



**ARMY FAMILIES FEDERATION  
ANNUAL REPORT AND  
ACCOUNTS 2014/15**

*aff*



*The branches of  
AFF support the  
Army family tree*

***aff***

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**M**ORE families are choosing to live in their own homes due to schemes such as the Forces Help to Buy Scheme, and more families are living unaccompanied for a range of complex issues emerging from the on-going rebasing programme, as well as the need for employment opportunities and continuity of child education.

In 2014/15 issues such as these have focused AFF's attention to better understanding the needs of all types of Army family including:

- **Reserve families**
- Families of unmarried soldiers
- **Wider Army family members**
- Families based overseas
- **Geo-dispersed families**
- Dual serving families

We have committed to including and representing these groups in a variety of ways. For example our dual serving survey was complimented by an article in our *Army&You* magazine and highlighted disadvantages suffered by this cohort, including the onus on one party to sacrifice their career in order to deal with childcare or to overcome the postings barrier.

In 2014 AFF responded to

increasing requests for support from families overseas by establishing an Overseas Branch; new co-ordinators in Kenya and Canada have enhanced our face to face work. Engagement with the Minister for Defence Personnel Welfare and Veterans has also improved understanding of the financial and emotional challenges facing families overseas.

#### **WORKING STRATEGICALLY**

AFF continues to work strategically to the benefit of Army families. This year we have secured a place on the additional needs adaptations stakeholder group. This is a huge win for our health and additional needs specialist, who will now be best placed to represent families in need, voice their concerns and advocate on their behalf.

Similarly, we are now able to represent families on every SCE School Governance Committee in Germany and Cyprus, bringing us another step closer to ensuring that families posted overseas can receive quality education for their children.

As Chief Executive of AFF, I have been keen to utilise LIBOR funds to maximise the effectiveness of the

Armed Forces Covenant. I use my position as an external member of the Cabinet Office led Covenant Reference Group to engage in honest and open dialogue.

AFF's co-ordinators and specialists support our families on the ground. I represent them at the Armed Forces Pay Review Body and a concern is the disproportionate rise in housing charges against meagre increments in pay.

#### **GETTING OUT AND ABOUT**

AFF hosted a range of events in 2014/15. Most notably our biennial conference – The Big Debate – attracted around 500 delegates. With attendance from important influencers such as Anna Soubry MP, Adjutant General and DIO – as well as big businesses such as HSBC, Irwin Mitchell and ASDA – the event offered families the chance to sell their story, interact with key individuals and see first-hand how AFF represents them.

In 2014 we delivered roadshows for our Reserve families. Although attendance at these events could have been better, they still provided us with an opportunity to reach this important population. This continues to be an area of key



## There is no such thing as a typical Army family – the shape of the family is changing

concern for AFF and I envisage more chances in the coming year for us to engage and empower this group of people.

In Germany our roadshows were successful in bringing key decision makers, command and families together to alleviate worries and, at the very least, get families' concerns voiced in an open forum. With the winding down of BFG over the coming years – and indeed the absorption of AFF's Germany Branch into our Overseas Branch, it is important that our families continue to feel supported by AFF and considered in our decision making. Although our staffing will reduce, our commitment to the families will not.

A new volunteer programme has enabled us to exploit the support AFF has in the local community in a well-structured and managed way. In particular AFF now has an ear on the ground in remote locations in the UK as well as in some key overseas locations such as Turkey and the US. They do not replace the skills and expertise of our staff, but compliment our work.

### LOBBYING FOR CHANGE

AFF continued to highlight the big issues this year:

- **School Children's Visits**
- Disturbance Expense
- **Concessionary travel**
- Bus services in Cyprus

Our quarterly evidence report, Army Families' Concerns, continues to reflect the issues faced by our families. We distribute this report to politicians and policy makers with

further evidence provided through surveys. This year, the report had a re-vamp in its presentation and this reflected a general changing trend in the way AFF presents its case to lobby for change. AFF increasingly mixes formal and informal ways of getting our message across, as families become more engaged in what we are doing for them.

### KEY CHALLENGES

AFF faces many challenges as an organisation, and they vary both in complexity and theme.

The management of the Housing Prime Contract by CarillionAmey is one of our key areas of concern. AFF is keen to see improvements being made, particularly in relation to SFA refurbishments and replacement of boilers in the most-needy 3,000 properties.

Rebasing continues to be at the forefront of our focus – we are committed to ensuring that families remaining in BFG have a positive experience right to the end. Our UK and Overseas Branches will support this objective.

