

**Early Intervention Foundation**  
(A Charitable Company Limited by Guarantee)

**Annual Report and Financial Statements**

**For the Year Ended 31 March 2020**

**Company Number: 08066785**  
**Charity Registered in England and Wales Number: 1152605**



**Early Intervention Foundation**  
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For the Year Ended 31 March 2020

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**Early Intervention Foundation**  
Reference and Administrative Details  
For the Year Ended 31 March 2020

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<b>Trustees and Directors</b>	Dame O C Tickell DBE – Chair (Resigned 28 February 2020) Prof N Pearce – Chair (Appointed 1 April 2020) M G Pilgrim – Treasurer R Auladin OBE (Appointed 22 July 2019) K Beaver (Appointed 22 July 2019) S Burlington (Appointed 22 July 2019) C A Davies CBE J Hayman (Resigned 1 November 2019) S Kemp (Appointed 31 October 2019) B C L Lucas Prof P Ramchandani (Appointed 28 February 2020) J L Roney OBE (Appointed 31 October 2019) H M Rhodes OBE (Resigned 1 November 2019) R P Shorthouse R J Shostak CBE (Resigned 23 May 2019) D Simmonds CBE (Resigned 23 May 2019)
<b>Chief Executive</b>	Dr J Casebourne
<b>Company Secretary</b>	C E Razzell
<b>Principal Office and Registered Office</b>	10 Salamanca Place London SE1 7HB
<b>Company registration number</b>	08066785
<b>Country of Incorporation</b>	United Kingdom
<b>Charity registration number</b>	1152605
<b>Country of Registration</b>	England and Wales
<b>Bankers</b>	HSBC Bank plc Canary Wharf Commercial Centre Level 33, 8 Canada Square London E14 5HQ  Nationwide Building Society Nationwide House Pipers Way Swindon SN3 1TX
<b>Lawyers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE

**Early Intervention Foundation**  
Reference and Administrative Details  
For the Year Ended 31 March 2020

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**Accountants**

Albert Goodman LLP  
Mary Street House  
Taunton  
Somerset  
TA1 3NW

**Auditors**

Sayer Vincent  
Invicta House  
108-114 Golden Lane  
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The Trustees, who are also the directors of the charity for the purposes of company law, present their report with the financial statements of the charity for the year ended 31 March 2020. In preparing the financial statements, the Trustees have applied 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'. The charity operates under the working name of 'EIF'. The report meets the requirements of a directors' report as required by company law.

## **Objectives and Activities**

2019/20 was the second year of EIF's five-year strategy. It was another year of growth for EIF, with a turnover of £2,894,572 compared to £1,645,495 in 2018/19. This was largely driven by an increase in our cross-government grant and being successful in our partnership bid to run the Youth Endowment Fund (YEF).

The strategy (which was published in the summer of 2018) sets out EIF's vision: that all children are able to achieve their full potential, and our mission: to ensure that effective early intervention is available and is used to improve the lives of children and young people at risk of poor outcomes. The strategy also sets out how we work to achieve our mission, through:

1. engaging our audiences
2. making the case for early intervention
3. generating evidence on what is effective early intervention and what is not
4. using this evidence to change policy and practice.

This is supported by our work on communications, funding, partnerships, and impact.

In 2019/20 the charity did not itself make grants, but was a partner in YEF, which awarded grants to interventions and community partnerships working with children at risk of being drawn into crime and violence. EIF partnered with Impetus and the Social Investment Business (SIB) in order to deliver YEF activity. EIF did not itself make use of social investment or have volunteers during the year.

## Engaging our Audiences

The strategy outlines the different audiences that EIF has. Political leaders, policymakers, sector bodies, funders and charities at the national level who set the rules of the game - they determine the extent to which early intervention is prioritised and invested in across the country as a whole. At the local level, politicians and senior leaders can set a vision and strategy which mobilises the local partnership around the concept of early intervention, whilst commissioners and service managers can invest in and commission early intervention. Through influencing these national and local audiences, EIF aims to shift the actions and decisions of practitioners working at the frontline.

Each project in our work programme for 2019/20 set out a specific audience, or set of audiences, that EIF engaged with. In addition to this individual project-level engagement with our audiences, we also had a 'stakeholder engagement' project, to enable us to undertake a structured programme of wider stakeholder engagement in order to put the needs and interests of our audiences at the centre of our work programme. Relationships with government, academics, the voluntary sector and early intervention providers are all vital to the evolution of our work, ensuring that it is directly relevant to the needs of the early intervention sector, as well as creating the foundations for the effective dissemination of our work.

### Making the Case

Our strategy set out the need to re-make the case for early intervention. Building on our 'Realising the Potential of Early Intervention' report published in 2018, in 2019/20 our policy and public affairs work to make the case for early intervention focused on influencing - working with politicians, policy-makers, opinion leaders (including charities) and key local audiences to persuade them to invest in and prioritise early intervention, through key national policy and spending decisions and by influence local decision-making. In particular:

1. ensuring that EIF evidence informs key national policy decisions, including those specifically relating to the Spending Review (through work with Cabinet Office, HM Treasury, our funding departments, and the Home Office)
2. laying the foundations for establishing relationships with a small set of influential parliamentary champions for early intervention, through work to establish relationships with a small set of parliamentarians
3. increasing understanding of the evidence for effective early intervention among local politicians and system leaders.

### Generating Evidence

Over the five years of our strategy our evidence generation work will include:

- evidence on identifying risk
- evidence on how to effectively assess need
- evidenced-based programmes
- evidence on effective workforce practice
- evidence on how to create effective local conditions and systems to support early intervention.

The work programme in 2019/20 addressed several of these areas. It saw us moving from synthesising evidence to being able to generate it through commissioning evaluations within the Youth Endowment Fund (YEF), we started user-testing on EIF's Guidebook, we built on our work to improve evaluation, we did a literature review of measurement tools as part of our work on reducing parental conflict, we conducting data analysis for work in Australia on spending on later intervention, and we conducted a major evidence review on adverse childhood experiences (ACEs).

### Using Evidence to Change Policy and Practice

The strategy set out a number of mechanisms that we use to disseminate our evidence and to get it adopted in both policy and practice: (1) working with policy-makers; (2) working with sector and workforce bodies and large charities; (3) running networks; and (4) working directly with local places. All of these mechanisms featured in our work in 2019/20. In 2019/20 we shifted the work programme towards getting evidence used to change policy and practice, building on the many evidence products produced in 2018/19, and delivered a range of projects designed to support evidence use at both local and national level. We continued our work on reducing parental conflict and supporting children's speech and language development. We did major work with five local areas on their local early years systems as part of our Early Years Transformation Academy (EYTA), and published guidance for primary schools with the Education Endowment Fund (EEF) to support the development of children's social, emotional and behavioural skills. We began new work scoping what evidence is needed to support the prevention of domestic violence, and completed work for the Battersea Power Station Foundation looking at early intervention to reduce the risk of gang and youth violence among vulnerable children in two south London boroughs.

### Communications

EIF communications in 2019/20 focused on expanding the capacity and impact of the team and developing formats and channels for EIF outputs and comms activities. Major milestones included the establishment of EIF's first press officer role; the publication and promotion of our report on ACEs (adverse childhood experiences), which generated unprecedented web traffic and social media engagement; a substantial increase and diversification in the use of video as a way of sharing information and messages; and a significant effort to plan for a successful EIF national conference 2020, which was sadly postponed owing to the coronavirus outbreak. Other developments included a round of user testing on the EIF.org.uk website, to inform future planning; design and user experience improvements to the Reducing Parental Conflict Hub, in response to past users' feedback; and the delivery of two successful and well-attended full-day conference events on reducing parental conflict, in London and Manchester.

### Sustainable Funding

In May 2018 EIF signed a two-year cross-government grant agreement with central government departments. In March 2019 this was reviewed and the second year of funding, for 2019/20, was further increased. Funding now comes from the Department for Education (DfE), Department for Work and Pensions (DWP), the Ministry of Housing, Communities and Local Government (MHCLG), Public Health England (PHE) and the Department for Health and Social Care (DHSC). In March 2020 the charity successfully continued its relationship with Whitehall by signing a one-year grant agreement for 2020/21, again at an increased level of funding. The charity will be participating in the forthcoming government Spending Review with a view to securing longer-term funding.

During 2019/20 we were successful in winning new work, in partnership with the University of Cambridge, from the Nuffield Foundation to look at common elements of programmes, as a way of strengthening the quality of early years education.

