

Company no. 06952404
Charity no. 1132581

HENRY

Report and Audited Financial Statements

31 March 2020

HENRY

Reference and administrative details

For the year ended 31 March 2020

| | | |
|--|---|--|
| Status | The organisation is a charitable company limited by guarantee, incorporated on 4 July 2009 and registered as a charity on 7 November 2009. | |
| Governing document | The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. | |
| Company number | 06952404 | |
| Charity number | 1132581 | |
| Registered office and operational address | 6 Elm Place Old Witney Road Eynsham Oxon OX29 4BD | |
| Trustees | Nigel Alcock (treasurer) (appointed 23 January 2020) Otto Balsiger (treasurer) (resigned 26 March 2020) Adam Buckles (resigned 23 January 2020) Sylvia Cheater (resigned 17 October 2019) Anne Coufopoulos Joanna Dyson (chair) Dawn Leslie (appointed 16 May 2019) Anne Lloyd Samantha Olsen (vice chair) Tom Spencer Alexander Vlassopoulos | |
| Company secretary | Tom Berry | |
| Key management personnel | Tom Berry Head of Business Development Laura Harte Head of Training and Development (appointed 20 January 2020) Ian Hayes Head of Finance and Administration (appointed 1 June 2019) Anne Keating Director of Operations (appointed 29 April 2019) Sian Livsey Head of Training and Development (left 29 February 2020) Edwina Pateman Head of Service Delivery Kim Roberts Chief Executive | |
| Auditors | Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD | |

HENRY

Reference and administrative details

For the year ended 31 March 2020

| | | |
|--------------------|--|--|
| Bankers | CAF 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ | Nationwide Building Society Nationwide House Pipers Way Swindon SN38 1NW |
| | Aldermore 1st Floor Block B, Western House Western House Lynch Wood Peterborough PE2 6FZ | The Hanley Economic Building Society Granville House Festival Park Hanley Stoke-on-Trent Staffordshire ST1 5TB |
| HR advisors | Ellis Whittam Ltd Woodhouse, Church Lane Aldford Chester CH3 6JD | |

HENRY

Report of the Trustees

For the year ended 31 March 2020

The Trustees present their report and the audited financial statements for the year ended 31 March 2020 (incorporating the directors' report).

Mission statement

Our mission is to support a healthy, happy start for children and lay the foundations for a brighter future.

Vision

Our vision is that children have a healthy, happy start in life to flourish throughout childhood and beyond. We recognise that parents want the very best for their children – we aim to provide the kind of responsive support they need to get their children off to a great start.

Values

HENRY aspires to be a values-led organisation. All of our work with families, partners and HENRY colleagues is underpinned by the following explicit values:

- **Partnership:** parents are the experts in their own family so we start with their experience and support them to make changes that they believe will lead to a healthier and happier life.
- **Strengths-based:** we acknowledge and build on all the things that are going well, fostering hope and self-belief.
- **Person-centred:** families face different challenges - we get alongside families and listen, building a relationship based on trust and empathy.
- **Respect:** we value families for who they are and seek to understand rather than judge.
- **Inclusive:** we find out about the difficulties that some families face in accessing support and work proactively to overcome barriers.
- **Excellence:** we strive to provide families with high quality and effective support; we value learning about what doesn't work as well as what does, approaching new ideas with an attitude of curiosity and using reflective practice, evidence and feedback to improve our services.

Strategic objectives 2019 – 2022

1 Continue to strengthen our work in the early years

We are widely known and respected for our expertise and track record in preventive intervention in the early years. Building on this, we will continue to extend the support we provide to parents from conception to their child starting school, as well as to early years settings. Over the next 3 years we will focus on expanding our range of services and interventions so that parents are able to access HENRY support in the way that suits them and at the time they need it. This will include:

- Rolling out our new antenatal programme Healthy Families in the Making
- Maximising opportunities to deliver holistic 'best start' services within local authorities

HENRY

Report of the Trustees

For the year ended 31 March 2020

2 Extend HENRY to parents of primary aged children

Following the successful Leeds pilot of our new *Healthy Families Growing Up* programme, we will:

- Roll out the intervention more widely
- Seek opportunities to offer HENRY support in response to weight concerns picked up at age 5 through the NCMP
- Work with academic partners to evaluate the impact of the new programme

3 Digital HENRY

Over the next 3 years we will harness digital technology to:

- reach more parents and practitioners in new ways
- facilitate user consultation
- improve existing user experience
- facilitate service evaluation

4 Develop and maintain our reputation as a 'centre of excellence'

Over the last 10 years we have amassed a large body of data which is continually growing and being updated. HENRY is valued for the strength of our evidence base, the quality of our programmes and materials, and our commitment to learning from our own data as well as wider research. We will continue to build on this reputation and use our work to contribute to improving child outcomes and reducing health inequalities through:

- policy work
- working on research projects with academic partners to maximise opportunities to learn from our data and strengthen our evidence base
- responding to inbound requests for consultancy
- using digital technology to reaching wider commissioner and practitioner audiences

5 Develop work with teenagers through a 'test and learn' approach

We believe that HENRY's approach to supporting behaviour change and our focus on emotional wellbeing and relationships as part of a healthy lifestyle is equally relevant to, and has much to offer in, the teenage years. We will work with an academic partner to:

- scope the needs and opportunities
- research the best evidence
- develop, pilot and evaluate the new intervention before wider roll out

HENRY

Report of the Trustees

For the year ended 31 March 2020

2019/20: a year of growth

In April 2019 we began implementation of our new 3 year plan to deliver on our strategic objectives and achieve our key organisational goals to maximise:

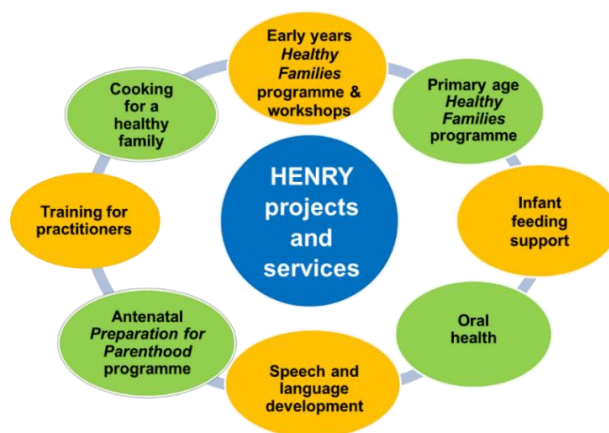
- **impact:** the greatest positive change for the people we support
- **reach:** the number and diversity of people we support, as well as our geographical reach
- **revenue:** ensuring financial sustainability to deliver our charitable objectives

The year was one of growth and new opportunities; we made significant progress on our 3-year strategic objectives which is described in this Report. The widespread media exposure that flowed from the Oxford study showing reduction in child obesity rates at age 5 in Leeds, where HENRY has been embedded as part of the city-wide child healthy weight strategy for the last 12 years, was a particular factor behind the increased national and international interest in our work.