Spousal employment was put in the spotlight this year, particularly in relation to the effect that lack of childcare and soldier's working hours can have on the opportunities of the spouse. A collaborative approach from all AFF branches has resulted in some great improvements for our families such as a dedicated Jobs&You portal on our *Army&You* website, our first ever Employer of the Year Award and a jobs fair at The Big Debate that included 16 employment stalls

and was effective, not only for the families who visited, but also the organisations that took part.

### RISKS

To enable AFF to operate successfully, we need to maintain an excellent relationship with command and expand our contacts with decision makers. We pursue a diplomatic approach, ensuring that we do not put at risk communication channels whilst meeting our responsibility to represent our families fairly. We are in the business of telling our partners 'what they need to know', which takes courage by all parties, and we are reliant on this continued trust.

AFF is mainly funded through Grant in Aid and Army Central Fund. Despite a reduction in the numbers of the Regular Army, it is important to acknowledge that AFF supports the Reserves and so our total population is not set to change. The changing nature of Army families sees AFF supporting personnel outside of the traditional P-Stat category of 'married' and therefore if anything, our responsibilities continue to increase. Face-to-face work remains essential when engaging in the human story that is our families' lives. Our network of co-ordinators are essential in this work. We run an incredibly light organisation with rigorous governance processes, but we believe that a sufficiently resourced, fit for purpose families federation is an essential part of the soldier's contract with their government.

FROM THE CHIEF EXECUTIVE  
**CATHERINE SPENCER**





### AFF UK

A core objective of the UK Branch is to communicate entitlement, signpost to services and work in partnership with our local network of support in order to improve the lives of Army families.

The number and location of UK co-ordinators has changed over the years in order to mirror troop concentrations. With the drawdown of Germany we are witnessing an overall increase in families in certain areas, despite the cuts to the Army. Particularly busy areas include Salisbury Plain, Catterick and Stafford.

We are also seeing new locations in need of support such as Leuchars, previously an RAF installation. In 2014, AFF covered the whole of the UK including our devolved countries of Northern Ireland, Scotland and Wales, with 15 co-ordinators.

Our staff are dispersed on the ground and in the community and are managed by three regional managers. Their hours are carefully matched to need, working a range of 15-25 hours-per-week.

### REACHING FAMILIES

In 2014 the UK Branch continued to focus on its core work of talking to and representing the views of Army families.

On Army patches, families still gather regularly at community centres and in local groups, offering AFF the unparalleled opportunity to report on the issues that affect our families.

The Army, as well as local authorities, embrace localism and a lot of decision making occurs at a Unit level. By harnessing a network of support and working in partnership with people, AFF is often able to secure resolutions to

problems at a local level.

Where the number of families doesn't justify the recruitment of a co-ordinator, we use our virtual co-ordinator to provide essential cover.

Although not the same as being in the local community, the virtual co-ordinator builds relationships at a local level with the relevant organisations; this is a relatively new post which has enabled us to reach geo-dispersed families.

### SUCCESSES

Our co-ordinators have to be versatile in meeting the needs of their communities. They are required to deliver a wide range of initiatives such as briefing a school on military life; especially where new housing brings with it the admission of Army children for the first time, or empowering and facilitating a group in a remote

## We are lucky to have a skilled and experienced team

housing area to create their own coffee morning, then seeing it develop and grow into a hugely successful social empowerment and support group.

We are lucky to have a skilled and experienced team; however, mindful of the stressful situations in which our staff can find themselves, UK Branch held an excellent Samaritan training session on 'dealing with difficult situations'. This session was well received by all staff and reflects our commitment to support them.

### CHALLENGES

A 2014 branch objective was to reach out to the families of Reserve soldiers and those who live in their own homes.

We put in place a comprehensive marketing campaign throughout Reserve units, promoted articles in *Army&You*, worked collaboratively with Communications Branch on a 'Live Chat' social media session and held two Reserve roadshows in St Helens and Cardiff.

However, uptake remains steady but we see this as an area which needs much more work before we can report success.

The UK Branch has taken the AFF lead on the massive MOD rebasing programme, working closely with both Germany and Evidence Branches to gather timely information to enable us to reassure families. Efficient enquiry resolution is helping in individual cases.

We continue to use our understanding of families' concerns to inform local and regional planning on a routine basis; this will continue to be extremely important work throughout the rebasing programme.

Differences in services and entitlement across the devolved communities are a challenge for Army families.

AFF is a key provider of information on what is available, where, and to whom. This is invaluable to families.

However, trying to mitigate the disadvantages of forced moves across devolved boundaries will remain a key challenge for our families and AFF.

19

AFF UK  
STAFF

4,145

ENQUIRIES  
FROM  
FAMILIES

10K

FAMILIES  
MET

3

DEVOLVED  
ASSEMBLIES

1

GOAL

UK BRANCH





## **AFF GERMANY**

A key objective of the Germany Branch is to support families through the major changes of the drawdown from British Forces Germany (BFG).

