pensioner members	2,655	2,528
	13,398	11,509

6. Pensions (continued)

Pension funds are valued in different ways for different purposes. The triennial valuation noted above is carried out to establish an appropriate funding level, and uses prescribed financial assumptions that are different from the assumptions that must be used under the Financial Reporting Standard, FRS 102 valuation detailed below, which is carried out for accounting disclosure purposes. The FRS valuation uses lower inflation and higher interest/discount rate assumptions than the triennial valuation, and both of these differences lead to a lower calculation of pension liabilities.

At 31 March 2019, on the ongoing valuation basis used for the triennial valuation, the deficit was £27.8m, a funding level of 96%. The FRS 102 position shown below is a surplus of £42.8m, a funding level of 107%.

This disparity is not helpful in measuring and understanding the liability of Action for Children to the Pension Fund. However, it is the ongoing valuation basis that is used in agreeing contribution levels and the recovery plan. Although movements in the FRS 102 valuation show in the statement of financial activities and may feed through to the balance sheet total, they do not change the level of the general fund. It is the general fund that is directly linked to the reserves policy and important in assessing the charity's ability to manage its future operations. The deficit contributions are reflected in the charity's business plans and the assessment of the charity's reserves policy.

Whilst the settlement of pension liabilities is a long-term process, with costs spread over a number of years, the funding level is volatile. Valuations are snapshots on one day and are sensitive to changes in financial market factors. The actuary provides a regular report on the funding position of the Pension Fund and this is closely monitored by the Pension Fund and charity.

There is provision within the Pension Fund Trust Deed (clause 6.4) for excess funds to be returned to Action for Children, however this is at the discretion of the Pension Trustee. Considering the actuarial deficit and the ongoing Pension deficit payments it is not envisaged that the surplus shown under FRS 102 will be available to be returned. Consequently the FRS 102 surplus is deemed not to be recoverable and has not been recognised in the Statutory Accounts.

FRS 102 valuation

These financial statements have been prepared in line with the requirements of FRS 102. The FRS 102 valuation is only in respect of the defined benefit sections of the Action for Children Pension Fund and the following analysis only covers that element of the Pension Fund. The principal FRS 102 actuarial assumptions determined by financial markets and demographic conditions are shown below. A later table shows the sensitivity of the liability to these assumptions.

Financial assumptions

	2019	2018
Inflation - RPI	3.25% pa	3.20% pa
Inflation - CPI	2.25% pa	2.20% pa
Rate of increase in salaries	3.75% pa	3.70% pa
Rate of increase in pensions in payment	3.10% pa	3.10% pa
Rate of increase in deferred pensions	2.25% pa	2.20% pa
Discount rate	2.40% pa	2.55% pa

Demographic assumptions

	2019		2018	
	Males	Females	Males	Females
Average life expectancy in years:				
Member currently aged 60	86.8	89.0	87.8	90.3
Member currently aged 40, aged 60 in 2038	87.9	90.2	89.6	92.2

6. Pensions (continued)

Action for Children Pension Fund subscribes to ClubVita (a subsidiary of Hymans Robertson), which provides demographic and longevity analysis based on pooled experience from occupational pension schemes. The mortality assumption derived for the Fund is calculated with reference to key characteristics of each individual member

within the Fund that are known to affect life expectancy. It considers and takes into account each members affluence, lifestyle, age, gender and retirement type. The future improvements in longevity are assumed to be in line with the core assumptions of the 2018 CMI model with a long term improvement rate of 1.5% pa for males and females.

