

Registration Number: 03709549
Charity number : 1075104

FATHERS DIRECT

Directors' and Trustees' Report and Financial Statements

for the year ended 31 March 2006

FATHERS DIRECT

Company Information

Directors and Trustees	Sir R Salisbury	Resigned on 29th April 2005
	R Stein	"
	E Ferri	"
	Dame Julie Mellor	Appointed on 29th April 2005
	Carolyn Unsted	"
	Ben Rose	"
	Prof Michael E Lamb	"
	Dr Bronwen Cohen OBE	"
	Melvyn Davis	"
	Lisa Harker	"
	Duncan Fisher	
Secretary	Duncan Fisher	
Company Number	03709549	
Registered Office	Herald House Lamb's Passage Bunhill Row London EC1Y 8TQ	
Auditors	Elliott Bunker 3-8 Redcliffe Parade West Bristol BS1 6SP	
Bankers	The Co-operative Bank Plc P O Box 250 Delf House Southway Skelmersdale, WN8 6WT	
Registered charity	1075104	

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Directors' Report for the year ended 31 March 2006

The directors and trustees present their report and the financial statements for the year ended 31 March 2006.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association.

Principal Activity

The principal activity of the company is to promote the welfare of children in families.

Directors and trustees and their Interests

The directors and trustees who served during the year are as stated below:

Sir R Salisbury	Resigned on 29th April 2005
R Stein	"
E Ferri	"
Dame Julie Mellor	Appointed on 29th April 2005
Carolyn Unsted	"
Ben Rose	"
Prof Michael E Lamb	"
Dr Bronwen Cohen OBE	"
Melvyn Davis	"
Lisa Harker	"
Duncan Fisher	

The charitable company has no share capital as it is limited by guarantee.

Activities

The company is a charity with the following objects:

- to promote the protection and preservation of mental health amongst parents, in particular fathers;
- to promote the good health of children, both mental and physical, through enhancing understanding of the role of fathers in fulfilling the developmental and emotional needs of children, and by promoting the acquisition by fathers of specific skills and knowledge that foster competent and nurturant parenting;
- to advance public education in and promote research into the psychological, social, economic or other influences on parents, in particular fathers, and to publish useful results of such research;
- to assist in relieving fathers in families from mental distress or emotional difficulties, and in educating professional workers and volunteers on appropriate forms of advice and support for fathers.

Report on activities and future plans

The activities in this financial year were

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Directors' Report for the year ended 31 March 2006

- assisting child and family support services to work with fathers - networking, conferences, training, consultancy, briefings, FatherWork magazine, photopacks and posters, developing national standards (the Fatherhood Quality Mark), partnerships with lead children's organisations in Scotland and Wales, specialist work with Muslim families, African-Caribbean families and families with drug and alcohol problems
- hosting a national conference on working with fathers, London, 6 April 2005, 950 delegates
- advising Government on policy relating to child welfare and gender equality; areas included child protection, domestic violence, education, health, family/child services, work/life balance, mental health, benefits
- producing materials for fathers, the DAD Pack and the www.dad.info website
- producing resources for midwives and midwifery training
- commissioning research on the needs of non-resident parents
- raising public awareness, including encouraging a new debate about fatherhood jointly with gender equality and women's organisations.

Financial Results

The gross incoming resources for the year amounted to £704,092 of which £505,250 had to be used on restricted projects. General reserves were increased to £65,271.

Reserves Policy

The unrestricted reserves at the Balance Sheet date amounted to £65,271.

The charity is not currently in a position to have an investment policy.

Risk Review

Procedures are in place for risk management which were developed in 2002. The plan has been to diversify income over a three year period, tapping into more corporate sponsorship and commercial income, and away from dependence on the original funders of the charity (Government and a small number of foundations). Internally, financial risks are managed by the authorisation of a Trustee of every payment. Detailed activity and financial reports are submitted to funders in relation to every grant and donation. Procedures are reviewed annually to ensure that they still meet the needs of the charity.

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Directors' Report for the year ended 31 March 2006

Directors' and Trustees' Responsibilities

Company law requires the directors and trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors and trustees' are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors and trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees

Trustees, who are directors for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2006 was 6.

Auditors

Elliott Bunker were reappointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 22 November 2006 and signed on its behalf by

Dame Julie Mellor
Trustee

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Auditors' Report to the Trustees of FATHERS DIRECT

We have audited the financial statements on pages 6 to 14. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' and Trustees' Responsibilities the company's directors and trustees are responsible for the preparation of financial statements in accordance with the applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' and Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' and Trustees' Report and consider the implications for our report if we become aware of any apparent misstatement in it.