We monitor the disadvantages families face as services are paired back to skeleton structures and seek to protect them from discrimination resulting from the location of their Service.

The branch has five posts but these will be reduced in 2015.

## **REACHING FAMILIES**

AFF Germany looks after 5,000 families in 11 locations. It is crucial that, despite the reduction of families in BFG, we maintain a visible presence.

We have seen the types of enquiry shift from previous years to mirror what is happening in line with rebasing. Family life issues

rank second with money issues taking the top spot in 2015.

This is mainly due to increased enquiries from families wishing to secure a more stable life in the UK and purchasing their own homes utilising the Forces Help to Buy Scheme.

Due to current MOD policy, some families are unable to afford removals back to the UK (AFF has highlighted this issue to the chain of command at the highest level).

We have worked with our Overseas Branch to highlight issues relating to:

- Disturbance expense
- School Children's Visits (SCV)
- Covenant issues related to Service overseas such as poor credit ratings, difficulties securing mortgages and the inability to leave a UK mobile phone contract upon overseas postings.

As part of this work we visited families in Shape in Belgium and Brunssum in the Netherlands, as well as our families in Germany.

We summarised our findings and recommendations in two briefing notes for the respective Station Commanders, Joint Force Command and the Army Personnel Centre.

This was critical in raising the profile of these concerns and proved instrumental in securing a review of overseas allowances.

In autumn 2014, AFF delivered roadshows in four locations in BFG. These provided families with an opportunity to question command on rebasing plans and the provision of services during the prolonged drawdown phase.

It provided BFG command, Directorate Children and Young People (DCYP) and the rebasing team with access to Army families,



# AFF Germany's face-to-face contact with families remains crucial and we continue to be a visual presence in BFG

enabling them to register concerns and plan more effectively

## OUR SUCCESSES

Securing an upgrade to the overseas package was a key success. This was achieved through constant dialogue with the Army, the Joint Force Command, the MOD and Government Ministers.

Spousal employment is a key challenge for families posted overseas and AFF's work negotiating the opening up of Civil Service posts to military spouses in BFG was a great success.

As services are pared back, concerns over education provision

are very high.

During the year, AFF worked with Service Children's Education (SCE), DCYP and command to improve communication by SCE to families regarding schooling provision. AFF also secured a place on all SCE committees in BFG.

Finally, AFF's continued presence at all key rebasing steering groups throughout BFG, where decisions have direct impact on Service families, has ensured our families have a meaningful voice.

## OUR KEY CHALLENGES

- Continued decrease of BFG resulting in what may be reduced services and infrastructure for

those families remaining until 2018/19

- Supporting Army families' return to the UK where the family has little or no experience of UK life
- Supporting Army families who are resettling in Germany
- Supporting the increasing number of families who are serving in Germany married unaccompanied to avoid disruption around short term overseas posting
- Managing expectations at a time of uncertainty.

In 2015/16 we will merge with the Overseas Branch to maximise organisational efficiencies.

4

ROADSHOWS  
HELD BY  
AFF GERMANY

5K

FAMILIES  
SUPPORTED

3

COUNTRIES

11

LOCATIONS

5

STAFF

GERMANY BRANCH





### AFF OVERSEAS

The Overseas Branch was created in January 2014 in response to the increasing number of families contacting AFF from around the world. Its core objective is to monitor disadvantage created by being overseas and work with command, government and the Covenant Team to mitigate against this. This Branch has seven posts which support families in over 70 countries.

The Branch subsumed the existing Cyprus branch and the Cyprus director post was downgraded to a regional manager. An overseas director was recruited and two new co-ordinator posts were generated in Canada and Kenya where isolation and limited welfare services created a need. Our face-to-face time with families has also increased with the help

of volunteers in Cyprus and the USA. A wide range of other locations have been identified for overseas volunteers and these are advertised on our volunteer website.

### REACHING FAMILIES

A comprehensive publicity strategy raised awareness of the Overseas Branch amongst families. This included press releases and BFBS interviews.

A specific overseas section has been created on the AFF website and articles on family life overseas have been submitted to each edition of *Army&You*.

The command structure for overseas assignments is diverse, but the Branch has successfully engaged with relevant stakeholders, thereby meeting a key objective; this is achieved through meetings, briefing notes

and messaging.

During this reporting period, Overseas Branch staff received 1,089 enquiries. Specific surveys have been conducted into School Children's Visits and Disturbance Expense overseas; the latter received over 1,000 responses from 48 countries, reflecting the considerable reach of the Branch.