Balance sheet position

	2019		2018	
	Value	Asset allocation	Value	Asset allocation
	£'000	%	£'000	%
Liability driven investment fixed interest	271,800	42	237,287	39
Equities	208,500	32	201,763	33
Corporate debt	18,700	3	36,971	6
Property	121,900	19	105,722	17
Diversified growth funds	19,200	3	29,681	5
Net current assets	3,032	0	3,017	0
Total fair value of assets	643,132	100	614,441	100
Actuarial value of liabilities	(600,369)		(614,574)	
Adjustment for derecognition of Pension Fund surplus	(42,763)		-	
(Deficit) recognised in the balance sheet	-		(133)	

Analysis of amounts charged to the statement of financial activities

	2019	2018
	£'000	£'000
Current service cost	(108)	(128)
Administration costs	(1,896)	(851)
Past service cost	(1,660)	-
Charged to total expenditure	(3,664)	(979)
Interest income on the Pension Fund assets	15,489	15,213
Interest cost on the Pension Fund liabilities	(15,438)	(15,495)
Pension finance credit/(charge)	51	(282)
	£'000	£'000
Actual return on assets excluding amounts included in net interest	26,100	8,909
Actuarial gain/(loss) on liabilities	11,559	(2,072)
Adjustment for derecognition of Pension Fund surplus	(42,763)	-
Total recognised actuarial (loss)/gain	(5,104)	6,837

6. Pensions (continued)

Reconciliation of the fair value of the Pension Fund assets and liabilities

	Assets 2019	Liabilities 2019	Fund 2019	Assets 2018	Liabilities 2018	Fund 2018
	£'000	£'000	£'000	£'000	£'000	£'000
Assets/(liabilities) at the start of the year	614,441	(614,574)	(133)	602,446	(617,294)	(14,848)
Interest income/(cost)	15,489	(15,438)	51	15,213	(15,495)	(282)
Current service cost	-	(108)	(108)	-	(128)	(128)
Administration costs	-	(1,896)	(1,896)	-	(851)	(851)
Past service cost		(1,660)	(1,660)	-	-	-
Contributions by members	18	(18)	-	22	(22)	-
Contributions by the employer	8,850	-	8,850	9,139	-	9,139
Actuarial gain/(loss)	26,100	11,559	37,659	8,909	(2,072)	6,837
Benefits and expenses paid	(21,766)	21,766	-	(21,288)	21,288	-
Assets/(liabilities) at the end of the year	643,132	(600,369)	42,763	614,441	(614,574)	(133)

The estimated Action for Children contributions to the defined benefit sections of the Pension Fund for the year to 31 March 2019 are £8,850,000 (2018 £9,139,000).

Sensitivity of the Pension Fund liabilities

The sensitivity of the liabilities (in both percentage and £ terms) to changes in the key assumptions used to measure the Pension Fund's liabilities is shown in the table below.

	Change in assumption	Impact on Pension Fund liabilities %	Impact on Pension Fund liabilities £m
Assumption			
Discount rate	+/- 0.1%	-/+ 1.86%	-/+ £12.4m
Rate of inflation	+/- 0.1%	+/- 1.47%	+/- £10.0m
Rate of salary growth	+/- 0.1%	+/- 0.01%	+/- £0.1m
Life expectancy	+/- 1 year	+/- 4.00%	+/- £24.6m

7. Tangible fixed assets

	Assets in the course of construction	Freehold land and buildings	Leasehold land and buildings	Computers and equipment	Furniture and fittings	Motor vehicles	Total
Group and Charity	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
At 1 April 2018	1	22,758	4,256	17,256	3,450	2,034	49,755
Additions	75	2,449	-	-	-	-	2,524
Transfers	(14)	-	-	14	-	-	-
Disposals	-	(568)	-	(203)	-	(254)	(1,025)
At 31 March 2019	62	24,639	4,256	17,067	3,450	1,780	51,254
Depreciation							
At 1 April 2018	-	9,285	3,437	16,296	3,393	1,785	34,196
Charges for year	-	318	114	405	23	137	997
Transfers	-	-	-	-	-	-	-
Disposals	-	(476)	-	(201)	-	(252)	(929)
At 31 March 2019	-	9,127	3,551	16,500	3,416	1,670	34,264
Net book value:							
At 31 March 2019	62	15,512	705	567	34	110	16,990
At 31 March 2018	1	13,473	819	960	57	249	15,559

Assets in the course of construction comprise incomplete building, major refurbishment and capital project work, and are not depreciated.