The coronavirus outbreak and lockdown at the end of the year impacted face-to-face delivery and accelerated our plans for digitilisation, with rapid adaptation of our family support activities for online delivery.

Achievements

Our holistic approach to a healthy start in life which integrates parenting, family lifestyle and emotional wellbeing, has enabled HENRY to support a healthy start in life in many different ways. HENRY is currently active in 40 local authorities in every region of England from Northumberland to the Channel Islands and 5,634 families benefited from HENRY support in the last year.



Impact: making a difference to the lives of children and families

A key objective of our new 3-year strategy is to continue to develop HENRY as a centre of excellence. In the last year we established a research hub to:

- ✓ Expand our evidence base
- ✓ Develop our evaluation tools to capture the impact of HENRY's work
- ✓ Embed a test and learn approach to the development of new programmes

HENRY gave me the confidence to grow as a parent. My children now have a much brighter future

10-year impact report¹

Capturing the impact of our work on children and their families over the last 10 years was a key priority for this year. We wanted to tell the HENRY story through the voices of families, volunteers and local practitioners – as well as bring to life many of the collective changes that children and families have achieved.



Oxford study of child obesity rates in Leeds

In areas such as Leeds where HENRY has been embedded at scale for 10 years, we are now able to evaluate population-level impact over a period of time.

In the early months of the year we worked with academics at University of Oxford, Professor Mary Rudolf and public health managers in Leeds to write up the results of a statistical analysis of child obesity rates in Leeds over a period of 8 years.

The results, published in *Pediatric Obesity* in May², showed significant reduction in rates of child obesity and attracted widespread international interest. Obesity prevalence for 5 year olds across Leeds fell from 9.4% to 8.8%, while average rates in England and in similar socio-demographic cities remained unchanged. Most excitingly, the drop was greatest in the most deprived areas of the city where HENRY programmes are delivered, falling from 11.5% to 10.5% - and providing hope that, given the persistent links between poverty and obesity, it is possible to reduce health inequalities.



¹ www.henry.org.uk/impactreport

² <https://www.henry.org.uk/sites/www.henry.org.uk/files/inline-files/Leeds.pdf>

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Report of the Trustees

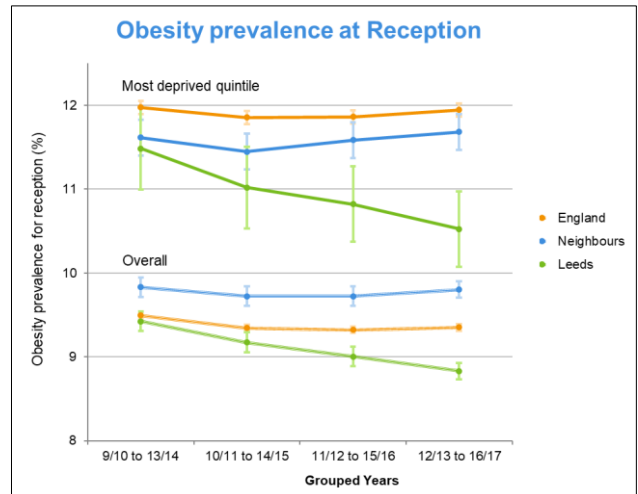
For the year ended 31 March 2020

To put these percentages into a human context, around 625 children a year in Leeds are no longer obese when they start school – with all that this means for their emotional and physical wellbeing.

A poster of the study's results was presented at the European Congress on Obesity in May. In the 6 months since there has been extensive coverage of HENRY in Leeds in broadcast, print and social media, totalling around 2,000 articles/mentions – in the UK as well as Ireland, US, France, Germany, Spain, Australia, New Zealand, Israel and more.

This coverage resulted in:

- ✓ Increased interest in HENRY training and family support from local commissioners, contributing to 85% growth in training income this financial year
- ✓ Increased influence: invitations to meet politicians (including Shadow Secretary of State, special advisers at Number 10 and DfE, National Audit Office), give evidence at APPGs and speak at conferences
- ✓ Inclusion of HENRY as a case study on tackling obesity for undergraduate medical and allied health professionals



Study into HENRY mechanisms of change

A second paper, published in *Child: Care Health Development*³ later in the year and presented at the UK Congress on Obesity, explored what had helped families make positive changes, highlighting the importance of peer support and a solution-focused, strength-based, partnership approach to supporting family lifestyle change.



THE IMPACT OF HENRY ON PARENTING AND FAMILY LIFESTYLE: EXPLORATORY ANALYSIS OF THE MECHANISMS FOR CHANGE

Gemma L. Bridge Thomas A. Willis Charlotte E.L. Evans Kim Roberts Mary Rudolf

AIM OF THE STUDY:
To explore the potential mechanisms by which HENRY has a positive impact on family lifestyle and wellbeing.

BACKGROUND:
Nearly 25% of children are overweight or obese at five years old. Urgent need for effective, early obesity prevention and interventions.

METHOD:

| | |
|---|---|
| PHASE 1: Focus groups with parents and carers attending the HENRY programme. 7 locations in England 39 participants | PHASE 2: Follow up telephone interviews with sub set of participants 17-21 weeks post HENRY 10 participants |
|---|---|

RESULTS:

- Enhanced self efficacy
- Healthier family behaviours such as eating more fruit and vegetables
- Increased physical activity
- Longevity of changes: Many of the reported changes were maintained at follow up.

MECHANISMS OF CHANGE:

- Mutual support
- Developing parenting confidence and skills
- Partnership between facilitators and parents
- Responsive, non-judgemental approach
- Building on strengths and focused on solutions
- Making the programme fun and enjoyable

Parents want the best for their children. But it isn't always easy to know what 'best' looks like, or to change entrenched family habits to create a healthier and happier home environment. Our job is to provide the kind of support that helps parents make 'best' a reality:

³ https://www.henry.org.uk/sites/www.henry.org.uk/files/inline-files/The_impact_of_HENRY_on_parenting_and_family_lifestyle_%28Child_2019%29.pdf

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Report of the Trustees

For the year ended 31 March 2020

It was one of the best decisions in my life to attend the HENRY programme. Before, as a single mum (with no relatives in UK), I was full of doubts how to raise my child. Now I am a confident parent who knows what is best, both for me and my child.