Basis of opinion

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

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Auditors' Report to the Trustees of FATHERS DIRECT

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2006 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Elliott Bunker

**Chartered Accountants and
Registered Auditors**

**3-8 Redcliffe Parade West
Bristol
BS1 6SP**

29 November 2006

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Profit and Loss Account for the year ended 31 March 2006

		2006	2005
	Notes	£	£
Turnover	2	703,382	556,761
Net operating expenses			
Charitable activities		649,658	529,864
Governance costs		7,491	5,512
Operating surplus	3	<u>46,233</u>	<u>21,385</u>
Surplus on ordinary activities before interest		46,233	21,385
Investment income	6	<u>710</u>	<u>672</u>
Surplus on ordinary activities		<u>46,943</u>	<u>22,057</u>
		<u> </u>	<u> </u>

Movements in reserves are shown in the notes to the financial statements..

None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 9 to 14 form an integral part of these financial statements.

FATHERS DIRECT

Balance Sheet as at 31 March 2006

	Notes	2006		2005	
		£	£	£	£
Fixed Assets					
Tangible assets	10		-		725
Current Assets					
Debtors	11	49,468		116,250	
Cash at bank and in hand		144,525		33,565	
		<u>193,993</u>		<u>149,815</u>	
Creditors: amounts falling due within one year	12	(96,287)		(89,777)	
Net Current Assets			<u>97,706</u>		<u>60,038</u>
Total Assets Less Current Liabilities			97,706		60,763
Creditors: amounts falling due after more than one year	13		(20,000)		(30,000)
Net Assets			<u>77,706</u>		<u>30,763</u>
Capital and Reserves					
Unrestricted funds	15		65,271		(55,918)
Restricted funds	16		12,435		86,681
			<u>77,706</u>		<u>30,763</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

Dame Julie Mellor
Director and Trustee

22 November 2006

The notes on pages 9 to 14 form an integral part of these financial statements.

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Statement of financial activities

For the year ended 31 March 2006

	Unrestricted funds	Restricted funds	2006 Total	2005 Total
Notes	£	£	£	£
Incoming resources				
<u>Incoming resources from generated funds</u>				
Voluntary income	53,884	-	53,884	35,500
Investment income	710	-	710	672
<u>Incoming resources from charitable activities</u>	144,248	505,250	649,498	521,261
Total incoming resources	<u>198,842</u>	<u>505,250</u>	<u>704,092</u>	<u>557,433</u>
 Resources expended				
<u>Charitable Activities</u>	18	156,843	492,815	649,658
<u>Governance costs</u>	18	7,491	-	7,491
Total resources expended		<u>164,334</u>	<u>492,815</u>	<u>657,149</u>
Net incoming/outgoing resources before transfers		34,508	12,435	46,943
Transfers between funds		86,681	(86,681)	-
Total funds brought forward		(55,918)	86,681	30,763
Total funds carried forward		<u>65,271</u>	<u>12,435</u>	<u>77,706</u>

The notes on pages 9 to 14 form an integral part of these financial statements.

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Notes to the Financial Statements for the year ended 31 March 2006

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1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention .

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2. Restricted Funds

Incoming resources in the form of grants and project income are treated as restricted on the basis that they have been received for specified purposes as laid down by the donor. Expenditure that meets these criteria is identified to the fund, together with a fair allocation of salaries and overhead costs. Where projects are substantially funded from restricted income, any surplus funding will be carried forward as a restricted fund.

1.3. Grants

Where grants are awarded to cover a number of years they are recognised in the year of receipt and any balance carried forward at the year end to fund future years activities will be treated as restricted if appropriate.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	-	25% straight line
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1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

In the opinion of the directors none of the turnover of the company is attributable to geographical markets outside the UK (2005 NIL).

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Notes to the Financial Statements for the year ended 31 March 2006

..... continued

3. Operating surplus			2006	2005
			£	£
Operating loss is stated after charging:				
Depreciation and other amounts written off tangible assets			726	1,003
Auditors' remuneration			2,650	2,375
			726	1,003
			2,650	2,375
4. Grants receivable	Unrestricted	Restricted	2006	2005
	funds	funds	£	£
	£	£	£	£
Department for Education & Skills:				
- Parenting Fund	-	204,800	204,800	102,400
- grant for DAD	-	120,000	120,000	-
- Strengthening Families	-	70,000	70,000	-
- Family Support Grant	-	-	-	53,750
- core	11,250	-	11,250	-
- Parental Involvement in Schools	-	-	-	10,330
Education Unit				
- Section 64	-	30,000	30,000	35,700
Tudor Trust	-	30,000	30,000	40,000
Big Lottery Fund	-	45,450	45,450	-
Baring Foundation	13,200	-	13,200	-
Bernard van Leer Foundation	-	-	-	11,619
Lloyds TSB Foundation	25,000	-	25,000	-
Community Development Fund	-	5,000	5,000	-
Children in Wales	2,650	-	2,650	2,650
Children in Scotland	1,000	-	1,000	1,000
Barrow Cadbury Trust	-	-	-	5,000
Charities Aid Foundation	-	-	-	25,000
British Telecom	20,000	-	20,000	10,000
Other Grants	740	-	740	500
	73,840	505,250	579,090	297,949
5. Directors			2006	2005
			£	£
Directors remuneration			44,649	43,855
			44,649	43,855