Many families have questioned the effectiveness of the Armed Forces Covenant in addressing the disadvantages associated with overseas assignments. The Branch compiled a report into the issue which was presented by the Chief Executive to the Covenant Reference Group; this has increased awareness of the issue amongst multiple government departments.

### SUCCESSSES

Our well-established Cyprus team

## We represent Army families in more than 70 countries

has had an extremely successful year, including:

- representing families on every School Governance Committee on the island
- ensuring a full public consultation on the cutting of school bus services
- an audience with the Fijian High Commissioner to the UK
- successfully campaigning for the reinstatement of JSHAO briefings and pan-island welfare meetings
- an instrumental role in the ongoing work into the uplift of childcare facilities, following a successful LIBOR bid by BFC.

In Canada, our co-ordinator worked tirelessly with HQ BATUK on the Dangerously Ill Forwarding of Relatives policy to secure the optimal outcome for an Army family.

Our Kenya Co-ordinator worked

collaboratively with HQ BATUK to secure a timetable for the installation of BFBS TV to new Service Families Accommodation in Nanyuki.

In March 2015, a package of improvements to the overseas offer was announced. This included an increase in Disturbance Expense and the doubling of the number of School Children's Visits from three to six. The Overseas Branch was directly involved in capturing the evidence which informed policymakers.

### CHALLENGES

The Overseas Branch will increase in size in summer 2015, when it amalgamates with AFF Germany Branch. A key work stream moving forward will be the drawdown of BFG and the rebasing of families from and within Germany.

Alongside location specific priorities such as childcare provision in Cyprus, in 2015/16

the Branch will focus on three key areas:

- re-evaluating the financial impact of overseas assignments in light of recent uplifts
- the provision of information before, during and following overseas assignments
- determining welfare support available to families.

The greatest challenge will be maintaining engagement with families and the chain of command in the large number of overseas locations. Whilst developing virtual contact is ongoing and achievable, increasing face-to-face time is predominantly reliant on volunteers.

Overseas locations with large numbers of families, such as Brunei, would benefit from face-to-face time with staff from AFF's Overseas Branch; sourcing this funding will be challenging.

# 2

NEW  
CO-ORDINATOR  
POSTS

# >70

COUNTRIES IN WHICH  
WE REPRESENT  
ARMY FAMILIES

# 14

MILITARY  
DEPARTMENTS WE  
HAVE ENGAGED WITH

# 2

SURVEYS  
AND POLICY  
CHANGES

# 1K

RESPONSES TO  
OVERSEAS & OUT OF  
POCKET SURVEY

## OVERSEAS BRANCH







The Evidence Branch's core objective is to provide evidence required to champion policy change where a trend highlights disadvantage. We have 10 posts, two of which are funded through ABF The Soldier's Charity, and we are extremely grateful for this on-going support.

The team also supports families by dealing with individual complex enquiries, where specialist knowledge is key. Our areas of specialisation are:

- Housing
- Education and Childcare
- Employment, Training Allowances and Money
- Health and Additional Needs
- Foreign and Commonwealth

Through these two strands we meet AFF's objective of improving the lives of Army families.

#### **COLLECTION & COLLATION**

All issues raised by families via co-ordinators, social media, the central office team or directly to the specialists, are recorded on a database. The evidence team manages this database and collates the data into a quarterly report – Army Families' Concerns. We also use our online reach and the excellent access to families through our co-ordinator network, to survey families. This data is collected in order to support our claims and win arguments. There are occasions where collaboration with academic institutions can give our research more rigour. We also engage with other charities to share access to a specific population and collaboratively review issues.

#### **SUCCESSES**

This year we continued to deal

with a variety of enquiries; we also answered questions on rebasing, redundancy and the New Employment Model.

The foreign & commonwealth (F&C) team dealt with nearly 2,000 enquiries about visas, and we were successfully audited by the Office of Immigration Services Commissioner. Our accreditation has meant that F&C families can treat our advice with confidence.

Ensuring divorced spouses included in the Armed Forces Covenant pledge, so that they too can access social housing using the same system as veterans, is very important to us.

Whilst we continue to campaign to have them officially included, behind the scenes we are working with individual councils to persuade them to take this into consideration and we had some success with Cheshire West and



## The Evidence Branch supports families by dealing with complex enquiries where specialist knowledge is key

Chester council.

AFF successfully campaigned on the issue of voluntary separated families being excluded from claiming Concessionary Travel for Families (CTG) whilst their soldier was deployed, arguing that choosing to be unaccompanied does not mean they do not need support from their wider family when their soldier is away.

For the second year running, AFF ran the Service Premium Award celebrating best practice amongst schools' use of the £300 per year they receive for every Service child they teach; we are grateful to Sodexo who provide the £500 prize money for this award.