I had to realise that everything depends on us, parents. Happy mum, happy child. Before the programme, I was not sleeping enough, no exercising, I was eating junk food, pastries, I was drinking fizzy drinks, I was frustrated.

During the programme, I introduced new habits, such as sleeping more, eating fruits and vegetables every day, looking at the food labels before buying anything, introducing new foods, exercising more, tidying the flat, giving choices to my baby girl, reading to her more.

It also gave me the opportunity to meet other parents, and to avoid depression. I really enjoyed that somebody is taking care of me. We got flowers, candles to chill and relax at home. I learned that "me time" is very important, not just for me but for my baby as well.


We got free vitamins, balls, books (what my baby girl loves so much that there is no day without reading the Henry Bear story to her).

We created a WhatsApp group which is a great way of keep in contact. The HENRY group parents are always there if I need them or their advice.

Hackney parent

Every day, we are helping some of the UK's most vulnerable and deprived families provide a great start for their children, so they flourish throughout childhood and beyond. Following a HENRY programme:

- 93% of families lead a healthier lifestyle
- 77% of parents have improved emotional wellbeing, including feeling happier, less isolated and less stressed
- 86% of parents are able to hold boundaries more effectively



*I'm now the Mum
my child deserves*

HENRY

Report of the Trustees

For the year ended 31 March 2020

Increasing our reach

The number of families we support continued to increase in 19/20. We supported a total of **5,634** families through individual or group support in 18/19, an 8% increase on the previous year.

| Nature of support provided | Parents reached |
|--|-----------------|
| <i>Healthy Families Right from the Start</i> early years group programme | 994 |
| <i>Healthy Families Right from the Start</i> 1-to-1 programme | 43 |
| <i>Cooking for a Healthy Start</i> programme | 72 |
| <i>Healthy Families Growing Up</i> primary age group programme | 16 |
| <i>Steps to Speaking</i> group programme | 235 |
| Infant feeding | 1,443 |
| Introducing solid foods | 1,397 |
| Stand-alone <i>Healthy Families</i> workshops | 362 |
| Healthy eating drop-ins | 435 |
| Dental outreach sessions | 52 |
| Speech and language drop-ins | 585 |

We increased our geographical footprint by local authority area – from 31 to 40. HENRY is now commissioned in every region of England. In March 2020 we were awarded a new contract to roll out HENRY family programmes across Northern Ireland and were in active discussions with public health teams in Scotland and Wales about how HENRY can support their plans to tackle child obesity.

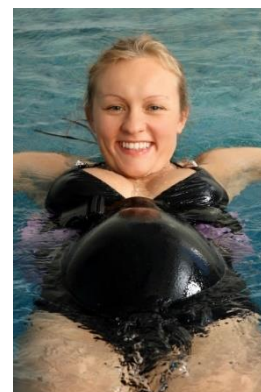
New development: supporting families in pregnancy

The award of a contract with Southend Better Start to provide a multi-year Preparation for Parenthood service enabled us to build on the small 18/19 pilot project to support expectant parents.

The Preparation for Parenthood service in Southend-on-Sea has been co-produced with local families and partners and will enable a healthy start in life through support for a healthy pregnancy, giving birth and becoming a parent.

We have dovetailed our offer with local NHS and voluntary organisations. The strength of local partnerships extends to an information governance agreement that allows HENRY to directly contact expectant mothers from 12 weeks into their pregnancy when they first link with Southend's midwifery service.

In the light of COVID-19 national guidance for pregnant women, we have developed an interactive digital hub of information for expectant parents and are supporting parents through weekly individual telephone/video-calls and online group support.



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For the year ended 31 March 2020

New development: supporting families of primary school children



In 18/19 we worked with Leeds City Council and Community NHS Trust to develop and pilot a programme for families of primary age children - *Healthy Families Growing Up*.

Over the last year we started to roll out this programme more widely, training practitioners in Leeds, Northumberland, Hull, Blackburn and Hampshire.

The programme draws on the same holistic, strengths-based and solution-focused approach to a healthy family lifestyle as our early years programme, while recognising the changing influences on children as they grow older.

Developing a teenage intervention

An objective of our new 5-year strategy is to expand into work with teenagers using a test and learn approach. This year, in partnership with the University of Hertfordshire, we appointed a PhD associate to develop and test a new teenage intervention. The project will:

- ✓ Undertake a literature review and consultation with young people to determine needs, barriers, effective interventions, attitudes to health and lifestyle and implementation considerations
- ✓ Develop and pilot the intervention, working closely with other HENRY staff
- ✓ Evaluate the intervention prior to wider roll out

Digital

Expanding our digital offer is also a key part of our 5-year strategy to increase reach and ensure all parents are able to access evidence-based support irrespective of where they live. This year we focused on the development of a new interactive digital hub for parents and collaborating with partners to establish the Early Years Digital Partnership, with the aim of creating a 'one-stop' source of information and support for parents of babies and young children.

The coronavirus outbreak has accelerated our plans for digitalisation; at the end of the year we embarked on an extensive programme of adapting all our practitioner training and family support activities for online as well as COVID-secure face-to-face delivery.

Workforce development

Our range of brief HENRY training courses equipped health and early years practitioners with the knowledge, skills and confidence to support a healthy start for babies and young children both in the family and in childcare settings. We trained a total of 1,468 practitioners in England and the Channel Islands over the last year, maintaining the high level of workforce development activity of the previous year. The breadth of training we provide to the health and early years workforce continued to grow and now includes:

- Core training in the HENRY approach to working in partnership with parents to create the conditions for a healthy start in life for babies and young children
- Group facilitation training to prepare practitioners who have completed the Core Training to lead HENRY *Healthy Families* programmes for groups of parents
- Refresher training to refresh skills and rebuild confidence for group facilitators who have not led a group programme for over a year
- 1-to-1 training to prepare practitioners who have completed the Core Training to deliver the HENRY *Healthy Families* 1-to-1 programme for targeted/ more vulnerable parents