### Working in Partnership

2019/20 was the first year of the major 10-year partnership to deliver the £200m Youth Endowment Fund (YEF), a partnership led by Impetus, with EIF and the Social Investment Business (SIB). YEF is a bold new attempt to put early intervention at the heart of efforts to tackle youth offending. It will fund and evaluate interventions and community partnerships working with children at risk of being drawn into crime and violence, and build up our knowledge of what works to prevent this. It focuses on 10–14-year-olds across England and Wales. EIF's role in the partnership is to lead the work on evidence and evaluation, ensuring that evidence of what works drives YEF decision-making. This work represents a significant shift for EIF, moving us from synthesising evidence to generating evidence at scale for the first time, through commissioning new evaluations to find out what works to tackle youth offending.

A number of our other projects involved working in partnership this year. This included working with the University of Cambridge (see funding section above), with EEF as part of our work on social and emotional learning, partnering with the Local Government Association (LGA) on their Local Authority peer review process, and with the Association of Directors of Children's Services (ADCS) Staff College, Better Start Bradford and Born in Bradford as part of the EYTA project.

### Understanding our Impact

In 2019/20 we focused on implementing EIF's impact framework and embedding it across EIF projects through:

- supporting project managers to develop impact measures and data collection methodologies
- designing a set of data collection tools in order to minimise cost and the need to reinvent the wheel in future years
- reviewing the effectiveness of the impact framework after a year of implementation.

The impact we had in 2019/20 is set out in the section below (Achievement and Performance).

### Our People

In the course of 2019/20 the charity employed on average 33 people. There was one change to senior management during the year with the creation of a new Director role to lead EIF's work on the Youth Endowment Fund (YEF). There was also some natural turnover in staff. New team positions were created to deliver work for YEF and to expand the Policy and Practice directorate. In addition, the charity finalised recruitment for a new back-office structure by employing a Head of Finance and Project Governance and a Head of People.

## **Achievements and Performance**

### Assessing Impact

Our impact framework was agreed with our Trustee Board in July 2018 and is now central to the way we design and manage our projects. The framework is rooted in behavioural science and uses the COM-B framework developed by Prof Susan Michie – the theory that for people to behave in the way we want them to, they need to have the Capability, Opportunity and Motivation to do so, and that barriers may exist at any or all of these levels. It specifies the overall behaviour change we want to see as “increased prioritisation of and investment in effective early intervention”, and seeks to describe the intended and actual impacts of our projects as increasing the capability, opportunity or motivation of people in our key audience groups.

### Our impact in 2019/20

1. Our work shaped national policy decisions and spending review preparation, leading to the prioritisation of effective early intervention.
2. Our highly regarded resources for commissioners and service managers are being used to inform decision-making at a local level.
3. We have increased the capability, opportunity and motivation of our local audiences to prioritise and invest in effective early intervention.
4. Our impact is built on firm foundations of reputation, quality and reach. Our reputation as a leading international What Works organisation is continuing to grow.

Our work shaped national policy delivery and spending review preparation

We are increasingly working alongside government departments to provide direct advice in key policy areas:

- We have continued to work closely with DWP to support the delivery of the national Reducing Parental Conflict Programme, including helping them and local authorities to use the evidence on effective programmes and measuring outcomes.
- We have been closely involved in the Cabinet Office-sponsored Strategic Framework Project on the early years, and the associated Shared Outcomes Fund bid led by the DfE, providing expert advice on early child development.
- More recently, the DfE has drawn heavily from our toys and activities guide to provide advice to parents through the Healthy Little Minds Programme. We have provided expert advice to PHE in their reform of the Healthy Child Programme, including work to develop the reform's theory of change.
- We have also worked closely with DfE to support the development of new and existing early years longitudinal studies.

Beyond this direct advice, our **publications** continue to influence the work of other national organisations. In October, PHE published a series of reports summarising the evidence for the effectiveness of universal approaches to improving children and young people's mental health and wellbeing. EIF and the Guidebook are referenced throughout the reports. The NSPCC guidance resource on early help was updated in December and draws heavily on our *Realising the potential* report. A recent National Audit Office study on free early education and childcare draws on and references our work on the impact of the childcare offer for disadvantaged 2-year-olds.

Our highly regarded resources for commissioners and service managers are being used to inform decision-making at a local level

The clearest examples of our work directly shaping local decision-making come through our work alongside government departments. For example:

- Public Health England (PHE) and DfE continue to draw from our early years reports to inform practice guidelines. In particular, the evidence described in the *Key competencies* report has informed the framework used by the speech and language pathway, as well as the pathway's theory of change.
- We have continued to work with the DWP to support the national Reducing Parental Conflict (RPC) Programme. The EIF RPC Planning Tool was used in every top-tier local authority area (except Blackpool) to support local strategic planning and has been the basis for DWP's national baseline on local progress to embed this agenda. Our evidence reviews on engaging disadvantaged parents and measuring the impact of parental conflict have been influential, and we continue to provide light-touch advice to DWP colleagues on evaluation.

We are increasing the capability, opportunity and motivation of our local audiences to prioritise and invest in effective early intervention

Our impact framework helps us to think about the shorter-term impact of our work. In using the COM-B framework, we are thinking about how we can increase the capability, opportunity and/or motivation of decision-makers at national or local level to invest in and prioritise effective early intervention, and to use the evidence on early intervention in their policy, practice or funding decisions.

The **EIF Guidebook** is our flagship resource for commissioners. It is an accessible and easily searchable database which offers a wealth of information on both the quality of evidence underpinning programmes designed to improve outcomes for children and young people and vital aspects of implementation such as the target population, estimated cost and level of qualification needed for delivery.

We were pleased by the indications from research carried out by the University of Cambridge in 2019 (Dr Cameron Brick & Dr Alexandra Freeman, 2019, 'What Works Icon Comprehension and User Preferences'), particularly in relation to the Guidebook's impact on motivation to use evidence. The research was based on a survey of a small number of What Works Centre toolkit users. It suggested that 56% of users believed the Guidebook increases their intention to use evidence a lot (33% a little, 11% not at all); 33% believed the Guidebook improved their confidence in using evidence a lot (11% some, 33% a little, 22% not at all), and 38% believed the Guidebook increased their ability, understanding and skills to use evidence a lot (13% some, 38% a little, 13% not at all).

We carried out some qualitative research in 2019/20 to understand more about how commissioners make decisions and how they use our Guidebook in this process. This has given us valuable insights into the barriers we face and the opportunities we might have in trying to drive a greater use of evidence (and use of our Guidebook) in decision-making. One of the most significant barriers emerging from this is a lack of understanding about what good evidence looks like. These insights are informing our work in 2020/21 and we are designing a number of projects to illustrate good use of evidence in typical decisions frequently made by local audiences.

We are also planning to build on this initial research and to carry out in-depth user testing on the Guidebook in 2020/21 to understand more about who is using this resource, how they are using it, and how it is informing decision-making.

The **Early Years Transformation Academy** concluded in March, bringing to a close 12 months of work with five local teams to develop their capability and motivation to use evidence to address complex local system problems. Although this is covered by an independent evaluation, which will report in late summer of 2020, anecdotal feedback is encouraging, and participation rates continued to be high to the end of the programme.

We published **guidance for primary schools on social and emotional learning** in October, in collaboration with the EEF. ESRC funding enabled us to work with EEF to develop a knowledge mobilisation plan for this guidance that was rooted in a thorough understanding of the behavioural needs of teachers and senior school leaders, and the capability, opportunity and motivation barriers to engagement with this evidence. A set of initial tools and targeted communications activity accompanied the launch of the guidance, and more knowledge mobilisation activity is planned for this year.

We made several other resources and tools available in 2019/20 that aimed to increase the capability of local decision-makers to use evidence in their decisions, including a guide to the use of measurement tools on parental conflict, a short how-to video on theories of change, and a redesign of the RPC Hub in response to feedback received through our user testing earlier in the year. Feedback on these tools and resources gives us confidence that our outputs and events are achieving the impact we want them to.

For example:

- 87% of 103 attendees at the RPC conferences in June either agreed or strongly agreed that they had a better understanding of the evidence on parental conflict after attending. 78% said that they had a better understanding of how to take action locally.

- A smaller sample (18) completed our RPC Hub user testing survey. 72% said that their understanding of the evidence on parental conflict had improved after accessing the information on the hub, and the same proportion said that they had a better understanding of how to take action.
- As part of a **gang and youth violence project funded by the Battersea Power Station Foundation**, we delivered workshops for charities working with vulnerable young people in London on the use of evidence in theory of change development. We used pre/post feedback forms designed to capture changes in capability, opportunity and motivation, and these showed improvements on all measures.