We continued to push spousal employment – an issue that finally resonates with the MOD now that the New Employment Model encourages families to buy their

own home, a difficult option when relying only on one income. We launched our Jobs&You portal which promotes spouse supportive employers, and would like to thank TylerBale who host this site on our behalf.

### CHALLENGES

We need to ensure AFF represents all Army families. This year we reached out to dual serving and divorced families to survey their needs in order to support them more effectively. This piece of work is just beginning and there is more to be done.

We learnt some valuable lessons this year that will help us shape future campaigns. What on the surface seems to be a simple issue to resolve, often becomes bogged down in complexities when considering the unintended

consequences a change of policy might bring.

Our campaign to persuade the MOD to pay for mid-assignment moves, on the surface seemed a win win for everyone.

It helped families afford the move to their own home and complemented the New Employment Model aspiration of increased home ownership.

But we ran into trouble when it was questioned whether this would in effect be that Service person's last move as if so, the MOD, on instruction from the Treasury, does not pay for final moves – we are at an impasse.

The lesson learnt is that we must be better at anticipating these unintended consequences and work hard to present solutions in order to avoid stalling our campaign.

8

SURVEYS  
COMPLETED

1,760

HOUSING  
ENQUIRIES

10

STAFF

2

ACADEMIC  
PROJECTS  
SUPPORTED

35

FOREIGN &  
COMMONWEALTH  
ROADSHOWS

EVIDENCE BRANCH





## REACHING FAMILIES

Reaching families is our primary objective; we have to communicate to a range of audiences and have developed a range of mechanisms to achieve this:

### ARMY&YOU

The partnership between AFF's editorial team and our publishers TylerBale has been a huge success. After only its 5th edition, our re-branded quarterly magazine picked up a CIPR Silver Award for external communications.

A sharp increase in readership engagement demonstrates that print format remains a powerful mechanism when communicating to a diverse audience on a range of issues. *Army&You* is supported online with a designated website and social media; the website,

delivered by TylerBale, also features our Jobs&You portal which supports our objective of promoting spousal employment.

### SOCIAL MEDIA

Drawing on expert advice from BFBS Head of Online, and merging it with our own audience understanding, we have revamped our Facebook pages and now secure around a 100 per cent response rate on all posts.

We are now exploiting new mediums such as Pinterest and Instagram and, through development of our graphic design and photographic skills, we maintain a highly visual and engaging experience for our audience. We delivered a live AskAFF Twitter session for our Reserve families and covered The Big Debate with a live Q&A Twitter session #BigDebate for those

unable to make it on the day.

### WEBSITE

The AFF website is a 'go-to' information portal for Army families, covering entitlements, services and support.

The website's 150+ pages are constantly reviewed; in 2014 we improved its Graphical User Interface, including a refresh of AFF's colour palette which enabled us to keep our logo whilst embracing colours more suited to online products.

In the last 12 months we have seen increased engagement from AFF's partners beyond the Armed Forces, such as Citizens Advice Bureau and various local authorities, who now have links to our website helping us to build a strong support network of specialists and thus serve our families better.

## The AFF website is a 'go to' information portal for Army families

### SUCCESSIONS

Quality copy is at the heart of what AFF does. The accuracy of our information is paramount and this year we employed a copy editor.

Working across all mediums, they have enabled us to manage an increase in publications of around 300%. As well as generating text for online and social media formats, the copy editor supports the design work of hardcopy publications.

We continue to improve the quality of our formal reporting, promoting the needs of Army families to policy makers.

We ensure data is qualified, reporting is accountable and comment is substantiated by our rigorous editorial process.

Information is set in a visually intuitive format to maximise accessibility for busy people – there is a clear ethos that less is more.

AFF continues to explore new mechanisms for communicating survey data. Our quarterly report on trending and emerging issues, Army Families' Concerns, has received a professional refresh and in the fourth quarter, our command briefs were redesigned

with improved infographics.

### OUR KEY CHALLENGES

Our greatest challenge is managing the volume of work AFF produces and imposing a robust editorial process to ensure the highest level of integrity for our material. Our budget is extremely tight and the majority of staff work part-time; team resilience is secured through skill acquisition and collaborative working practices and output is continually improving through our commitment, passion and professionalism.