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Report of the Trustees

For the year ended 31 March 2020

- *A Healthy Start in Childcare* course to equip day nursery staff and childminders with the skills, knowledge and confidence to provide healthy routines, activities, meals and snacks for babies and young children in their settings
- *Eat Better, Start Better* training to support menu planning in early years settings
- *Raising the Issue* training to enable health and early years practitioners to raise the issue of healthy weight and lifestyle in a way that builds their motivation and confidence to access further support
- Unicef Baby-Friendly training to build early years practitioners' knowledge about infant feeding best practice
- *Supporting Children's Oral Health* course to equip early years practitioners with the knowledge and practical skills to support parents to care for their children's teeth
- *Supporting Children's Speech and Language Development* course to build early years practitioners' understanding of babies' and young children's speech and language development, enabling them to create language-rich environments and activities
- *Starting Solids* training to enable health visitors to deliver the HENRY starting solids 1-to-1 session as part of their universal mandated visits

The quality of our training delivery remains extremely high; practitioner feedback shows:

- an average increase of 80% in their knowledge, skills and confidence to tackle lifestyle issues in their work with families
- 74% report improvements in their own lifestyle
- 98% report that training fully met or exceeded their expectations

At follow-up 3-6 months later, practitioner feedback shows:

- 92% would recommend the training to a colleague
- 85% were using aspects of the training in their work regularly, often or all the time
- 72% were using aspects of the training in their personal lives regularly, often or all the time

The impact of HENRY training has been really noticeable – many 'lightbulb' moments and excellent feedback from parents and professionals.

Lots of parents have been surprised at how small child-appropriate portions are and made a conscious efforts to reduce portion sizes. One parent I worked with started turning off the TV while their child was eating and found that he ate much better without the distraction. Another started limiting their child's time with the table and as a result found their morning routine was much more relaxed and they were getting to school on time.

For myself, the training made me more conscious of keeping healthy – I plan meals better and walk more.

Practitioner reflecting on the impact of HENRY training 6 months after completion

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For the year ended 31 March 2020

Volunteering

Inspired by the impact HENRY has had on their own families, many parents decide to train as a HENRY volunteer and support other local families. Over the last year trained volunteers played an increasingly important part in reaching and engaging families as well as providing culturally sensitive support. We now have 43 volunteers, including:

- 12 as Parent Champions in Bradford to organise community activities and outreach
- 31 as Healthy Start Mentors in Sheffield and Leeds

Becky [volunteer] was phenomenal. She was patient, kind, non-intrusive... I was really desperate and a bit lost after losing both my parents that year and becoming a mum myself. It was hard. No one tells you how hard being a parent is!

Doing the HENRY programme mapped the turning point for me, it helped me survive the hardest time I've ever had to face, I managed to stay functional when I could have gone into a total melt down. I tear up when I think about Becky and what she meant to us, she is a very special lady, an inspiration...

HENRY is fundamental life principles. If I could give HENRY a score out of ten, it would be TWELVE!

Leeds Mum

Organisational management

Staffing

Staff numbers have expanded to deliver and support our new contracts and projects, from an average headcount of 40 in 2018-19 to an average of 46 in 2019-20 with staff based in 8 different locations. This expansion has brought new specialist expertise into the organisation including marketing, data management, IT, midwifery, teaching (primary and secondary) and special needs. Staff retention in 19/20 was 88% – up from 75% in the previous year.

In addition to our employed staff team, 12 freelance trainers also play a crucial part in delivering HENRY services.

Over the last few years, as we have grown from a small organisation based in one location to a medium sized national charity based across the country, we have worked hard to establish high standards of staff support and communication. Each year we undertake a staff survey and have evolved our management structures, systems and communication tools in response to the learning we have gained.

The results of the 19/20 staff survey, completed by 81% staff, were better than any of the 3 previous years and point to high levels of job satisfaction and support. 100% of respondents:

- enjoy working with the people at HENRY
- would recommend HENRY as an employer
- are proud to work for HENRY
- know who to ask for information and advice in relation to their role
- rate the senior leadership team as effective or highly effective
- believe the CEO is fair and consistent and performs well in championing the cause for HENRY
- report feeling well supported during the changes resulting from the coronavirus outbreak.

HENRY

Report of the Trustees

For the year ended 31 March 2020

Organisational policies and procedures

Policies are updated in alignment with legislation and national guidance, with new policies written as required. This governance cycle is overseen by the Director of Operations as part of HENRY's ongoing risk management, with senior management involvement and sign off by the Board as appropriate.

Fundraising Policy

HENRY is committed to responsible and ethical fundraising. We avoid putting undue pressure on anyone to donate, for example we do not cold call, send direct mail, or engage in door-to-door fundraising. We are registered with the Fundraising Regulator and follow their Code of Practice for charities and fundraisers. HENRY engaged the services of two fundraising consultants in 2019-20 to assist with income generation through funding applications.

Financial Review

Financial position

At the close of 19/20 HENRY entered the uncertain times brought about by the Covid-19 pandemic in a strong financial position. Our income mix continues to be well spread as we secure new project and contract income alongside sales of training and resources.

- Annual income grew by 14% - from £1.6m in 18/19 to £1.8m in 19/20:
- Direct contracts and grant funded projects grew slightly from £1.1m to £1.2m
- Licence fee income grew by 10% to £82k from £75k
- We saw considerable growth in our Training Commissions and Resource Sales, with a combined 69% increase from £254k to £428k in the year – although as we closed the financial year we began to see an immediate drop off in this income stream arising from the pandemic
- Donations income remained stable at a level of £69k, less than 18/19 due solely to a gift in kind of £24k not repeated in 19/20

Despite increased costs in staffing linked to new projects and increased investment in IT support and marketing, we closed the year with a small surplus of £30k against a budgeted deficit of £32k. We therefore did not use any of our £75k designated fund in the year.

Our unrestricted fund has remained stable, growing slightly to £433k from £399k. This continues to provide the financial stability needed for continued pursuit of growth and to withstand the impacts of Covid-19.

We anticipate that the pandemic will mainly impact our training and resource income in 2020-21, due to the suspension of face-to-face courses and programmes. Commissioners have confirmed that contract income for direct delivery of services will be unaffected as we are able to work flexibly to support families remotely by phone and video calls, as well as expand our digital resources.

Adaptation of family programmes and practitioner training courses for online delivery from September 2020 will enable us to mitigate the reduction in training and resource income.

These actions, together with our strong financial position, will enable the Charity to withstand the impact of Covid-19 through 2021 and beyond.

HENRY

Report of the Trustees

For the year ended 31 March 2020

Reserves Policy

Our policy on reserves is reviewed annually by the Board of Trustees and has a threefold purpose to:

- cover shutdown costs in the event of closure
- mitigate periods of financial volatility and stress
- invest in strategic development and growth.