The cost of land, which is not depreciated, was £5,539,000 (2018 £4,801,000).

Of the total cost or valuation of leasehold land and buildings £2,253,000 (2018 £2,420,000) relates to leases due to expire within 50 years or less.

It is not considered that any assets have suffered permanent impairment to their value.

Capital commitments for contracts placed in respect of capital expenditure less amounts incurred to 31 March 2019 amounted to £nil (2018 £nil).

Commitments to operating lease payments were:

	Land and buildings	Plant and equipment	2019	2018
	£'000	£'000	£'000	£'000
Within one year	142	-	142	148
Between one and five years	1,552	-	1,552	1,818
After five years	7,104	-	7,104	3,323
	8,798	-	8,798	5,289

8. Intangible fixed assets

	2019	2018
Group and Charity	£'000	£'000
At 1 April	42	-
Brands purchased during the year	-	48
Goodwill purchased during the year	680	-
Depreciation charged for the year	(73)	(6)
Net book value at 31 March	649	42

9. Investments

		Group		Charity	
		2019	2018	2019	2018
Value at 31 March		£'000	£'000	£'000	£'000
Securities	Action for Children share of funds				
Units in funds managed by the Central Finance Board of the Methodist Church:					
CFB UK equity fund	1.1%	4,739	5,561	4,739	5,561
CFB overseas fund	2.3%	4,267	5,723	4,267	5,723
CFB gilt fund	9.1%	430	624	430	624
CFB corporate bond fund	0.8%	826	825	826	825
CFB short fixed interest fund	8.9%	1,488	2,395	1,488	2,395
CFB managed fund	34.7%	10,480	10,003	-	-
CFB inflation linked	1.8%	361	582	361	582
CFB deposit fund	2.0%	7,187	2,732	7,187	2,732
		29,778	28,445	19,298	18,442
Unlisted equities		5	5	5	5
		29,783	28,450	19,303	18,447
Investments in subsidiaries		-	-	-	-
		29,783	28,450	19,303	18,447
Investment properties		22,306	17,943	22,306	17,943
Total investments		52,089	46,393	41,609	36,390

All investments are held in the UK.

Investments are valued at current market value, but where listed shares have a limited market their fair value is reviewed. Unlisted investments are valued at cost or, if donated to Action for Children, at valuation at the time of donation.

Investments in subsidiaries are valued at the higher of cost and estimated value at the time of acquisition less any diminution in value.

Investment properties are valued at the end of each year on the basis of open market value by external firms of chartered surveyors.

The historical cost or earliest known valuations of investments held at 31 March 2019 were:

- Securities £14,495,000 (2018 £17,511,000)
- Investment properties £6,349,000 (2018 £6,349,000)

9. Investments (continued)

Investment gains and losses

	Group		Charity	
	2019	2018	2019	2018
Value at 31 March	£'000	£'000	£'000	£'000
Securities				
Market value at 1 April	28,450	28,441	18,447	18,402
Acquisitions during the year	5,180	1,120	5,180	1,120
Sale proceeds of disposals during the year	(5,180)	(1,120)	(5,180)	(1,120)
Net investment gains in SOFA - realised	270	35	270	35
Net investment gains/(losses) in SOFA - unrealised	1,063	(26)	586	10
Market value at 31 March	29,783	28,450	19,303	18,447
Investment properties				
Market value at 1 April	17,943	12,729	17,943	12,729
Reclassification from fixed assets at book value	-	3,992	-	3,992
Sale proceeds of disposals during the year	-	(943)	-	(943)
Net investment (losses) in SOFA - realised	-	(7)	-	(7)
Net investment gains in SOFA - unrealised	4,363	2,172	4,363	2,172
Market value at 31 March	22,306	17,943	22,306	17,943