Our impact rests on firm foundations of reputation, quality, profile and reach

We are very aware that our ability to have an impact depends on our profile and reach, the quality of our outputs, and the profile and financial sustainability of the organisation, and we monitor this regularly.

*Quality and reputation*

Over the last financial year, we have collected plenty of evidence that our key products are of **high quality** and contribute to EIF's standing as a **well-respected organisation**:

- Our landmark report on **adverse childhood experiences (ACEs)** was published in February. It was welcomed by our policy and practice audiences, and provides the bedrock for further work in 2020/21 to develop broad consensus on the implications for practice in various workforces.
- The ACEs report was particularly well received by PHE and also by Public Health Scotland, who invited us to present its findings before the Scottish Parliament (unfortunately postponed due to the Covid-19 lockdown). It has led to further funding from PHE in 2020/21 and to a planned collaboration with the What Works Centre for Children's Social Care to map use nationally of trauma-informed care approaches and identify models that could be robustly evaluated.
- With respect to the **EIF Guidebook**:
  - A set of eight new programmes have been assessed, have gone through our quality assurance processes for awarding evidence ratings and are now on the Guidebook. The assessments for six programmes that were already on the Guidebook have been updated, to reflect newly published research and to keep our assessments up to date.
  - We have set up a Technical Advisory Group of senior academics and researchers to enable us to be more reflective about our underpinning evidence criteria, and to seek advice on complex methodological issues that arise in our assessments.
  - PHE's report *Universal approaches to improving children and young people's mental health and wellbeing*, published in October 2019, recommends that government departments and agencies should work to promote interventions that have been assessed on the EIF Guidebook. This speaks to the perceived quality of the Guidebook, and its reach and influence within government.
- Our **successful bid** with the University of Cambridge to the Nuffield Foundation for work on early years childcare and education is also important in impact terms, showing that we are seen as a trusted research partner by serious academic organisations and are taken seriously by research funders.
- Two members of EIF staff were accepted onto **prestigious funding or evaluation panels**, providing an important indicator of our reputation and profile, and arguably an Opportunity impact measure, as a route to influencing the availability of high-quality research and evaluation.
- **Our work in Australia** continues to be well received, and the energy and momentum behind the early intervention agenda there continues to grow. Our Director of Evidence visited in November 2019 to participate in two events: an Early Intervention Forum jointly hosted by the Centre for Excellence in Child and Family Welfare and Berry Street, and a launch event on *How Australia can invest in children and return more*, the report EIF jointly authored with Australian partners on the annual fiscal costs of late intervention.

### *Profile and reach*

Our ACEs report was the most successful driver of **press coverage** in 2019/20. The report was featured in the *Daily Telegraph* online, on page two of the *Sunday Telegraph* and in a 'long read' on ACEs on the Quartz website. In total we secured 49 pieces of media coverage during the 2019/20 year.

The ACEs report also generated new 'personal bests' for website traffic on the two days following publication, and new highs in terms of engagement with our tweets about the report and new followers joining on Twitter. We were also able to publish blogposts about the report from a set of high-profile writers, including the Children's Commissioner, president of the Association for Directors of Children's Services and the children's Chief Social Worker, and to have the report disseminated via key sector 'influencers' such as the Local Government Association (LGA) and Solace.

Overall, website traffic was up from the previous year on the EIF website (by about 20%) and the EIF Guidebook (by about 45%). Broadening our reach is also important. Our websites attract interest from across the country, with around three-quarters of UK visitors to the EIF website and EIF Guidebook located outside London.

In total, EIF reports and resources were downloaded nearly 350,000 times during the year, including significant traffic both for new outputs – such as the ACEs report, which set a new 'launch day record' – and older content, such as our past reports on youth violence and social & emotional learning.

There were over 30,000 visits to the EIF blog, with popular blogposts focusing on early childhood education, children's centres, the impact of poverty, and ACEs. A blogpost by EIF's chief executive was quoted in the House of Lords Library briefing on early intervention.

We had direct contact with 73 local authorities over the course of the year, through active engagement as part of the EYTA or LGA peer challenges, through workshops, training (delivered with the Staff College in the South West), or participation in our qualitative research.

The EIF national conference was due to take place in late April 2020, and so planning for this major event was very significantly advanced during 2019/20. Interest in the conference from both delegates and exhibitors was very strong. The event has been postponed until December 2020, due to the Covid-19 outbreak.

### Youth Endowment Fund

In addition to EIF's work programme, this year also saw EIF recruit a new team to deliver the evidence, data and evaluation functions of YEF, set up the YEF Expert Panel of academics who advise the fund, design the evaluation framework, lead the government and sector stakeholder engagement for the fund, produce an initial evidence review and data pack to inform YEF's work, commission an evidence and gaps map, design and deliver the evidence part of the grant application process and the methodology for appointing evaluators, set up an external evaluation panel and commission the evaluations, play a key part in the launch grant round, and feed into the development of the YEF strategy.

### Conclusion

2019/20 was a strong year for EIF. We are increasingly looked to by government departments as a trusted source of evidence-based policy advice. At the same time, we continue to focus on understanding the local delivery landscape and mobilising our evidence in a way that leads to real change at a local level.

Our move into the 2020/21 financial year was, of course, marked by the upheaval of Covid-19. We have reacted quickly to respond to the big questions that our local and national audiences have at this time – providing direct advice to government in key policy areas and taking a rapid look at the evidence for virtual and digital service delivery, for example. We know that the impact of Covid-19 on vulnerable children and families will be far-reaching and we will continue to engage with our local and national audiences to ensure that our work in 2020/21 is relevant in this new context, useful and high impact.

## **Future Developments**

2020/21 is the third year of EIF's five-year strategy. Our priorities are:

- **Making the case** – influencing the spending review to get more prioritisation of, and investment in, effective early intervention, and holding EIF's national conference.
- **Generating evidence** – further work on improving evaluation, work to scope how we generate evidence by funding trials, a new evidence review on adolescent mental health, and work to look at common elements of programmes in early years education.
- **Using evidence to change policy and practice** – new work to mobilise the knowledge from our ACEs evidence review, work building on EYTA to support places to use the evidence on maternity and the early years, continued work to support DWP on reducing parental conflict, and continued work to get our guidance for primary schools on social and emotional learning used to change practice.
- **Communications** – increasing our profile through a new press strategy, conducting a stakeholder survey, and user testing of EIF's Guidebook.
- **Funding** – securing EIF's funding for the spending review period and making progress on diversifying our funding.
- **Working in partnerships** – continuing our existing partnerships and work to build new partnerships.
- **Understanding our impact** – embedding a science-based approach to knowledge mobilisation within EIF and continuing to implement our impact framework.
- **Operations** – delivering a number of human resources projects, refreshing our project management approaches, upgrading our IT, and delivering a safe return to office after Covid-19.

## Youth Endowment Fund

2020/21 will see the Youth Endowment Fund move into its second year and begin to operationalise its new strategy. EIF will continue to play a key role in the evaluation and evidence work of the fund, leading future evaluations, supporting the evaluation of the grants made in year one and year two, and producing evidence and data to inform YEF's work.

## Responding to Covid-19

We will be conducting new pieces of project work as an immediate response to Covid-19. The first is a report looking at the urgent issue of effective virtual or digital delivery of early intervention. This evidence review brings together what we do and do not know about virtual and digital early intervention services and their effectiveness; the opportunities, challenges and risks associated with remote delivery; and the emerging sector response. The aim is to provide a high-quality and impartial view of the current evidence base to help guide those making important decisions about services right now, and to enable EIF to provide rapid advice to government and the wider sector community on the remote delivery of services that have traditionally relied heavily on face-to-face contact. As well as a review of existing evidence, the report includes results of an EIF survey of programme providers and developers.

The second report looks at the impact of Covid-19 on vulnerable children and early intervention through gathering the perspectives of local heads of service and practitioners. This piece of qualitative work will be undertaken by EIF, in partnership with Action for Children, to develop a 'real-time' picture of the unfolding impact of Covid-19 on vulnerable children. The third piece of Covid-19 related project work is to provide support to local areas to help them evaluate their adapted services using remote and digital delivery, to ensure that we can learn more about the effectiveness and impact of digital delivery during this period.

We will then take stock on what further work is needed.