# 47

THOUSAND  
FAMILIES  
REACHED

# 27

PERCENTAGE  
INCREASE IN  
TWITTER FOLLOWERS

# 500

FIRST-DAY  
RESPONSES TO  
ANNUAL SURVEY

# 6

NUMBER OF  
ROADSHOWS  
HELD

# 40

THOUSAND POUNDS  
RAISED IN EVENT  
SPONSORSHIP

## COMMUNICATIONS BRANCH







## OUR VOLUNTEERS

Since the programme was launched in January 2014, 62 people have volunteered for AFF in 12 different roles around the world in locations such as:

- UK
- Germany
- Cyprus
- Canada

Our local publicity volunteer role has been very popular, with 26 volunteers helping us to cascade publicity materials to parts of the Army family community where it is more difficult for the local co-ordinators to reach. These volunteers have helped us promote the Big Debate, local roadshows, AFF's Big Survey and campaigns such as the Service Pupil Premium. Unexpected achievements for 2014 included

one of our volunteers in Wilton helping the local co-ordinator to secure a rent reduction for local residents – a real coup for AFF in our battle to secure a better deal for families!

## FINDING FRIENDSHIP THROUGH VOLUNTEERING: A CASE STUDY

Julie explains why she chose to volunteer: "I'm nosey! I like to know what's going on; the only way to do that is to get out there and get involved."

Although both were posted in Wilton, Jo and Julie only met on becoming AFF volunteers – coffee mornings can be a great way to meet people.

Jo tells AFF: "We've both been volunteering for about six months now. Our official role is local publicity volunteer but the work we do varies from spreading the

word about AFF's plans, helping with queries on social media to attending AFF events and taking information back to our community."

Now firm friends, the ladies organised a Christmas party together last year for local children to attend.

Julie says: "I don't view it [volunteering] as a job, it's just something I enjoy doing."

Volunteering for AFF has been positive for both ladies and has forged an unexpected friendship.

## OUR CENTRAL OFFICE TEAM

Despite 57 paid staff posts and 62 volunteers, AFF has an extremely small administration team.

Central office is managed by one ops manager who is supported by one full-time member of staff.

On top of routine personnel and office administration such as pay



## Since the programme was launched in January 2014, 62 people have volunteered for AFF in 12 different roles

roll, expenses, office equipment, meeting management, travel and timesheets, this team are responsible for AFF's IT.

Each member of staff has a computer and a phone and 2014 has seen a project to review the asset register, identify 'at risk' equipment, budget for replacements and procure the most appropriate equipment at the cheapest price.

The ops manager is responsible for identifying, purchasing and loading appropriate software, all at cost price.

Cost of repair and maintenance

can be an unwelcome variable and so support packages have been negotiated and back-up plans have been put in place using portable hard-drives and memory sticks.

We have a designated server which is maintained by an expert volunteer whose paid employment is as an MOD IT contractor.

All their work for AFF is done in their own time, at the end of the working day; without them we would struggle to function. Currently we do not budget for this expert support and this is a key area of risk.

Data protection is something AFF

takes very seriously. We hold very little personal data on families and all electronic communication is conducted on work accounts that are held on work devices and the work server.

This enables AFF's ops manager to put into effect key controls and delete data according to recommended guidelines. However, data protection is everyone's responsibility, not least our trustees and directors, and we have identified a training gap. Therefore, in 2015 an online data-protection training programme for all staff will be run.

# 12

DIFFERENT  
VOLUNTEER  
ROLES

# 62

NUMBER OF AFF  
VOLUNTEERS SINCE  
JANUARY 2012

# 57

NUMBER OF PAID  
POSTS  
AT AFF

# 2

CENTRAL  
OFFICE  
STAFF

# 1

ARMY,  
ONE  
FAMILY

## VOLUNTEERS & CENTRAL OFFICE





### FINDING QUALITY STAFF...

Every year is a recruiting year as staff leave on posting with their serving soldier, or for employment pastures new. Recruiting quality people is a constant objective, and doing so in a timely way, the challenge.

This year was no different, with 18 vacancies to fill; excepting one, all were filled in good time, minimising the gap between post-holders and keeping the AFF service going.

Three of the year's vacancies were for exciting new posts:

- **COPY EDITOR:** Responding to AFF's growing online and social media presence, the Copy Editor has helped us to create audience-focused and timely information pieces across a range of media.

- **KENYA CO-ORDINATOR:** Recruited into AFF's newly-created

Overseas Branch, this post has allowed us to get involved with the unique and often complex issues arising from a Kenya posting

- **VIRTUAL CO-ORDINATOR:**

Enabling us to focus on Army families in areas with no AFF co-ordinator; those living in their own home and Reserve families.

### ...AND KEEPING THEM

Pitted against the posting cycle and a limited budget, retention can be a challenge.

Happily, we not only had a successful year filling vacancies, but we also saw a drop-off in turnover (down 11 per cent from last year). In addition, three staff left one AFF job but successfully interviewed for another.