Investments in subsidiaries

- i. Action for Children Services Limited is a wholly owned company registered in England and Wales handling the primary purpose trading activities of Action for Children. The investment comprises shares at a cost of £100 (2018 £100).
- ii. Action for Children Trading Limited is a wholly owned company registered in England and Wales handling fundraising trading activities of Action for Children. The investment comprises shares at a cost of £100 (2018 £100).
- iii. Action for Children Developments Limited is a wholly owned company registered in England and Wales handling nursery and new developmental activities of Action for Children. It is limited by guarantee.
- iv. Action for Children (Scotland) Limited is a wholly owned company registered in Scotland. The investment comprises one share at a cost of £1 (2018 £1) and it has not traded.
- v. Action for Children (Wales) Limited is a wholly owned company registered in England and Wales. The investment comprises one share at a cost of £1 (2018 £1) and it has not traded.
- vi. Action for Children (Northern Ireland) Limited is a wholly owned company registered in Northern Ireland. The investment comprises one share at a cost of £1 (2018 £1) and it has not traded.
- vii. St. Barts Day Nurseries Limited is a wholly owned company registered in England. The investment was acquired as part of the acquisition of St Barts Nursery and comprises two hundred shares at a total cost of £200 (100 'A' shares £100 and 100 'B' shares £100) (2018 £nil) and it has not traded.

10. Debtors

	Group		Charity	
	2019	2018	2019	2018
Value at 31 March	£'000	£'000	£'000	£'000
Amounts falling due after more than one year				
other	-	24	-	-
	-	24	-	-
Amounts falling due within one year				
Trade receivables	20,625	19,007	8,316	9,876
Prepayments	988	739	988	739
Accrued income	3,779	4,808	3,309	2,837
Amounts owed by subsidiary undertakings	-	-	2,816	3,449
Other	426	204	1,812	772
	25,818	24,758	17,241	17,673
	25,818	24,782	17,241	17,673

11. Creditors: amounts falling due within one year

	Group		Charity	
	2019	2018	2019	2018
Value at 31 March	£'000	£'000	£'000	£'000
Trade payables	2,813	2,434	2,758	2,370
Tax and Social Security	4,894	3,553	1,533	1,778
Other creditors	4,416	3,940	2,541	2,844
Accruals	4,615	4,635	4,489	4,388
Deferred income	4,254	3,970	1,647	1,761
Amounts owed to subsidiary undertakings	-	-	3,190	571
	20,992	18,532	16,158	13,712

12. Provisions for liabilities

	Onerous leases	Lease dilapidations	Redundancies	Total
	£'000	£'000	£'000	£'000
At 1 April 2018	870	1,020	151	2,041
Additional provision in the year	-	88	410	498
Provision utilised	(91)	(7)	(151)	(249)
At 31 March 2019	779	1,101	410	2,290

13. Analysis of group net assets between funds

	Restricted		Unrestricted			Group balance sheet total
	Endowment funds	Specific purpose funds	Designated funds	General fund and revaluation reserve	Pension reserve	
	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 March 2019 are represented by:						
Tangible fixed assets	-	-	16,990	-	-	16,990
Intangible fixed assets	-	-	-	649	-	649
Investments	10,234	-	21,190	20,665	-	52,089
Debtors	60	-	-	25,758	-	25,818
Cash and short term deposits	-	4,321	-	4,329	-	8,650
Other liabilities and provisions	(60)	(5)	-	(23,217)	-	(23,282)
Pension liability	-	-	-	-	-	-
Total funds	10,234	4,316	38,180	28,184	-	80,914

Further analysis of the funds and movements during the year are given in note 14. The purposes of the main funds are noted below.

Endowment funds are monies received which must be retained as a capital fund for the benefit of the charity. The Annual Income fund provides income for general purposes. The Nicholas Galperin Trust operates for the relief of young persons under the age of 25 who are in need, hardship or distress.

St Leonard's Convalescent Home Trust provides the advantages of a temporary home to children who require the benefit of sea air.

Specific purpose funds represent legacies, donations and other income that can only be used for particular purposes.