### Portfolios in EIF's work programme

Driven by our impact strategy, we are increasingly considering EIF's core work programme in 'portfolios' of activity.

#### *What Works Infrastructure*

Our What Works Infrastructure portfolio allows us to deliver functions and activities which are essential to achieving our mission and strategy and maintaining our status as a high-performing What Works Centre. It includes activity such as engaging effectively with key stakeholders across the policy and practice community, having a highly effective communications and 'evidence translation' function to ensure our messages are accessible to our key audiences, and continuing our policy and public affairs work, which seeks to influence key national policy decisions and secure political support for our messages. Adding additional content and maintaining the existing content on our Guidebook, one of our highest profile evidence products, ensures it remains an accessible and highly credible resource.

Improving our understanding of our impact remains a priority for us. We will continue to embed our impact framework into the way we work. We also want to take this to the next stage, and to embed a science-based approach to 'knowledge mobilisation' (how to ensure evidence gets used to change policy and practice) within EIF. As part of this work we will generate insights that we expect to be of significant value for the wider What Works Network.

#### *Developing the Evidence Base for Early Intervention*

We know that one of the biggest barriers to us achieving our mission is the 'opportunity barrier' of a lack of what works evidence to inform the design of local services in key areas. This year we will take more steps to address this through action at multiple levels. We will explore opportunities to move beyond our current role in evidence synthesis into an organisation that can produce new evidence through conducting trials. We will prepare an evidence generation plan for the next spending review period, which focuses on filling the most urgent gaps in what we know about how best to support vulnerable children and their families. We will explore the best ways to support local commissioners to use their local evaluation data more effectively to make judgments about the quality and impact of local provision. We will support other funders of early intervention provision – including those distributing government grants – to understand more about what constitutes a strong, science-based theory of change, and good evaluation at the early stages within our '10 steps' framework. We will also provide ongoing advice on evaluation to government, to support high-quality evaluation of key national programmes, including the Reducing Parental Conflict and Troubled Families programmes.

### *Early Years*

Our overarching aim is to increase the use of evidence in national policy, local planning and local commissioning decisions relating to early intervention in the early years, so as to improve outcomes in the early years for disadvantaged and vulnerable children by improving how local services are delivered, with a particular focus on improving early language outcomes. Our work over the past six years has included: generating knowledge through a series of what works reviews and intervention assessments; knowledge mobilisation through network events and evidence seminars; publications that translate research and practice evidence; private advice to government; online portals such as the Guidebook and EYTA Hub to enable greater access to evidence; implementation support, including three different versions of EIF's maturity matrix; bespoke support for individual local areas; support to prepare for early years peer challenges; and the Early Years Transformation Academy.

Our aims for 2020/21 are to build on our excellent relationships and rich body of content, in order to build local partner capability and motivation to use and generate evidence in the design and delivery of maternity and early years services. The project also enables us to continue to support and influence government departments to apply evidence and bring greater coherence to the national approach to maternity and early years services.

This will be a transitional year, where we will be consolidating existing work, through adding tools and content to our Early Years Transformation Hub, evaluating the EYTA, and continuing to drive the use of early language / early years evidence, through our continued involvement in the peer challenge process with the LGA.

### *Reducing Parental Conflict*

Our overarching aim is to use evidence to influence national policy and local planning and commissioning for families, so as to reduce the impact of destructive parental conflict on children. Our work over the past four years has included: generating knowledge through a series of what works reviews; private advice to government and intervention assessment; a call to action for local areas, including targeted messaging and mobilisation events; and implementation support, including the RPC Hub, Commissioner Guide and RPC Planning Tool. As a result of the national RPC Programme, the case for local action has been clearly made and partners in every local authority area are coming together to plan for reducing parental conflict.

Our aim for 2020/21 is to move from making the case, to a focus on generating robust intervention and system evidence within this portfolio. This will include consolidating the tools and relationships that we have built to date, while identifying interventions that have the potential to show EIF level 2/3 evidence of impact on child outcomes and supporting them to achieve this, as well as enhancing the capability of local areas to generate high-quality evaluation evidence.

### *Mental Health and Wellbeing*

Our overarching aim is to ensure the best available evidence is used to shape the design and delivery of services which support children and young people to maintain good mental health, prevent mental health problems developing and address issues which do occur.

Our work to date has focused on the role that social and emotional learning (SEL) has in influencing children's outcomes and on embedding evidence-based approaches to supporting the development of such skills, especially through universal school-based interventions. We will continue to collaborate with EEF to support the implementation of evidence-based approaches to social and emotional learning within primary schools. Given the integral role of mental health to all aspects of EIF's work, it is also crucial that we expand our activity over the coming years to examine other aspects of mental health, beginning with adolescent mental health issues. Our evidence reviews in this space will be shaped by work to understand more about the advice that policymakers, and those making local decisions about service provision, need from us in the short and longer term.

### *Vulnerability*

In a context of increasing child poverty and other pressures for vulnerable families, it is even more essential that we know what works to prevent and reduce the impact of childhood adversity. There remain significant gaps in our collective understanding about how to work with the most vulnerable families to support the children at greatest risk. We have designed a portfolio of work that will seek to ensure that the evidence we do have about effective support for highly vulnerable families is used to inform policy and practice decisions, whilst laying the foundations that will enable us to fill key evidence gaps on support for children affected by domestic abuse, parental substance misuse and parental mental health. This represents the next phase of our review of the research into adverse childhood experiences (ACEs).

### **Structure, Governance and Management**

The Early Intervention Foundation (EIF) is a company limited by guarantee (registration number: 08066785) and a registered charity (registration number: 01152605). EIF is also one of the government's What Works Centres.

The charity was established in 2013 for the public benefit, to advance education, promote health and relieve poverty. The charity is governed by its Memorandum of Association which are lodged with Companies House and which sets out the Objects and Powers of the charity. The Objects are focused on "disseminating evidence concerning best practices in early interventions to improve social and emotional capabilities of babies, children and young people".

The Memorandum of Association further sets out the composition and duties of the Board of Trustees (the Board). The Board currently comprises 11 Trustees and may never be less than three people. The Board elects a Chair from among its members and at present this position is held by Prof Nicholas Pearce, who joined the charity on 1 April 2020. The Board also maintains one Trustee as Honorary Treasurer, this position is currently held by Mr MG Pilgrim. The tenure on the Board is five or six years, after which time replacements are recruited.

The Board is responsible for the management of the charity's business but chooses to delegate. Delegation of day-to-day management is to the Chief Executive, a position currently held by Dr Jo Casebourne. EIF also has a Senior Management Team which during the year comprised four people – Thomas McBride, Director of Evidence; Donna Molloy, Director of Policy and Practice; Charlotte Razzell, Director of Finance and Resources; and Dr Jane O'Brien, Director of Evidence and Evaluation for the Youth Endowment Fund. Collectively their responsibility is to advise, implement and report upon the strategy and budget approved by Trustees. As a whole EIF employed around 33 staff during 2019/20 arranged into four directorates and a separate Communications team reporting to the Chief Executive.

To assist in discharging its duties the Board has further established two Committees for scrutiny and oversight:

- A Remuneration Committee, which reviews the annual pay award to staff and the remuneration of senior staff including the Chief Executive. This committee comprises three Trustees and selects a Chair from among its members.
- A Finance Committee to assist in deeper scrutiny of financial matters and to oversee the annual external audit. This committee comprises four Trustees and is chaired by the Honorary Treasurer.

Decision-making by the Board occurs at meetings which are scheduled to take place quarterly. Additional meetings can be called if needed. The Board must be quorate to make decisions, and this is set at the greater of two persons or one-third of the members. In the event, the Chair has a casting vote to make decisions.

Trustees carefully consider whether they have conflicts of interest to report against any agenda item or decision, and in May 2020 established a formal conflicts of interest policy and associated register of interests. Annually they complete a related parties declaration form. Conflicts of interest which arose and were managed in 2019/20 were:

- Trustee Kelly Beaver declared an interest due to her employer, Ipsos MORI, joining the Panel of Evaluators for the Youth Endowment Fund (YEF.) Kelly Beaver oversees the revenue portfolio at Ipsos MORI that includes this panel work, but is herself not involved in bidding for or delivering the contracts.
- Trustee Sally Burlington declared an interest due to her employer, the Local Government Association, being engaged to give an independent evidence focus to a DfE-funded Peer Challenge process, which EIF ran during the year.