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Notes to the Financial Statements for the year ended 31 March 2006

6. Interest receivable and similar income	2006	2005
	£	£
Bank interest	710	672
	<u> </u>	<u> </u>

7. Sponsorship income

There was no in-kind support in the year.

8. Pension costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £9,290 (2005 - £9,163).

9. Taxation

The company is a registered charity (no. 1075104) and has no liability for taxation.

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**Notes to the Financial Statements
for the year ended 31 March 2006**

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10. Tangible fixed assets

	Fixtures, fittings equipment	Total
	£	£
Cost		
At 1 April 2005		
At 31 March 2006	19,080	19,080
Depreciation		
At 1 April 2005	18,355	18,355
Charge for the year	725	725
At 31 March 2006	19,080	19,080
Net book values		
At 31 March 2006	-	-
At 31 March 2005	725	725

11. Debtors

	2006	2005
	£	£
Sundry trade debtors	38,266	103,557
Other debtors	6,512	4,750
Prepayments	4,690	7,943
	49,468	116,250

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**Notes to the Financial Statements
for the year ended 31 March 2006**

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12. Creditors: amounts falling due within one year	2006 £	2005 £
Venturesome loan	10,000	10,000
Trade creditors	63,939	25,610
Other taxes and social security costs	6,274	19,078
Other creditors	-	9,347
Accruals and other creditors	16,074	25,742
	<u>96,287</u>	<u>89,777</u>
13. Creditors: amounts falling due after more than one year	2006 £	2005 £
CAF Loan	20,000	30,000
	<u>20,000</u>	<u>30,000</u>
14. Staff note	2006 £	2005 £
Wages and salaries	187,248	186,605
Social security costs	21,192	15,787
Other pension costs	9,290	9,163
	<u>217,730</u>	<u>211,555</u>
Average number of employees:		
General staff	<u>5</u>	<u>5</u>

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Notes to the Financial Statements for the year ended 31 March 2006

..... continued

15. Unrestricted reserves

	2006 £	2005 £
At 1 April 2005	(55,918)	8,706
Surplus/(Deficit) for year	34,508	(64,624)
Transfer from restricted funds	86,681	-
At 31 March 2006	65,271	(55,918)

16. Restricted funds

	1 April 2005 £	Incoming £	Outgoing £	Transfers £	31 March 2006 £
Restricted Funds - other	86,681	385,250	(372,815)	(86,681)	12,435
DfES Grant for DAD	-	120,000	(120,000)	-	-
	86,681	505,250	492,815	86,681	12,435

The grant from DfES for DAD was claimed and used in compliance with the terms and conditions as set out in the grant letter from DfES. The grant was used for the purposes of creating the DAD website, email information service and DAD cards ready for launch in 2006. The grant was used for the items specified in the contract, staff time, overheads and website/database construction.

17. Controlling interest

There is no ultimate controlling party as the company is limited by guarantee. In the event of a winding up each trustee is limited to pay £1 each. At 31 March 2006 the number of trustees was six.

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**Detailed Trading Profit and Loss Account
and Expenses Schedule
for the year ended 31 March 2006**

	2006		2005	
	£	£	£	£
18.	Charitable Activities and Governance Costs			
	2006		2005	
	£		£	
Charitable Activities				
Project expenses	183,087		41,893	
Conference costs	65,405		83,965	
Salaries and wages	217,730		211,555	
Rent and rates	6,122		5,584	
Training	18,081		21,148	
Administration	100,637		66,838	
Research and publication costs	10,928		27,230	
Web hosting	350		911	
Travelling	25,551		15,117	
Sundry expenses	6,452		2,885	
Accountants' fees	12,589		8,021	
Consultancy fees	2,000		4,250	
Fundraising & Publicity	-		39,464	
Depreciation	726		1,003	
	<u>649,658</u>		<u>529,864</u>	
Governance Costs				
Insurances	1,647		926	
Legal and professional	-		500	
Auditors' remuneration	2,650		2,375	
Bank charges and interest	519		1,130	
Loan interest	2,100		999	
VAT	575		(418)	
	<u>7,491</u>		<u>5,512</u>	