Designated funds are part of the charity's unrestricted funds that are earmarked by the trustees for a particular purpose and currently comprise the capital fund and the charged asset fund. The capital fund is the amount invested in fixed assets

used in the charity's operational work, net of capital grants and associated financing. The charged asset fund is the value of the charity assets charged to the Pension Fund less the value of operational properties which are already part of the capital fund.

The transfers out of designated funds reflect the net amounts released to the general fund. For the capital fund this is principally depreciation, offset by new purchases. For the charged asset fund, movements reflect adjustment for property sales and revaluation.

The revaluation reserve represents the difference between the historic costs of investment fixed assets and the revalued amount included in the balance sheet, excluding investments that are part of endowment funds.

The FRS 102 valuation detailed in note 6 gives rise to an asset or liability recognised by the charity as appropriate. The recognition of the pension asset or liability results in the creation of a pension reserve, as included above.

14. Group statement of fund movements

		Brought forward	Income	Expenditure	Transfers	Gains and losses	Carried forward
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Annual Income fund		2,773	-	-	-	132	2,905
Lincoln City & County Home		84	-	-	-	4	88
Nicholas Galperin Trust		3,409	-	-	-	163	3,572
Scholarship fund		402	-	-	-	19	421
Sheila Mildred Gage		14	-	-	-	1	15
Sidney Charles Salter		339	-	-	-	17	356
St Leonard's Convalescent Home		2,746	-	-	-	131	2,877
Endowment funds		9,767	-	-	-	467	10,234
Balfour Beatty (Play Equipment)		114	-	-	(63)	-	51
Big Lottery Fund	16	330	872	(647)	15	-	570
Burnley Thompson		-	52	(21)	-	-	31
Byte Nite Board		8	-	(6)	-	-	2
Chevron (Energy for Learning)		13	-	-	(13)	-	-
CBRE		103	205	(110)	1	-	199
Dell (Inspire IT)		156	204	(224)	-	-	136
Deloitte		67	125	(90)	-	-	102
Edinburgh Local Employment		-	62	(8)	-	-	54
Education Endowment Foundation		-	150	(141)	-	-	9
Fedex (Delivering Change)		95	-	(2)	(93)	-	-
First Group (Wigan)		-	116	(47)	-	-	69
Football Association		25	-	(23)	-	-	2
Fujitsu (Digital Case)		365	-	(2)	-	-	363
Hays		1	147	(72)	-	-	76
Health & Social Care Board (Waterside Surestart)		-	507	(507)	-	-	-
Herbal Life (Healthy Lifestyles)		39	6	(5)	-	-	40
Heritage Lottery Fund (BME Heritage)		3	64	(44)	-	-	23
Home Sense		207	-	(2)	(203)	-	2
House of Fraser		240	292	(214)	(130)	-	188
Legacies		265	-	(68)	-	-	197
Moondance Foundation		143	-	(103)	-	-	40
Morrisons Foundation		232	-	(3)	25	-	254
My Action for Children		100	-	(17)	2	-	85
Nightstop Dorset		31	79	(41)	-	-	69
Northern Ireland Housing Executive	16	-	755	(750)	-	-	5
Royal Mail (The Blues Programme)		-	873	(827)	17	-	63

14. Group statement of fund movements (continued)

	Brought forward	Income	Expenditure	Transfers	Gains and losses	Carried forward
Notes	£'000	£'000	£'000	£'000	£'000	£'000
Sandwell Family Partners	37	50	(80)	130	-	137
Stavros Niarchos Foundation (Wigan FIP)	27	-	(25)	-	-	2
St Leonard's Convalescent Home	-	92	(92)	-	-	-
Tampon Tax Fund (Swansea Sail)	2	164	(180)	14	-	-
Turner & Townsend Education	159	114	(94)	-	-	179
Other projects under £50,000	1,214	834	(1,059)	379	-	1,368
Specific purpose funds	3,976	5,763	(5,504)	81	-	4,316
Capital fund	15,559	-	-	1,431	-	16,990
Charged asset fund	21,750	-	-	(560)	-	21,190
Designated funds	37,309	-	-	871	-	38,180
General fund	11,749	145,073	(149,022)	(952)	1,450	8,298
Revaluation reserve	16,107	-	-	-	3,779	19,886
General fund and revaluation reserve	27,856	145,073	(149,022)	(952)	5,229	28,184
Pension reserve	6	(133)	-	5,237	(5,104)	-
Total - unrestricted	65,032	145,073	(143,785)	(81)	125	66,364
Total funds	78,775	150,836	(149,289)	-	592	80,914