As and when required, Trustee recruitment is undertaken via a transparent and public process. In both 2018/19 and 2019/20 the Board advertised for new members, including a Chair of the Board of Trustees, and engaged the professional services of an external agency to support these recruitments. Seven people with the requisite skills joined the Board during 2019/20 whilst five Trustees departed from the Board at the end of their respective terms. New Trustees are provided with a comprehensive induction in which they visit the charity and meet with key personnel. They are given an information pack about the charity and access to past Board papers and minutes.

Trustees received reimbursement of relevant expenses to attend meetings but no other compensation for their time or effort on the Board. The Board maintains an expenses policy for Trustees.

Trustees directly oversee the remuneration of the Chief Executive. All other staff are paid according to a remuneration framework. The framework, which was established in 2017, was reviewed and ultimately replaced in May 2020 via a process overseen by the Remuneration Committee. The framework comprises three elements:

- i. a job evaluation framework, which is used to allocate each role to a level/grade in a consistent and transparent manner
- ii. a pay structure, comprising the number, breadth and make-up of pay levels allocated to each job level/grade
- iii. pay progression, the means by which individuals can experience pay progression by demonstrating higher performance and value to EIF.

From time to time, as responsibilities change, job descriptions may be re-written, and annually the Trustees consider whether there should be a cost of living increase.

## Early Intervention Foundation

### Trustees' Report

For the Year Ended 31 March 2020

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EIF's 'What Works' status places additional responsibility upon the charity to be independent of government and have a clear and relevant policy focus. In all aspects of work EIF adheres by these standards irrespective of the funder. The work undertaken by EIF clearly fits within the remit of a What Works Centre by focusing on evidence generation and synthesis, evidence translation (dissemination) and adoption of evidence in policy and practice.

In furtherance of this, the Board has also chosen to establish an Evidence Panel to provide world-class expertise and advice. The Panel's role is purely advisory and comprises academic experts. Their work ensures EIF conducts independent and rigorous assessment of all available evidence on a given topic. Historically, the Panel assisted in the development of EIF's standards of evidence, and it continues to monitor and quality-assure their application to our work. The Panel meets biannually to consider a range of topics as relevant to the charity's work plan. The terms of reference for the panel were reviewed and reapproved during the year; they state that the Panel is to advise EIF on:

- i. the strategic direction and overall content of EIF's evidence generation programme
- ii. technical and methodological aspects relevant to EIF's evidence and research, including approaches to evaluating programmes, practices and systems and approaches to assessing cost and impact
- iii. the future development of EIF's evidence standards
- iv. EIF's approach to quality assurance
- v. EIF's relationship with the research community and wider stakeholders including research funders
- vi. EIF's approach to getting evidence used to change policy and practice.

## Risk Management

Risk management is a key strategic activity for the Board. It is routinely woven into the cycle of Board meetings, senior management meetings and project management. Risks may arise from the environment in which EIF operates, whilst others may relate to the strengths and weaknesses of the charity at this point in its development.

During 2019/20 the Board restructured its risk register in line with best practice. Risks are now considered in the categories of strategic and operational risks. Risks are assessed by their impact and likelihood against clear and consistent criteria. The risk register also includes a summary of the mitigating actions and the risk owner.

The Board has considered the key risks to which it is exposed and articulated what action it is taking to mitigate or minimise these as appropriate. EIF refers to the Charity Commission guidance for its risk management policy. Some risks are mitigated by holding insurance, which is comprehensive. Insured risks include public and employers' liability, professional indemnity and Trustees' liability. Operational risks are managed by having clear policies and guidance for staff or contractors in the conduct of their work. External risks are managed on a case-by-case basis, and those risks which the charity cannot fully mitigate are managed by the charity holding sufficient reserves.

At the end of 2019/20, the key risk faced by the charity arises from Covid-19. Primarily this is due to its potential to negatively impact the delivery of the 2020/21 work programme, and therefore the charity's ability to claim grant income from central government funders. To mitigate this the charity is focused on scoping projects which can be delivered online, by staff who are home-based, and with less input from policy teams within the civil service.

Covid-19 has also delayed the long-awaited government spending review, where EIF had hoped to put forward a strategic case for long-term and increased funding. The charity is working closely with its coordinating department (DfE) on a range of funding scenarios to ensure we are ready to respond at short notice to decision-making in government. The charity continues to regard the political environment as a general risk, including the practical implementation of Britain's exit from the European Union (Brexit), which has taken focus away from a domestic policy agenda that might otherwise favour investment in early intervention. This risk has reduced since the previous year with the stability of a majority government following the 2019 general election, although the Trustees continue to monitor the wider environment.

Internally the key risk facing the charity has been the concern that key staff, with deep subject expertise and/or experience, could leave the organisation. Vacancies would impact the delivery of the work programme and recovering from the loss of certain staff with long service would be challenging. This is one of the reasons the charity undertook a detailed review of its pay framework in 2019/20, culminating in a new pay structure that is capable of rewarding the high performance and value of staff.

## **Financial Review**

### Review of the year ending 31st March 2020

The year 2019/20 was one of growth for EIF, with income of £2,894,572, compared to £1,645,495 in 2018/19. 66% of the charity's funds came from the charity's core Cross Government Grant which combines funding from across Whitehall departments (in 2018/19: 89%.) This core grant grew year-on-year to fund new projects. In addition, the charity commenced a new partnership to deliver the Youth Endowment Fund (YEF) which generated a further £796,082 and represented 30% of all income at year end (2018/19: 0%.) YEF funding is granted by our partner Impetus, although the endowment itself was supplied by the Home Office. It remains a challenge for EIF to source income from non-Whitehall origins, but this remains front and centre of the charity's objectives based on its 2018 financial strategy, not least as a means of building the organisation's reserves, which is discussed in the reserves policy section below.

Overall the charity spent £2,564,079 delivering projects to funders and meeting its general running costs. Of this, the charity planned to spend £65,000 from the Special Projects Fund, but at the year-end only spent £25,203. The Trustees took decisions throughout the year to focus use of the fund on one project, the registration of the charity with the Irish Charity Regulator in the Republic of Ireland, with a view to delivering charitable work in this territory in future.

At the commencement of the financial year the charity planned an overall deficit on unrestricted funds of £42,147. Ultimately it delivered a deficit of £34,561, and the trustees are pleased with the cost control exhibited by the charity. This deficit on unrestricted funds was primarily due to withdrawing funds (as planned) from the Special Projects Fund. Separately the charity received funds in advance for project work and expenses in 2020/21, creating a surplus on restricted funds of £365,054. The overall position of the charity was therefore a surplus of £330,493.

### Investment Policy

In 2018 the board approved an investment policy. The charity maintains reserves in instant-access cash and short-term cash investments with the aim of maximising interest earned. The principles guiding investment decisions are as follows.

- Cashflow is of paramount importance and the Trustees' primary consideration is to maintain access to sufficient liquid funds to support the smooth running of the charity. The charity is risk-averse in this regard.

- The charity's funds are held in cash or short-term investments, which may include 3–12-month bonds or other fixed-terms savings accounts. At this time, investments which carry risk to the capital (reserves) are not considered appropriate. The charity is again risk-averse in this regard.
- As a small organisation with limited staff resource, it is important to minimise the transaction and organisational costs of any complex banking or investment arrangements. For this reason, although the charity benefits from the Financial Services Compensation Scheme, it does not limit its bank accounts to the £85,000 cap for this scheme.
- EIF believes any banking or investment arrangements chosen for the charity's funds should themselves reflect the values and ethos of EIF and not run counter to its aims. Any relationship is screened by staff for obvious or perceived conflicts with the objectives of the charity.
- In the event that the charity's risk appetite changes in the future and more risky investment are considered, restricted funds and deferred income, to which the charity does not yet have full entitlement, will always be held in cash and not exposed to such investment risks.

### Reserves Policy

The Trustees have in the year reviewed the needs, risks and opportunities faced by the charity, along with relevant financial forecasts and analyses. The Trustees recognise the need for reserves and specifically identify the following as key reasons for holding unrestricted funds.