HENRY aims to retain free reserves (total reserves less restricted and designated reserves) of between 3 to 6 months' operating costs. More specifically, it is our policy to hold free reserves of no less than is required to wind up the organisation if needed, plus a buffer of 1 month's running costs to cover periods of financial stress.

Free reserves at the year-end were £433k, representing approximately 4 months' operating costs. Restricted reserves at year end were £59k, related to grant-funded projects, details of which are in note 13 to the accounts.

Investment Policy

HENRY invests surplus funds in higher interest bank accounts in order to maximise income from its cash balances. This policy is reviewed annually by the Finance Committee on behalf of the Trustees.

Strategic priorities 2020/21

The coronavirus pandemic will have a significant impact on planned work in the coming year, requiring us to revisit our goals for Year 2 of the Business Plan and align effort and resources with new identified priorities:

- To rapidly develop new ways of supporting families remotely so they are able to provide the best possible care for their children – whose health and development won't wait for life to return to normal.
- To accelerate plans for digital transformation of organisational systems, data collection and communication to ensure that staff working from home are able to work effectively - and feel well supported and included.
- To adapt HENRY programmes, practitioner training and resources for online delivery, enabling us to provide a broader and more flexible offer in the future, as well as sustainable service delivery that can continue at times when face-to-face contact is not possible.
- To respond to new income streams, diversify funding and manage our finances in order to mitigate the financial impact of the pandemic.
- To support and develop our workforce in new ways of working and technology so that staff are able to work confidently and effectively in an increasingly digitalised world, as well as maintain our high standards of safeguarding and data protection.

HENRY

Report of the Trustees

For the year ended 31 March 2020

Statement of Responsibilities of the Trustees

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

The Trustees

The Trustees, who are also directors under company law, who served during the year and up to the date of this report are listed on page 1.

Auditors

Godfrey Wilson Limited have continued in their capacity as auditors of the charitable company during the year. They have expressed their willingness to continue in that capacity.

Approved by the Trustees on 15 October 2020 and signed on their behalf by

Joanna Dyson - Chair of Trustees

Independent auditors' report

To the members of

HENRY

Opinion

We have audited the financial statements of HENRY (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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.

Independent auditors' report

To the members of

HENRY

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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

HENRY

Our 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 charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Date:

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

HENRY

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

For the year ended 31 March 2020

| | Note | Restricted £ | Unrestricted £ | 2020 Total £ | 2019 Total £ |
|---|------|----------------------|-----------------------|-------------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | | 17,845 | 51,396 | 69,241 | 94,140 |
| Charitable activities | 3 | 481,897 | 1,251,084 | 1,732,981 | 1,490,595 |
| Investments | | - | 4,138 | 4,138 | 4,274 |
| Total income | | <u>499,742</u> | <u>1,306,618</u> | <u>1,806,360</u> | <u>1,589,009</u> |
| Expenditure on: | | | | | |
| Raising funds | | - | 131,939 | 131,939 | 103,265 |
| Charitable activities | | 504,334 | 1,140,260 | 1,644,594 | 1,517,326 |
| Total expenditure | 5 | <u>504,334</u> | <u>1,272,199</u> | <u>1,776,533</u> | <u>1,620,591</u> |
| Net income / (expenditure) and net movement in funds | 6 | (4,592) | 34,419 | 29,827 | (31,582) |
| Funds at the start of the year | | <u>63,368</u> | <u>474,282</u> | <u>537,650</u> | <u>569,232</u> |
| Funds at the end of the year | | <u>58,776</u> | <u>508,701</u> | <u>567,477</u> | <u>537,650</u> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the financial statements.

HENRY

Balance sheet

As at 31 March 2020

| | Note | £ | 2020 £ | 2019 £ |
|--|------|------------------|----------------|-----------|
| Fixed assets | | | | |
| Tangible fixed assets | 8 | | 44,535 | 47,250 |
| Current assets | | | | |
| Stocks | 9 | 56,413 | | 54,351 |
| Debtors | 10 | 671,079 | | 406,450 |
| Current asset investments | | 102,748 | | 100,996 |
| Cash at bank and in hand | | 326,905 | | 468,679 |
| | | 1,157,145 | | 1,030,476 |
| Liabilities | | | | |
| Creditors: amounts falling due within 1 year | 11 | 634,203 | | 540,076 |
| Net current assets | | | | |
| | | | 522,942 | 490,400 |
| Net assets | | | | |
| | 12 | | 567,477 | 537,650 |
| Funds | | | | |
| Restricted funds | 13 | | 58,776 | 63,368 |
| Unrestricted funds: | | | | |
| Designated funds | | | 75,392 | 75,392 |
| General funds | | | 433,309 | 398,890 |
| Total funds | | | | |
| | | | 567,477 | 537,650 |

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 15 October 2020 and signed on their behalf by

Joanna Dyson - Chair of Trustees

HENRY

Statement of cash flows

For the year ended 31 March 2020

| | 2020 | 2019 |
|---|------------------|------------------|
| | £ | £ |
| Cash used in operating activities: | | |
| Net movement in funds | 29,827 | (31,582) |
| <i>Adjustments for:</i> | | |
| Depreciation charges | 6,700 | 6,986 |
| Dividends, interest and rents from investments | (4,138) | (4,274) |
| Decrease / (increase) in stock | (2,062) | 5,706 |
| Decrease / (increase) in debtors | (264,629) | (259,055) |
| Increase / (decrease) in creditors | 94,127 | 127,350 |
| Net cash provided by operating activities | (140,175) | (154,869) |
| Cash flows from investing activities: | | |
| Purchase of tangible fixed assets | (3,985) | (48,865) |
| Dividends, interest and rents from investments | 4,138 | 4,274 |
| Net cash provided by investing activities | 153 | (44,591) |
| Increase / (decrease) in cash and cash equivalents in the year | (140,022) | (199,460) |
| Cash and cash equivalents at the beginning of the year | 569,675 | 769,135 |
| Cash and cash equivalents at the end of the year | 429,653 | 569,675 |
| Analysed as: | | |
| Cash at bank and in hand | 326,905 | 468,679 |
| Current asset investments | 102,748 | 100,996 |
| | 429,653 | 569,675 |

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

HENRY

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

HENRY meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic has had a profound impact on the global economy, and has in turn affected the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position. At 31 March 2020, the charity holds unrestricted net current assets of £388,774, and designated net current assets that can be drawn down if necessary of £75,392. A combined balance of £429,653 is held in cash and current asset investments. The charity has made use of the government's Coronavirus Job Retention Scheme in the post year-end period and has received support from major funders to pivot projects to deliver them remotely. The trustees therefore consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Training commissions, licence fee income, income from the sale of resources received in advance of delivery of the goods and income from contracts is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

HENRY

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

Donated services and facilities (continued)

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis, which is an estimate of staff time:

| | 2020 | 2019 |
|-----------------------|-------|-------|
| Raising funds | 8.0% | 7.3% |
| Charitable activities | 92.0% | 92.7% |

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

| | |
|------------------------|--|
| Leasehold improvements | Straight line over remaining life of lease |
| Computer equipment | Straight line over 3 years |
| Fixtures and fittings | Straight line over 4 years |

j) Stock

Stocks are valued at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

HENRY

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

k) Debtors

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

l) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

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

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

p) Pension costs

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension costs charged to the statement of financial activities represents the contribution payable by the charitable company during the year.

q) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

r) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

HENRY

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation (as described in note 1 (i) above).