15. Charity statement of fund movements

		Brought forward	Income	Expenditure	Transfers	Gains and losses	Carried forward
Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balfour Beatty (Play Equipment)		114	-	-	(63)	-	51
Big Lottery Fund	16	330	872	(647)	15	-	570
Burnley Thompson		-	52	(21)	-	-	31
Byte Nite Board		8	-	(6)	-	-	2
Chevron (Energy for Learning)		13	-	-	(13)	-	-
CBRE		103	205	(110)	1	-	199
Dell (Inspire IT)		156	204	(224)	-	-	136
Deloitte		67	125	(90)	-	-	102
Edinburgh Local Employment		-	62	(8)	-	-	54
Education Endowment Foundation		-	150	(141)	-	-	9
Fedex (Delivering Change)		95	-	(2)	(93)	-	-
First Group (Wigan)		-	116	(47)	-	-	69
Football Association		25	-	(23)	-	-	2
Fujitsu (Digital Case)		365	-	(2)	-	-	363
Hays		1	147	(72)	-	-	76
Health & Social Care Board (Waterside Surestart)		-	507	(507)	-	-	-
Herbal Life (Healthy Lifestyles)		39	6	(5)	-	-	40
Heritage Lottery Fund (BME Heritage)		3	64	(44)	-	-	23
Home Sense		207	-	(2)	(203)	-	2
House of Fraser		240	292	(214)	(130)	-	188
Legacies		265	-	(68)	-	-	197
Moondance Foundation		143	-	(103)	-	-	40
Morrisons Foundation		232	-	(3)	25	-	254
My Action for Children		100	-	(17)	2	-	85
Nightstop Dorset		31	79	(41)			69
Northern Ireland Housing Executive	16	-	755	(750)	-	-	5
Royal Mail (The Blues Programme)		-	873	(827)	17	-	63
Sandwell Family Partners		37	50	(80)	130	-	137
Stavros Niarchos Foundation (Wigan FIP)		27	-	(25)	-	-	2
Tampon Tax Fund (Swansea Sail)		2	164	(180)	14	-	-
Turner & Townsend Education		159	114	(94)	-	-	179
Other projects under £50,000		1,214	834	(1,059)	379	-	1,368
Specific purpose funds		3,976	5,671	(5,412)	81	-	4,316
Capital fund		15,559	-	-	1,431	-	16,990

15. Charity statement of fund movements (continued)

		Brought forward	Income	Expenditure	Transfers	Gains and losses	Carried forward
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Charged asset fund		21,750	-	-	(560)	-	21,190
Designated funds		37,309	-	-	871	-	38,180
General fund		8,980	127,356	(133,124)	(952)	1,440	3,700
Revaluation reserve		16,107	-	-	-	3,779	19,886
General fund and revaluation reserve		25,087	127,356	(133,124)	(952)	5,219	23,586
Pension reserve	6	(133)	-	5,237	-	(5,104)	-
Total - unrestricted		62,263	127,356	(127,887)	(81)	115	61,766
Total funds		66,239	133,027	(133,299)	-	115	66,082