1. To provide the charity with working capital, enabling it to pay commitments to staff, premises and contractors, even when funding agreements are delayed or paid to EIF in arrears, which is common in grant funding. This guarantees continuation of operations.
2. To cover losses in income when funding agreements are delayed or cancelled, which itself is considered relatively high-risk for EIF. This risk is especially high during periods of political uncertainty, which has characterised the recent political climate. The nature of many grant agreements is that they lack the termination clauses (more common in commercial agreements) which would otherwise permit EIF to claim compensation or damages under these circumstances.
3. The charity is reliant on a small range of funding sources for unique and innovative work, which can be challenging to scope and execute. It is both high-risk and high-cost to create quality projects out of evidence-based research, policy and practice. Reserves are needed to counterbalance this risk and, in some cases, to absorb cost overruns.
4. To allow for continued operation in years in which the organisation fails to achieve its in-year budgeted fundraising targets. This is considered relatively high-risk due to the increasingly challenging economic environment for fundraising from trusts and foundations and from research councils.
5. To be a going concern, ensuring the charity meets the test for solvency set by law and by the Charity Commission.
6. To enable expenditure at the Trustees' discretion:
  - funding projects of particular strategic importance, in fulfilment of the charity's objects, but for which no other funding can be identified
  - to invest in the generation of income for future years: in continuing to plan for a sustainable independent future, Trustees are mindful of having been directed to create and sustain new funding streams by government.

On this final point, the charity maintains a Special Projects Fund, which at the commencement of the financial year had an opening balance of £605,000. During the year £25,203 was spent, as discussed above in the financial review section. The Trustees have reviewed the balance of this fund and determined that it was now too high in comparison to the projects it may fund in the coming years, and in comparison to the charity's general funds. A transfer of £152,595 from designated to general funds was therefore made and reflected in the accounts (note 11.) At 31 March 2020, the Special Projects Fund maintained a balance of £427,202.

Also, at 31 March 2020, EIF's unrestricted General Fund reserves totalled £1,156,544. The charity's Reserves Policy is to maintain at least six months' running costs for the many reasons given above. The charity is presently in line with its reserves policy. Trustees recognise that the charity finds it challenging to build reserves. It is unable to generate any surplus from its primary sources of funding, government grants. If the charity continues to grow it will need funding from charitable contracts or donations in order to build reserves alongside growth from government sources. The diversification of funding sources is core to the charity's financial strategy as discussed in the financial review.

### **How all our Activities Deliver Public Benefit**

The Charity is established for the public benefit to:

1. advance education;
2. promote health; and
3. relieve poverty

through, in particular, disseminating evidence concerning best practices in early interventions to improve social and emotional capabilities of babies, children and young people in these fields.

In shaping our objectives and planning our activities for the year, the Trustees have given consideration to the duties set out in section 17 (5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the Trustees have considered how the planned activities will contribute to the overall aims and objectives that they have set.

The Trustees believe that the paragraphs, specifically on the "Objectives and Achievements" and for the year, relate in detail the benefit that the charity provides to the public.

### **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Early Intervention Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the directors' 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 charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors is aware of that information.

The directors' annual report has been prepared in accordance with the special provisions applicable to small companies subject to the small companies' regime.

The report has been approved by the Trustees on 23 July 2020 and signed on their behalf by:



.....  
M G Pilgrim  
Treasurer

## **Opinion**

We have audited the financial statements of Early Intervention Foundation (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company'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
- Have been prepared in accordance with the requirements of the Companies Act 2006

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- The information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' Report has been prepared in accordance with applicable legal requirements

### **Matters on which we are required to report by exception**

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

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

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

*Sayer Vincent LLP*

Fleur Holden (Senior statutory auditor)  
For and on behalf of Sayer Vincent LLP  
Statutory Auditor

Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

24 July 2020

## Early Intervention Foundation

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

For the Year Ended 31 March 2020

	Notes	Unrestricted £	Restricted £	Total 2019-20 £	Unrestricted £	Restricted £	Total 2018-19 £
<b>Income:</b>							
Investments		6,319	-	<b>6,319</b>	7,057	-	<b>7,057</b>
Charitable activities	2	23,222	2,865,031	<b>2,888,253</b>	94,454	1,543,984	<b>1,638,438</b>
<b>Total income</b>		<b>29,541</b>	<b>2,865,031</b>	<b>2,894,572</b>	<b>101,511</b>	<b>1,543,984</b>	<b>1,645,495</b>
<b>Expenditure:</b>							
Charitable activities	3	56,254	2,507,825	<b>2,564,079</b>	181,014	1,543,984	<b>1,724,998</b>
<b>Total expenditure</b>		<b>56,254</b>	<b>2,507,825</b>	<b>2,564,079</b>	<b>181,014</b>	<b>1,543,984</b>	<b>1,724,998</b>
<b>Net (expenditure)/income for the year</b>		<b>(26,713)</b>	<b>357,206</b>	<b>330,493</b>	<b>(79,503)</b>	<b>-</b>	<b>(79,503)</b>
Transfers between funds	11	(7,848)	7,848	-	-	-	-
<b>Net movements in funds for the year</b>		<b>(34,561)</b>	<b>365,054</b>	<b>330,493</b>	<b>(79,503)</b>	<b>-</b>	<b>(79,503)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		1,618,307	-	<b>1,618,307</b>	1,697,810	-	<b>1,697,810</b>
<b>Total funds carried forward</b>		<b>1,583,746</b>	<b>365,054</b>	<b>1,948,800</b>	<b>1,618,307</b>	<b>-</b>	<b>1,618,307</b>

The results for the year derive from continuing activities and there are no gains or losses other than those shown above.

The statement of financial activities incorporates the income and expenditure account.

Movement in funds are disclosed in note 11 to the financial statements.

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	8		-		-
			-		-
<b>Current assets</b>					
Debtors	9	289,125		388,598	
Cash at bank and in hand		1,898,115		1,404,792	
		2,187,240		1,793,390	
<b>Liabilities:</b>					
Creditors falling due within one year	10	(238,440)		(175,083)	
Net current assets		1,948,800		1,618,307	
<b>Total net assets</b>		<b>1,948,800</b>		<b>1,618,307</b>	
<b>The funds of the charity:</b>					
Restricted funds	11	365,054		-	
Unrestricted funds:					
General fund	11	1,156,544		1,013,307	
Designated fund	11	427,202		605,000	
<b>Total charity funds</b>		<b>1,948,800</b>		<b>1,618,307</b>	

Approved by the Board for issue on 23 July 2020 and signed on their behalf by:



M G Pilgrim  
Treasurer

**Early Intervention Foundation**  
Statement of Cash Flows  
For the Year Ended 31 March 2020

		<b>Total 2019-20</b>	<b>Total 2018-19</b>
		<b>£</b>	<b>£</b>
	<b>Notes</b>		
<b>Cash flows from operating activities</b>			
Net movements in funds for the year		330,493	(79,503)
Adjustments to cash flows from non-cash items			
Interest receivable		(6,319)	(7,057)
		<hr/>	<hr/>
		324,174	(86,560)
Working capital adjustments			
Decrease/(increase) in debtors	9	99,473	(159,152)
Increase/(decrease) in creditors	10	63,357	(230,621)
		<hr/>	<hr/>
Net cash flow from operations		487,004	(476,333)
<b>Cash flows from investing activities</b>			
Interest received		6,319	7,057
		<hr/>	<hr/>
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>493,323</b>	<b>(469,276)</b>
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the reporting period		1,404,792	1,874,068
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,898,115</b>	<b>1,404,792</b>
		<hr/>	<hr/>

**1 Accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are:

**1.1 Basis of accounting**

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

Early Intervention Foundation 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). All amounts are presented in £ sterling.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**1.2 Going concern**

The financial statements have been prepared on a going concern basis. The charity maintains considerable assets and reserves. No material uncertainties exist about the ability of the charity to continue as a going concern and therefore the accounts are prepared on this basis.

**1.3 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.4 Income**

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

Income from 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.

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.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1.5 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to delivery of activities and those costs of an indirect nature necessary to support them.

**1 Accounting policies (cont'd)**

EIF has a singular activity and therefore costs are allocated to delivery of projects or support costs.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's activities.

In practice, support costs are recovered across charitable projects in line with funding agreements.

**1.6 Pension costs**

The charitable company operates two defined contribution pension scheme. Contributions payable to the scheme are charged to the Statement of Financial Activities in the period to which they relate.

**1.7 Operating leases**

The charity classifies the lease of property and office equipment as operating leases as title remains with the lessor. Rentals are charged on the straight line basis over the term of the lease through the Statement of Financial Activities.

**1.8 Fund accounting**

The funds of the charity consist of unrestricted, restricted and designated amounts. The amounts and purposes of each fund are set out in the notes to the financial statements. Funds are transferred between unrestricted and restricted funds when there is a deficit in a restricted fund or where permissions have been received to transfer funds to other projects.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

**1.9 Tangible assets**

Depreciation is calculated to write off the cost or valuation of fixed assets less residual value over their estimated useful lives at the following rates:-

Computer equipment – 33% straight line less residual value

Fixed assets are valued at cost less depreciation. No assets costing less than £500 are capitalised.