2. Prior period comparatives

| | Restricted £ | Unrestricted £ | 2019 Total £ |
|-----------------------------------|-----------------|-------------------|--------------------|
| Income from: | | | |
| Donations and legacies | 52,170 | 41,970 | 94,140 |
| Charitable activities | 353,575 | 1,137,020 | 1,490,595 |
| Investments | - | 4,274 | 4,274 |
| Total income | 405,745 | 1,183,264 | 1,589,009 |
| Expenditure on: | | | |
| Raising funds | - | 103,265 | 103,265 |
| Charitable activities | 387,433 | 1,129,893 | 1,517,326 |
| Total expenditure | 387,433 | 1,233,158 | 1,620,591 |
| Net income / (expenditure) | 18,312 | (49,894) | (31,582) |
| Transfers between funds | (6,186) | 6,186 | - |
| Net movement in funds | 12,126 | (43,708) | (31,582) |

HENRY

Notes to the financial statements

For the year ended 31 March 2020

3. Income from charitable activities

| | Restricted £ | Unrestricted £ | 2020 Total £ | 2019 Total £ |
|----------------------|-----------------|-------------------|-------------------------|--------------------|
| Grants (note 4) | 481,897 | 30,000 | 511,897 | 383,575 |
| Direct contracts | - | 709,987 | 709,987 | 778,188 |
| Training commissions | - | 295,543 | 295,543 | 160,267 |
| Sales of resources | - | 132,858 | 132,858 | 93,803 |
| Licence fees | - | 82,273 | 82,273 | 74,762 |
| Consultancy | - | 423 | 423 | - |
| | <u>481,897</u> | <u>1,251,084</u> | <u>1,732,981</u> | <u>1,490,595</u> |

All income from charitable activities in the prior period was unrestricted, bar £353,575 of grant income, which was restricted (see note 4).

4. Grants receivable

| | Restricted £ | Unrestricted £ | 2020 Total £ | 2019 Total £ |
|--|-----------------|-------------------|-----------------------|--------------------|
| Big Lottery Fund grants: | | | | |
| Reaching Communities | 85,591 | - | 85,591 | 111,229 |
| Better Start Bradford – Healthy Families project | 116,919 | - | 116,919 | 90,208 |
| Better Start Southend – Healthy Families project | 119,250 | - | 119,250 | 118,892 |
| Better Start Southend – Preparation for Parenthood | 48,387 | - | 48,387 | - |
| Better Start Bradford – Cooking for a Better Start project | 42,200 | - | 42,200 | 33,246 |
| John Ellerman Foundation | - | 30,000 | 30,000 | 30,000 |
| National Children's Bureau (LEAP) | 38,399 | - | 38,399 | - |
| Sylvia Adams Charitable Trust | 28,516 | - | 28,516 | - |
| Other | 2,635 | - | 2,635 | - |
| | <u>481,897</u> | <u>30,000</u> | <u>511,897</u> | <u>383,575</u> |

All grants receivable in the prior period were restricted, except for the John Ellerman grant, repeated this year, which was unrestricted.

HENRY

Notes to the financial statements

For the year ended 31 March 2020

5. Expenditure

| | Raising funds £ | Charitable activities £ | Support and governance costs £ | Total 2020 £ |
|--|--------------------|-------------------------------|--------------------------------------|------------------|
| Cost of resources | - | 54,478 | - | 54,478 |
| Freelance trainer costs | - | 115,020 | - | 115,020 |
| Development costs | - | 2,065 | - | 2,065 |
| Delivery costs | - | 112,589 | - | 112,589 |
| Governance costs | - | - | 1,766 | 1,766 |
| Staff costs (note 7) | 91,664 | 1,059,914 | 190,691 | 1,342,269 |
| Other staff costs | 760 | - | 17,036 | 17,796 |
| Premises costs | - | - | 38,026 | 38,026 |
| Marketing costs | 13,524 | - | 10,194 | 23,718 |
| Audit and accountancy | - | - | 6,500 | 6,500 |
| Business costs | - | - | 4,650 | 4,650 |
| IT and communications | - | - | 28,454 | 28,454 |
| Office costs | - | - | 15,895 | 15,895 |
| Depreciation | - | - | 6,700 | 6,700 |
| Irrecoverable VAT | - | - | 6,607 | 6,607 |
| Sub-total | 105,948 | 1,344,066 | 326,519 | 1,776,533 |
| Allocation of support and governance costs | 25,991 | 300,528 | (326,519) | - |
| Total expenditure | 131,939 | 1,644,594 | - | 1,776,533 |

Total governance costs are £8,266 (2019: £7,754).

HENRY

Notes to the financial statements

For the year ended 31 March 2020

5. Expenditure - prior period comparative

| | Raising funds | Charitable activities | Support and governance costs | Total 2019 |
|--|----------------|-----------------------|------------------------------|------------------|
| | £ | £ | £ | £ |
| Cost of resources | - | 45,679 | - | 45,679 |
| Freelance trainer costs | - | 88,664 | - | 88,664 |
| Development costs | 3,783 | 9,413 | - | 13,196 |
| Delivery costs | - | 105,499 | - | 105,499 |
| Governance costs | - | - | 1,454 | 1,454 |
| Staff costs (note 7) | 72,027 | 912,828 | 209,167 | 1,194,022 |
| Other staff costs | 1,326 | - | 13,948 | 15,274 |
| Premises costs | - | - | 56,090 | 56,090 |
| Marketing costs | - | 24,092 | 16,133 | 40,225 |
| Audit and accountancy | - | - | 6,300 | 6,300 |
| Business costs | - | - | 5,946 | 5,946 |
| IT and communications | - | - | 20,043 | 20,043 |
| Office costs | - | - | 11,913 | 11,913 |
| Depreciation | - | - | 6,986 | 6,986 |
| Irrecoverable VAT | - | - | 9,300 | 9,300 |
| Sub-total | 77,136 | 1,186,175 | 357,280 | 1,620,591 |
| Allocation of support and governance costs | 26,129 | 331,151 | (357,280) | - |
| Total expenditure | 103,265 | 1,517,326 | - | 1,620,591 |