16. Group and Charity statement of fund movements, further detail

	Brought forward	Incoming resources	Outgoing resources	Transfers	Carried forward
	£'000	£'000	£'000	£'000	£'000
Big Lottery Fund					
Chat & Play England	-	20	(18)	-	2
Early Action Youth Homelessness	-	294	(56)	-	238
Family School Link	6	-	(6)	-	-
Family Support Volunteers	32	46	(73)	-	5
Functional Family Therapy	2	-	-	-	2
Gael Og Digitalising Future Generations	1	-	-	-	1
Improving Family Futures Bridgend	4	-	(4)	-	-
Little Steps Big Steps	1	-	-	-	1
Monmouthshire Parent Network	-	-		1	-
Moray Care Farming	11	91	(52)	-	50
Newcastle DV Counselling Service	15	43	(56)	-	2
Newcastle Family Support Service	-	10	(5)	-	5
Roots of Empathy (England & Wales)	6	-	(6)	-	-
Scottish Border	30	53	(49)	-	34
Side Step	123	149	(123)	14	163
Silverton Short Breaks (Awards For All)	2	-	-	-	2
Skills for Living	21	-	(9)	-	12
Swansea Sail	18	166	(184)	-	-
Young Fathers' Network (Clackmannanshire & Perth)	36	-	(5)	-	31
Young Fathers' Network (Devon)	22	-	-	-	22
	330	872	(647)	15	570
Northern Ireland Housing Executive					
Northern Ireland Regional Supported Lodgings	-	143	(143)	-	-
Rossorry Grove Supported Accommodation	-	281	(281)	-	-
Sperrin & Lakeland Floating Support	-	331	(326)	-	5
	-	755	(750)	-	5

17. Taxation

Action for Children, as a charity, is exempt from taxation of income and gains falling within Section 478 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent they are applied to its charitable objects. No tax charge arises in any of the subsidiary entities included in the group accounts due to their policy of gifting all taxable profits to Action for Children each year.

18. Contingent liabilities

Certain grants received in respect of property alterations and improvements and equipment attach conditions whereby amounts could be repayable in the event of the relevant property or equipment being sold or ceasing to be used for the stated purpose. At 31 March 2019 these grants amounted to £551,000 (2018 £551,000). This relates to property and equipment where the conditions of the grant continued to be fulfilled.

Action for Children has agreed a recovery plan with the Action for Children Pension Fund for clearing the pension fund deficit. To support the recovery plan, on 7 March 2011 a security agreement was signed creating a first legal charge to Action for Children Pension Fund of £32m over freehold properties and of £8m over CFB investment units. The charge becomes enforceable in the event of default, including Action for Children becoming insolvent, ceasing business or failing to pay contributions in line with the schedule of contributions or Pensions Regulator direction.

19. Related parties

All transactions with subsidiaries, associated charities and trustees are disclosed in the financial statements. Further details can be found in notes 3, 4 and 9.

20. Post balance sheet events

On 12 April 2019, Action for Children sold a portion of land held as an investment property. The property was revalued as at 31 March 2019 based on the known sale value resulting in a gain on investments of £5.0m. Further sums will be payable should the land be adopted into the local authority's development plan.

Legal and administrative details

Action for Children is a charitable company limited by guarantee. It is registered with the Charity Commission under registration number 1097940 and with the Office for the Scottish Charity Regulator under number SC038092. Our company number is 4764232.

Registered office

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Banker

HSBC Bank PLC
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Investment managers

Central Finance Board of the Methodist Church
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(until 31 December 2018)

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(from 1 January 2019)

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Markus Ruetimann

Yvette Stanley (until 1 April 2018)

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(interim until 31 July 2018)

Julie Bentley
(from 1 August 2018)