**1.10 Debtors**

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

**1.11 Cash at bank and in hand**

Cash at bank and 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.

**1.12 Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.13 Financial instruments**

The charity has financial assets and liabilities that qualify as basic financial instruments. The assets and liabilities include cash, debtors and creditors which have separate accounting policies above. The charity has no overdrafts or loans.

There are no financial instruments held at fair value.

**1.14 Taxation**

The company is a registered charity and is therefore not liable to corporation tax or capital gains tax to the extent that its income and gains are applicable to charitable purposes only. The charity is using the small trading exemption as permitted.

**Early Intervention Foundation**  
Notes to the Financial Statements  
For the Year Ended 31 March 2020

**2 Income from charitable activities**

	Unrestricted funds £	Restricted funds £	2019-20 Total £	Unrestricted funds £	Restricted funds £	2018-19 Total £
<b>Grants from central government:</b>						
Department for Education	-	-	-	-	194,998	<b>194,998</b>
Cross Government Grant 2017/18	-	-	-	-	194,998	<b>194,998</b>
Department for Education	-	48,935	<b>48,935</b>	-	570,000	<b>570,000</b>
Department for Work and Pensions	-	-	-	-	500,000	<b>500,000</b>
Public Health England	-	-	-	-	100,000	<b>100,000</b>
Minister for Housing, Communities and Local Government	-	-	-	-	100,000	<b>100,000</b>
Cross Government Grant 2018/19	-	48,935	<b>48,935</b>	-	1,270,000	<b>1,270,000</b>
Department for Education	-	951,924	<b>951,924</b>	-	-	-
Department for Work and Pensions	-	500,000	<b>500,000</b>	-	-	-
Public Health England	-	100,000	<b>100,000</b>	-	-	-
Minister for Housing, Communities and Local Government	-	100,000	<b>100,000</b>	-	-	-
Department for Health and Social Care	-	70,000	<b>70,000</b>	-	-	-
Cross Government Grant 2019/20	-	1,721,924	<b>1,721,924</b>	-	-	-
Department for Work and Pensions	-	201,562	<b>201,562</b>	-	-	-
Cross Government Grant 2020/21	-	201,562	<b>201,562</b>	-	-	-
Public Health England	-	-	-	-	200	<b>200</b>
Balance c/fwd to page 33	-	1,972,421	<b>1,972,421</b>	-	1,465,198	<b>1,465,198</b>

**Early Intervention Foundation**  
Notes to the Financial Statements  
For the Year Ended 31 March 2020

**2 Income from charitable activities (cont'd)**

	Unrestricted funds £	Restricted funds £	2019-20 Total £	Unrestricted funds £	Restricted funds £	2018-19 Total £
Balance b/fwd from page 32	-	1,972,421	<b>1,972,421</b>	-	1,465,198	<b>1,465,198</b>
<b>Other grants:</b>						
Youth Endowment Fund	-	796,082	<b>796,082</b>	-	-	-
Battersea Power Station Foundation	-	40,000	<b>40,000</b>	-	61,776	<b>61,776</b>
Nuffield Foundation	-	18,906	<b>18,906</b>	-	-	-
Economic and Social Research Council	-	29,297	<b>29,297</b>	-	17,010	<b>17,010</b>
	-	884,285	<b>884,285</b>	-	78,786	<b>78,786</b>
<b>Other sources:</b>						
Contracts with charitable purposes	23,025	-	<b>23,025</b>	87,108	-	<b>87,108</b>
Conferences and events	-	7,272	<b>7,272</b>	2,491	-	<b>2,491</b>
Other income	197	1,053	<b>1,250</b>	4,855	-	<b>4,855</b>
	23,222	2,865,031	<b>2,888,253</b>	94,454	1,543,984	<b>1,638,438</b>

The Cross Government Grant is funded by the Department for Education (DfE); Department for Work and Pensions (DWP); Public Health England (PHE) and the Ministry for Housing, Communities and Local Government (MHCLG).

Within the above grants are funds originating from Whitehall sources of £2,768,503 (2018-19: £1,465,198). The only contingency relates to the Cross Government Grant income recognised which is subject to an audit of the statement of income and expenditure for the funds.

Included in other sources of income is consultancy work of £11,500 undertaken overseas (2018-19: £87,108).

The work we have undertaken in 2019-20 would not have been possible without the support of our funders. Accordingly we would like to extend our thanks to all these organisations for their support.

**Early Intervention Foundation**  
Notes to the Financial Statements  
For the Year Ended 31 March 2020

**3 Expenditure from charitable activities**

	Unrestricted funds £	Restricted funds £	2019-20 Total £	Unrestricted funds £	Restricted funds £	2018-19 Total £
<b>Direct costs</b>						
Staff costs	29,505	1,802,572	<b>1,832,077</b>	42,924	1,121,476	<b>1,164,400</b>
Venue costs	-	13,703	<b>13,703</b>	-	6,792	<b>6,792</b>
Communications	-	74,978	<b>74,978</b>	-	39,693	<b>39,693</b>
Infrastructure costs	-	10,318	<b>10,318</b>	689	32,249	<b>32,938</b>
Project direct costs	1,138	243,018	<b>244,156</b>	30,027	165,721	<b>195,748</b>
Human resources costs	67	62,203	<b>62,270</b>	40,230	45,888	<b>86,118</b>
	<b>30,710</b>	<b>2,206,792</b>	<b>2,237,502</b>	<b>113,870</b>	<b>1,411,819</b>	<b>1,525,689</b>
<b>Support costs</b>						
Accountancy	-	26,721	<b>26,721</b>	1,556	24,164	<b>25,720</b>
Infrastructure costs	341	88,404	<b>88,745</b>	29,006	38,099	<b>67,105</b>
Premises costs	-	124,521	<b>124,521</b>	22,431	66,982	<b>89,413</b>
	<b>341</b>	<b>239,646</b>	<b>239,987</b>	<b>52,993</b>	<b>129,245</b>	<b>182,238</b>
<b>Governance costs</b>						
Audit fee	-	17,400	<b>17,400</b>	2,000	2,920	<b>4,920</b>
Trustee expenses	-	1,913	<b>1,913</b>	658	-	<b>658</b>
Legal fees	25,203	42,074	<b>67,277</b>	11,493	-	<b>11,493</b>
	<b>25,203</b>	<b>61,387</b>	<b>86,590</b>	<b>14,151</b>	<b>2,920</b>	<b>17,071</b>
	<b>56,254</b>	<b>2,507,825</b>	<b>2,564,079</b>	<b>181,014</b>	<b>1,543,984</b>	<b>1,724,998</b>

**4 Wages and salaries**

<b>Employment costs</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,500,857	996,601
Social security costs	162,096	105,137
Employer's contribution to defined contribution pension scheme	92,921	54,045
Temporary staff	76,203	8,617
	<u>1,832,077</u>	<u>1,164,400</u>

**Number of employees**

The average monthly number of employees on an average head count basis during the year was:

	<b>2019-20</b>	<b>2018-19</b>
Employees	33	21
	<u>33</u>	<u>21</u>

The number of employees whose employee benefits (excluding employer pension costs and employer's national insurance) were £60,000 or more were:

	<b>2019-20</b>	<b>2018-19</b>
	<b>number</b>	<b>number</b>
£60,000 - £70,000	3	3
£70,001 - £80,000	2	1
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
	<u>8</u>	<u>6</u>

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, the Director of Finance and Resources, the Directors of Evidence and Policy and Practice. For 2019-20 this also includes the Director of Evidence and Evaluation for the Youth Endowment Fund.

Key management personnel employee benefits (including employer pension costs and employer's national insurance) amounted to £476,293 (2018-19: £359,134).

**5 Trustee remuneration and benefits**

The charity Trustees were not paid and did not receive any other benefits as Trustees of the charity in the year (2018-19: £nil). Four Trustees were reimbursed travel expenses of £1,309 during the year (2018-19: Two Trustees reimbursed travel expenses of £658).

**6 Related party transactions**

There was one related party transaction for the year ended 31 March 2020 (2018-19: none).

Paul Ramchandani (trustee) is the Director of PEDAL, a centre at the University of Cambridge that is working in co-operation with the EIF to deliver the Nuffield Foundation Common Elements research. In 2019-20 the EIF received income totalling £18,906 (2018-19: none) from the Nuffield Foundation in respect of this project.