We'd like to take some credit for this; we work hard to keep staff happy in their employment,

offering the best possible training, asking for (and responding to) their views and keeping their work relevant. Our successes include:

- Approval on all **flexible working** requests received
- More funding requests for **external training/learning** received (and approved) than ever before – 33 requests funded, benefitting individuals and teams across AFF
- 90 per cent of staff told us via the staff survey that they would recommend AFF as an employer to a friend (10 per cent said 'maybe'); staff also complimented AFF as a flexible, family-friendly employer
- 100 per cent of annual **Performance Reviews** carried out and written up on time with staff engagement reaching the highest levels ever; numerous job descriptions have been updated to

## Recruiting quality people is a constant objective and doing so in a timely way the challenge

reflect accurately the work our staff carry out

- A **pay review** across the organisation's varied roles resulted in a 2 per cent pay increase for all staff<sup>1</sup>

- More staff signed up to our workplace pension scheme this year (41 per cent have taken us up on the offer so far) and plans are firmly in place to meet our auto-enrolment date of 1 October 2015

- Offering two **deployment leave days**, additional paid leave to support staff around a serving partner's deployment. It's not new at AFF, but it came into play again this year for the benefit of all eligible staff.

### THE BIT ON THE SIDE

Here at AFF, we uphold that part

of the job description that asks staff to get involved with 'any other duties appropriate to the post'. With key events like The Big Debate, and a networking event, it was all hands on deck to offer critical support to the Communications team. Most staff have a part to play with events, and this year saw a side-line for Director Personnel in the form of liaison with the office of HRH The Duchess of Gloucester (AFF's patron) to arrange attendance at our events. Not straying too far from the personnel sphere, pre-event preparation included planning, who would do what and making sure staff knew the task in hand.

### GOING FORWARD

- Continued collation of key HR

stats - monitor trends in recruiting, employment and staff departure

- Review staffing risks in collaboration with the Remuneration Committee, management and Trustee boards
- Put AFF values at the core of recruiting, training and performance review

### SUPPORTING APPLICANTS

We're keen to give all job applicants a positive experience. While non-shortlisted and unsuccessful interview candidates will be disappointed, we hope at least that people leave AFF's recruitment process feeling well-treated. To try and hit that target, we give timely responses to all applications and offer feedback at every step of the way.

\*AFF Germany staff are paid through the Labour Support Unit and their pay rates are not governed by AFF

# 18

AFF VACANCIES  
DURING  
2014-15

# 20

STAFF  
TURNOVER IN  
PERCENTAGE

# 33

EXTERNAL TRAINING  
REQUESTS  
FUNDED

# 41

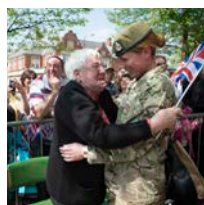
PER CENT  
ENROLLED IN  
PENSION SCHEME

# 4

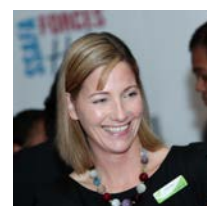
FLEXIBLE  
WORKING REQUESTS  
APPROVED

## PERSONNEL BRANCH





**SKANSKA**



## APRIL 2014

AFF establishes its first co-ordinator post in Kenya providing much needed support to our families

**AFF launches its new virtual co-ordinator to support Regular and Reserve Army families living in their own homes**

## MAY 2014

**AFF secures a place at the stakeholder group for additional needs adaption, enabling us to directly affect outcomes for families in need**

AFF now represents families on most SCE School Governance Committees in Cyprus and Germany

## JUNE 2014

AFF reaches out to Reserves and their families in two Reserve roadshows, ensuring that AFF represents all serving soldiers' families

**AFF's Excellence Award raises awareness of Service Premium amongst families, schools and the Department for Education**

AFF takes a stand at the LGA conference to champion the needs of Army families and set up partnerships

## JULY 2014

**AFF secures entitlement to Concessionary Travel for Families to those living in their own homes**

AFF ensures a full and proper public consultation regarding changes to school bus services in Cyprus (and was selected to be the independent conduit between families and the chain of command)

## AUGUST 2014

AFF secures gold sponsorship from Skanska for its biennial conference

**AFF announces its first ever Employer of the Year Award – raising awareness of barriers faced by Army spouses**

## SEPTEMBER 2014

**AFF signs the Corporate Covenant**

AFF hosts 4 Germany roadshows with a spotlight on rebasing

**AFF makes itself heard at the FACE Conference in Belfast in order to ensure effective use of EU Development Funds and the delivery of relevant support for Army families**



AFF works with Healios and Wiltshire Mind to support carers of people with mental health illness in the Forces community