HENRY

Notes to the financial statements

For the year ended 31 March 2020

6. Net movement in funds

This is stated after charging:

| | 2020 | 2019 |
|--------------------------------|--------------|-------|
| | £ | £ |
| Depreciation | 6,700 | 6,986 |
| Trustees' remuneration | Nil | Nil |
| Trustees' reimbursed expenses | 407 | 729 |
| Auditors' remuneration: | | |
| ▪ Statutory audit | 6,500 | 6,300 |
| ▪ Other services (consultancy) | 626 | - |
| | 6,500 | 6,300 |
| | 626 | - |

During the year 5 trustees (2019: 3 trustees) were reimbursed for travel costs relating to attendance at board meetings.

7. Staff costs and numbers

Staff costs were as follows:

| | 2020 | 2019 |
|-----------------------|------------------|-----------|
| | £ | £ |
| Salaries and wages | 1,139,825 | 1,021,185 |
| Social security costs | 96,815 | 89,201 |
| Pension contributions | 105,629 | 83,636 |
| | 1,342,269 | 1,194,022 |

The key management personnel of the charity comprise the trustees, the chief executive and senior management team. The total employee benefits received by the key management personnel of the charity were £319,837 (2019: £255,699, restated).

One employee earned between £60,000 and £70,000 during the year (2019: one). The average head count during the reporting period was 50 (2019: 46).

HENRY

Notes to the financial statements

For the year ended 31 March 2020

8. Tangible fixed assets

| | Fixtures and fittings £ | Leasehold improvements £ | Computer equipment £ | Total £ |
|-------------------------|----------------------------|-----------------------------|-------------------------|----------------------|
| Cost | | | | |
| At 1 April 2019 | 5,147 | 43,718 | 3,115 | 51,980 |
| Additions | <u>108</u> | <u>800</u> | <u>3,077</u> | <u>3,985</u> |
| At 31 March 2020 | <u>5,255</u> | <u>44,518</u> | <u>6,192</u> | <u>55,965</u> |
| Depreciation | | | | |
| At 1 April 2019 | 514 | 1,101 | 3,115 | 4,730 |
| Charge for the year | <u>1,312</u> | <u>4,703</u> | <u>685</u> | <u>6,700</u> |
| At 31 March 2020 | <u>1,826</u> | <u>5,804</u> | <u>3,800</u> | <u>11,430</u> |
| Net book value | | | | |
| At 31 March 2020 | <u>3,429</u> | <u>38,714</u> | <u>2,392</u> | <u>44,535</u> |
| At 31 March 2019 | <u>4,633</u> | <u>42,617</u> | <u>-</u> | <u>47,250</u> |

9. Stock

| | 2020 £ | 2019 £ |
|----------------|----------------------|---------------|
| Finished goods | <u>56,413</u> | <u>54,351</u> |

10. Debtors

| | 2020 £ | 2019 £ |
|----------------|-----------------------|----------------|
| Trade debtors | 507,249 | 312,114 |
| Prepayments | 33,343 | 24,785 |
| Accrued income | <u>130,487</u> | <u>69,551</u> |
| | <u>671,079</u> | <u>406,450</u> |

HENRY

Notes to the financial statements

For the year ended 31 March 2020

11. Creditors: amounts due within 1 year

| | 2020 | 2019 |
|--------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 73,153 | 46,058 |
| PAYE and social security | 31,663 | 25,009 |
| VAT | 62,044 | 42,763 |
| Accruals | 48,190 | 41,099 |
| Deferred income | 417,399 | 381,289 |
| Other creditors | 1,754 | 3,858 |
| | <u>634,203</u> | <u>540,076</u> |

Movements in deferred income consist of:

| | | |
|--------------------------------|----------------|----------------|
| Balance brought forward | 381,289 | 212,990 |
| Amounts released in the period | (381,289) | (212,990) |
| Amounts deferred in the period | <u>417,399</u> | <u>381,289</u> |
| Balance carried forward | <u>417,399</u> | <u>381,289</u> |

HENRY provides training, resources and other services under contracts. Where these are paid for in advance, the income is deferred to future periods in line with the stage of completion of the contract.

12. Analysis of net assets between funds

| | Restricted funds £ | Designated funds £ | General funds £ | Total funds £ |
|------------------------------------|--------------------------|--------------------------|-----------------------|-----------------------|
| Tangible fixed assets | - | - | 44,535 | 44,535 |
| Net current assets | <u>58,776</u> | <u>75,392</u> | <u>388,774</u> | <u>522,942</u> |
| Net assets at 31 March 2020 | <u>58,776</u> | <u>75,392</u> | <u>433,309</u> | <u>567,477</u> |

Prior period comparative

| | Restricted funds £ | Designated funds £ | General funds £ | Total funds £ |
|-----------------------------|--------------------------|--------------------------|-----------------------|---------------------|
| Tangible fixed assets | - | - | 47,250 | 47,250 |
| Net current assets | <u>63,368</u> | <u>75,392</u> | <u>351,640</u> | <u>490,400</u> |
| Net assets at 31 March 2019 | <u>63,368</u> | <u>75,392</u> | <u>398,890</u> | <u>537,650</u> |