There were no donations from related parties which were outside the normal course of business and no restricted donations from related parties.

The board of trustees are committed to transparency where there is or may be perceived to be a conflict of interests with the work of the EIF. Details of any relevant disclosures are made annually in the Trustees' Report.

**7 Net income for the year before transfers**

	<b>2019-20</b>	<b>2018-19</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Other operating leases	124,521	89,413
Previous auditor's remuneration - statutory audit	-	4,000
Current auditor's remuneration - statutory audit	9,750	-
Current auditor's remuneration - grant audits	4,750	-
	<u>139,021</u>	<u>93,413</u>

**8 Tangible assets**

	<b>Computer Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2019 and 31 March 2020	<u>4,717</u>	<u>4,717</u>
<b>Depreciation</b>		
At 1 April 2019 and 31 March 2020	<u>4,717</u>	<u>4,717</u>
<b>Net book value</b>		
At 1 April 2019 and 31 March 2020	<u>-</u>	<u>-</u>

All assets are used for charitable purposes.

**9 Debtors**

	<b>2020</b>	<b>2019</b>
	£	£
Trade debtors	7,680	51,075
Prepayments	56,240	17,589
Accrued income	222,013	317,010
Other debtors	3,192	2,924
	<u>289,125</u>	<u>388,598</u>

**10 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	68,442	47,507
Accruals	48,670	43,470
Deferred income	52,531	40,000
Social security	52,024	30,374
VAT	410	1,577
Other creditors	16,363	12,155
	<u>238,440</u>	<u>175,083</u>

**Deferred income**

	<b>2020</b>	<b>2019</b>
	£	£
Deferred income brought forward	40,000	257,255
Released in year	(40,000)	(257,255)
Received in year	52,531	40,000
	<u>52,531</u>	<u>40,000</u>

Amounts deferred to 2020/21:

	<b>2020</b>	<b>2019</b>
	£	£
National Conference	52,531	-
Battersea Power Station Foundation	-	40,000
	<u>52,531</u>	<u>40,000</u>

The income deferred for the National Conference relates to the event postponement to December 2020.

**11a Funds**

**Movement in funds – 2019-20**

	Opening balance 1st April 2019 £	Income £	Expenditure £	Transfers £	Closing balance 31st Mar 2020 £
<b>Restricted funds</b>					
Cross Government Grant	-	1,972,421	(1,773,223)	2,364	201,562
Battersea Power Station Foundation	-	40,000	(40,863)	863	-
Economic and Social Research Council	-	29,297	(33,918)	4,621	-
Youth Endowment Fund	-	796,082	(632,590)	-	163,492
Nuffield Foundation	-	18,906	(18,906)	-	-
Other Income	-	8,325	(8,325)	-	-
<b>Total restricted funds</b>	-	2,865,031	(2,507,825)	7,848	365,054
<b>Unrestricted funds</b>					
General fund	1,013,307	29,541	(31,051)	144,747	1,156,544
Designated fund	605,000	-	(25,203)	(152,595)	427,202
<b>Total unrestricted funds</b>	1,618,307	29,541	(56,254)	(7,848)	1,583,746
<b>Total funds</b>	1,618,307	2,894,572	(2,564,079)	-	1,948,800

**General fund**

The charity has £1,156,544 of unrestricted general funds remaining at the year end. These funds have arisen historically from start-up and sustainability grant funding and from corporate donations. The funds are available to support EIF's general charitable purpose at the discretion of the Trustees.

**Designated fund**

In 2016-17 the Trustees established the Special Projects' Fund, ring-fencing £750,000 of unrestricted reserves to future projects in support of the organisation's strategy. Expenditure from the Special Projects' Fund is decided annually by Trustees as and when suitable initiatives are identified that cannot be funded from other sources. In 2019-20 legal costs of £25,203 for an Irish Guidebook were funded from this reserve. During 2019-20 the Trustees reviewed the fund, considered that it was too high in comparison to the general fund and authorised a transfer of £152,595.

## **11a Funds (cont'd)**

### **Restricted funds**

#### **2019-20**

In 2019-20 the charity received £1.97m in cross government grant funding, the details of which can be seen in note 2, commissioned via the Department of Education (DfE) and including contributions from Department for Work and Pensions, Ministry for Housing, Communities and Local Government, Public Health England and Department for Health and Social Care. Projects associated with this grant are grouped together in thematic areas including:-

- What Works Infrastructure – a budget for the general support for EIF's work programme, stakeholder management and communications, including the maintenance and expansion of the EIF Guidebook.
- Early Years projects
- Projecting Vulnerable Children projects
- Mental Health and Wellbeing projects
- Reducing Parental Conflict

Further details of the annual work programme are outlined in our Achievements and Performance in the Trustee's Report.

2019-20 was the first year that EIF worked in partnership with Impetus and the Social Investment Business to deliver the Youth Endowment Fund. This is a £200m endowment from the Home Office which over 10-years will give grants to programmes around the UK aiming to tackle the risks associated with young people becoming involved in violent behaviour and crime. EIF is a delivery partner and receives funding to bring its expertise to the partnership with a particular focus on identifying and improving the evidence base, data and evaluating programmes.

Funding from the Nuffield Foundation was awarded in partnership with Cambridge University for a research project to improve children's outcomes in early childhood education, titled Common Elements. This project uses a systematic approach to identify and communicate the common elements of the most effective programmes that enhance children's cognitive and social-emotional development.

Other funders included Battersea Power Station Foundation for work on Youth and Gang Violence and the European Social Research Council for work on Social and Emotional Learning.

**11b Funds (cont'd)**

**Movement in funds – 2018-19**

	Opening balance 1st April 2018 £	Incoming resources £	Resources expended £	Transfers £	Closing balance 31st Mar 2019 £
<b>Restricted funds</b>					
Cross Government Grant	-	1,465,198	(1,465,198)	-	-
Battersea Power Station Foundation	-	61,776	(61,776)	-	-
Economic and Social Research Council	-	17,010	(17,010)	-	-
<b>Total restricted funds</b>	-	1,543,984	(1,543,984)	-	-
<b>Unrestricted funds</b>					
General	947,810	101,511	(181,014)	145,000	1,013,307
Designated fund	750,000	-	-	(145,000)	605,000
<b>Total unrestricted funds</b>	1,697,810	101,511	(181,014)	-	1,618,307
<b>Total funds</b>	1,697,810	1,645,495	(1,724,998)	-	1,618,307

**Restricted funds  
2018-19**

In 2018-19 the charity received £1.27m in cross government grant funding, commissioned via the Department of Education (DfE) and including contributions from Department for Work and Pensions, Ministry for Housing, Communities and Local Government and Public Health England. Projects associated with this grant are grouped together in thematic areas including:-

- What Works Infrastructure – a budget for the general support for EIF’s work programme, stakeholder management and communications, including the maintenance and expansion of the EIF Guidebook.
- Early Years projects
- Projecting Vulnerable Children projects
- Mental Health and Wellbeing projects
- Interparental Relationships projects

Further details of the annual work programme are outlined in our Achievements and Performance in the Trustee’s report.

**11b Funds (cont'd)**

In 2018-19 the charity also recognised £194,998 of income which had been granted the previous financial year but deferred due to delays in completing project work. All projects, the majority of which related to the themes of Early Years and Protecting Vulnerable Children, were completed within the first quarter of 2018-19.

In addition to the cross-government grant the charity also received funding from Battersea Power Station Foundation in respect of work on Youth and Gang Violence. It was also granted funding by the European Social Research Council to work on Social and Emotional Learning in a manner complementary to other work funded by the UK government.

**12 Analysis of net assets between funds**

	General fund £	Designated fund £	Restricted funds £	2020 Total £	General fund £	Designated fund £	Restricted funds £	2019 Total £
Current assets	1,394,984	427,202	365,054	<b>2,187,240</b>	1,188,390	605,000	-	<b>1,793,390</b>
Current liabilities	(238,440)	-	-	<b>(238,440)</b>	(175,083)	-	-	<b>(175,083)</b>
	<u>1,156,544</u>	<u>427,202</u>	<u>365,054</u>	<u><b>1,948,800</b></u>	<u>1,013,307</u>	<u>605,000</u>	<u>-</u>	<u><b>1,618,307</b></u>

**13 Financial commitments**

At 31 March 2020 the charity was committed to making the following payments under non-cancellable operating leases:

**Land and buildings**

	2020 £	2019 £
Operating lease which expires: Within one year	52,791	69,625
	<u>52,791</u>	<u>69,625</u>