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Carol Iddon

Interim Managing Director Corporate Shared Services

Melanie Armstrong

Managing Director Fundraising, Communications and Policy

Nicholas Jones

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CBRE
Cinven
Circle Trust
Cirrus Logic International
City of Edinburgh Methodist Church
Chapman Charitable Trust
Charles Jacob Charitable Trust
Clear Channel UK
Community Foundation Wales
Marisa Clifford
The Dundee Appeal Committee
Dell Technologies
Deloitte LLP
The Derby Support Group
DHL Corporation
DM Thomas
Douglas-Jones Mercer Solicitors
Brigitte Dowsett
Foundation for Young People
Echo Trust
Education Endowment Fund
Volunteer Committee
Duke of Edinburgh Award Diamond Fund
The Epsom Book Fair Committee
Susan Flynn
Lynn Fordham
Finastra
FirstGroup plc
Friends of Stepping Stones
Gap Inc.
The Gleneagles Golf Day Committee
Daisy Goodwin (Chair:
Women Taking Action)
DF Concerts and Events
DM Thomas Foundation for Young
People Edinburgh Committee
Sean Hale
Hays UK
Herbalife Nutrition Foundation
The Heritage Fund
Hilda Farr Charitable Trust
House of Fraser Foundation
Housing Trust Foundation
Thomas Howell's Education Fund
Hugh Fraser Foundation
Neil Humphries and The Big Match
Ideagen PLC
Ingram Micro
The Joester Loria Group
King Baudouin Foundation US
Lloyds Banking Group
Lloyds TSB Foundation for Scotland

London and Quadrant
McCrea Financial Services
Moose International
Nationwide
The National Lottery Community Fund
Never Mind the Business Committees;
Glasgow & Aberdeen
Northwood Charitable Trust
Norton Rose Fulbright
The P Leigh-Bramwell Trust 'E'
The P&A Group of Companies
Paternoster Square Management
PG Paper
Dr Christine and Mr Alan Piper
Porcelanosa
Pilkington Charities Fund
Premier League
Puffin Books
Michelle Quest
Robertson Trust
Rocket Licensing
Royal Mail
Sainsbury's
SafeDeposits Scotland Charitable Trust
Salem Methodist Church,
Nelson, Caerphilly
Sampath Sundaram
Saunderson House
Barry Smyth & staff from MCS Group
Paul Smith
Standard Real Estates Ltd
Social Tech Trust
Sport England
The Sports Dinner Committee Trust
Standard Real Estate Ltd
Sony DADC
The 7 Stars Foundation
STV Children's Appeal
Sylvia Adams Charitable Trust
Steve, Kaz & Harry Pointon
Studio Fine Art Company
TAM Asset Management
Tesco
Tibra Capital Foundation
Martin Torbett & All of Tikka's Travels
Triple T Charitable Trust
Turner & Townsend
Madhavi Vadhera
Wider Plan Ltd
William Grant Foundation
The Woman of Influence Board
Wooden Spoon, The Children's
Charity of Rugby
The World of Eric Carle

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Angela Whitty, Chetal Patel, Darragh Mason Field, Manny Pinon, Sonia Sacadura and all the 2019 CEO Sleepout sleepers.

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Lynda Myles-Till MBE (Chair), Ciara Stewart, Elena Shchukina, Elizabeth Hammond, Jo Tye, Louise Bailey, Mary Ross, Vanessa Hoddle.

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Thank you to everyone who took part in or organised challenges, events and activities around the UK, raising valuable funds by generally having lots of fun.

We were founded by the Reverend Thomas Bowman Stephenson 150 years ago and continue to extend our thanks and appreciation for the commitment and support we receive from our many supporters in the Methodist Church.

Get involved

Visit our website

To find out more about the work we do across the UK – and how you can support us – visit: actionforchildren.org.uk

If you have a question or a comment about our work, get in touch. Call our Supporter Care team on **0300 123 2112**.

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How you can help

There are lots of different ways you can raise money or volunteer for Action for Children. We're always on the lookout for fantastic corporate partners and companies to work with us, too.

actionforchildren.org.uk/get-involved

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Regular donations help us support more children and plan for the future. Find out how your money helps children grow up safe and happy.

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Phone

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3 The Boulevard

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Watford

WD18 8AG

Legacies make a huge difference to our work, changing children's lives for years to come. Leave us a gift in your will and you'll give vulnerable children a brighter future.

actionforchildren.org.uk/legacy



References

All the stories of children, young people and adults shown in this report are real. However, some of the images or names may have been changed to protect identities.

Photo of Julie Bentley by Marksteen Adamson.

Improvement data from e-Aspire analysis 2018/19 targeted work unless otherwise stated

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11. Analysis of Secret Santa Campaign 2018/19.





**Thank
you**



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