HENRY

Notes to the financial statements

For the year ended 31 March 2020

13. Movements in funds

| | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers between funds £ | At 31 March 2020 £ |
|---|-------------------------|------------------|--------------------|------------------------------------|-----------------------------|
| Restricted funds: | | | | | |
| <i>Big Lottery Fund:</i> | | | | | |
| Reaching Communities | 26,156 | 85,591 | (106,795) | - | 4,952 |
| Better Start Bradford – Healthy Families project | 2,413 | 116,919 | (119,332) | - | - |
| Better Start Southend – Healthy Families project | 4,807 | 119,250 | (103,346) | - | 20,711 |
| Better Start Southend – Preparation for Parenthood | - | 48,387 | (48,387) | - | - |
| Better Start Bradford – Cooking for a Better Start project | 424 | 42,200 | (42,624) | - | - |
| <i>Other funders:</i> | | | | | |
| Lambeth Early Action Partnership | - | 38,399 | (38,399) | - | - |
| A Healthy Start in Oxfordshire | 4,568 | 8,845 | (13,413) | - | - |
| Regional funding | - | 9,000 | (9,000) | - | - |
| HENRY research hub | 25,000 | - | (20,403) | - | 4,597 |
| Sylvia Adams Charitable Trust | - | 28,516 | - | - | 28,516 |
| Other projects | - | 2,635 | (2,635) | - | - |
| Total restricted funds | 63,368 | 499,742 | (504,334) | - | 58,776 |
| Unrestricted funds: | | | | | |
| <i>Designated funds:</i> | | | | | |
| Marketing | 42,992 | - | - | - | 42,992 |
| Service development | 27,400 | - | - | - | 27,400 |
| Premises | 5,000 | - | - | - | 5,000 |
| Total designated funds | 75,392 | - | - | - | 75,392 |
| General funds | 398,890 | 1,306,618 | (1,272,199) | - | 433,309 |
| Total unrestricted funds | 474,282 | 1,306,618 | (1,272,199) | - | 508,701 |
| Total funds | 537,650 | 1,806,360 | (1,776,533) | - | 567,477 |

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Notes to the financial statements

For the year ended 31 March 2020

13. Movements in funds (continued)

Purposes of restricted funds

Reaching Communities

The Big Lottery Reaching Communities Fund is for the A Healthy Start project, a project which supports volunteers interested in acting as peer-supporters in their community (in Leeds, Sheffield and Telford) to help families with young children develop a healthier, happier family lifestyle.

Better Start Bradford – Healthy Families project

The Fulfilling Lives: A Better Start fund is a lottery initiative to provide a good start in life for young children. HENRY receives funding from Bradford Trident (lottery grant recipient) to support this initiative through HENRY training, programmes, volunteering and resources.

Better Start Southend – Healthy Families project

The Fulfilling Lives: A Better Start fund is a lottery initiative to provide a good start in life for young children. HENRY receives funding from the Pre-School Learning Alliance (lottery grant recipient) to support this initiative through HENRY training, programmes, volunteering and resources.

Better Start Southend – Preparation for Parenthood project

A Better Start fund is a lottery initiative to provide a good start in life for young children. HENRY receives funding from the Pre-School Learning Alliance (lottery grant recipient) to support this initiative for expectant parents as they approach the birth of their baby through HENRY programmes, face to face and online support, and resources.

Better Start Bradford – Cooking for a Better Start project

The Fulfilling Lives: A Better Start fund is a lottery initiative to provide a good start in life for young children. HENRY receives funding from Bradford Trident (lottery grant recipient) to support this initiative through delivery of a new 6-week cooking programme.

Lambeth Early Action Partnership

LEAP is a lottery initiative to provide a good start in life for children. HENRY receives funding from National Children's Bureau (lottery grant recipient) to support this initiative for families through HENRY training, programmes and resources.

A Healthy Start in Oxfordshire

HENRY seeks grant funding, corporate support, and other donations from multiple sources to fund the delivery of HENRY Healthy Families programmes (group and 1-to-1) in deprived areas of Oxfordshire. HENRY receives several small contributions (ranging from a few hundred to a few thousand pounds) to support this work.

Regional funding

Income and expenditure associated with smaller regional projects and charitable activities funded through donations and grants from multiple sources.

HENRY research hub

Funding to develop HENRY's research and evaluation activities.

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Notes to the financial statements

For the year ended 31 March 2020

13. Movements in funds (continued)

Sylvia Adams Charitable Trust

Funding to support HENRY's work on introducing solid foods.

Other projects

HENRY received funding from the local branch of Action for Children in Bradford to broaden the reach of support to families by providing HENRY programmes in Hungarian and Polish.

Purposes of designated funds

In May 2018 the trustees set aside £134,000 to invest in elements of our new 3 year strategic plan. Chiefly, investments in marketing, office infrastructure (as part of our move to new national office premises in December 2018) and in developing new training courses and family interventions. We entered 2019-20 with £75,392 remaining in our designated fund. Performance in the year meant that we did not require further use of designated funds and thus carry over this balance into 2020-21.

| | At 1 April 2018 £ | Income £ | Expenditure £ | Transfers between funds £ | At 31 March 2019 £ |
|--|-------------------------|------------------|--------------------|------------------------------------|-----------------------------|
| Prior period comparative | | | | | |
| Restricted funds: | | | | | |
| <i>Big Lottery Fund:</i> | | | | | |
| Reaching Communities | 29,361 | 111,229 | (114,434) | - | 26,156 |
| Better Start Bradford – Healthy Families project | 414 | 90,208 | (88,209) | - | 2,413 |
| Better Start Southend – Healthy Families project | 7,361 | 118,892 | (115,126) | (6,320) | 4,807 |
| Better Start Southend – Preparation for Parenthood | 1,606 | 33,246 | (34,428) | - | 424 |
| <i>Other funders:</i> | | | | | |
| A Healthy Start in Oxfordshire | 12,500 | 15,170 | (23,236) | 134 | 4,568 |
| Regional funding | - | 12,000 | (12,000) | - | - |
| HENRY research hub | - | 25,000 | - | - | 25,000 |
| Total restricted funds | 51,242 | 405,745 | (387,433) | (6,186) | 63,368 |
| Unrestricted funds: | | | | | |
| <i>Designated funds:</i> | | | | | |
| Marketing | - | - | (11,008) | 54,000 | 42,992 |
| Service development | - | - | (2,600) | 30,000 | 27,400 |
| Premises | - | - | (45,000) | 50,000 | 5,000 |
| Total designated funds | - | - | (58,608) | 134,000 | 75,392 |
| General funds | 517,990 | 1,183,264 | (1,174,550) | (127,814) | 398,890 |
| Total unrestricted funds | 517,990 | 1,183,264 | (1,233,158) | 6,186 | 474,282 |
| Total funds | 569,232 | 1,589,009 | (1,620,591) | - | 537,650 |

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Notes to the financial statements

For the year ended 31 March 2020

14. Operating leases

The charity had operating leases at the year end with total future minimum lease payments as follows:

| | Land and buildings | | Office equipment | |
|---------------------|--------------------|--------|------------------|-------|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Amount falling due: | | | | |
| Within 1 year | 28,750 | 25,000 | 716 | 716 |
| Within 2 - 5 years | 37,500 | 66,250 | 2,088 | 2,804 |

15. Related party transactions

There were no related party transactions in the current or prior year.