**AFF delivers the Big Debate; 500 delegates, 16 employment stalls, 2 Awards presented and a live tweet Q&A session #BigDebate**

AFF challenges CAAS to deliver a fair review of the charging system not just a price increase

**AFF works with FPS to help secure justice for widows and their pensions**

A&Y receives a CIPR Award for best external publication

**AFF secures an invite to biannual Scottish Govt Policy Department meetings**

**AFF highlights childcare as an issue for Army families and helps secure its inclusion in an £11 million LIBOR fund**

AFF announces first ever charity single commemorating WW1 – *lost and found*, by 3 and me

**AFF successfully campaigns for the British Forces Cyprus pan-island welfare meeting to be reinstated**

**AFF secures a win for Army families in the Schools Admission Code**

AFF celebrates first year of its new volunteer programme

**AFF works with Welsh Govt to explain organ donation policy change to Army families**

AFF invited to Stormont to discuss managing family medical records and complicated Covenant case work

AFF partners with DCYP to review State Boarding Schools as an option for continuity of education

**AFF talks about domestic abuse and divorce and reaches out to these vulnerable groups**

AFF's foreign & commonwealth team secures level two OISC accreditation

**AFF reaches out to dual serving families and represents their needs**

**AFF works with frustrated families to raise awareness of shortcomings of new housing contract**

AFF campaigns against real-time freezes on Army family incomes "when is a payrise not a payrise"

**AFF's 'overseas and out of pocket' survey secures significant enhancements to the overseas package**

**OCTOBER 2014**

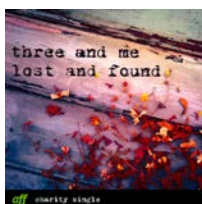
**NOVEMBER 2014**

**DECEMBER 2014**

**JANUARY 2015**

**FEBRUARY 2015**

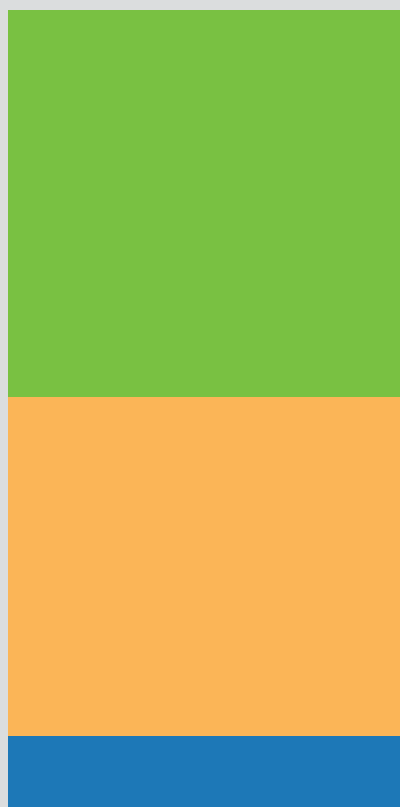
**MARCH 2015**



**IMPACT LINE**



## INCOME 2014/15



### MAIN FUNDING

Grant in Aid.....	501,891
Central Fund.....	405,111
LSU (Germany).....	68,444



### OTHER INCOME/GRANTS

LIBOR Fund.....	48,000
Sponsorship.....	41,700
Electoral Project.....	29,065
ABF.....	16,400
Cyprus Honorarium.....	6,544
Interest Received.....	4,751
<b>Total.....</b>	<b>1,121,906</b>

# INCOME SUMMARY

## ARMY CENTRAL FUND (ACF) 47% OF OUR CORE FUNDING 14/15 £405,111

The ACF is a charity which delivers Command Grants to the Army chain of command in all non-operational theatres plus financial support to strategic Sport & Welfare on an annual basis. Their objective is to provide benefit for serving personnel (all ranks) of the Army and their dependents, this includes welfare provision, which is the category under which AFF secures its funding.

The funding from the ACF allows AFF to qualify as an independent body from the Army chain of command and therefore enables us to challenge government and MOD policies.

## GRANT IN AID (GIA) 53% CONTRIBUTION TOWARDS OUR CORE FUNDING FY14/15=

### ● MAIN GRANT £474,000

Whilst ultimately, the grant comes out of the overall government fund, AFF's GIA grant comes out of MOD's budget. It is therefore the MOD that decides how much of it goes to AFF and other organisations. AFF has discretion of the spending within the general framework of controls agreed between us and the MOD.

### ● ADDITIONAL GRANT £27,891

Awarded to AFF towards the end of the financial year to support specific projects such as an IT upgrade and training

## THE GARRISON LABOUR SUPPORT UNIT (GLSU) (GERMANY) £68,444

To cover the salary of our Germany Branch.

## LIBOR £48,000

This is the final payment of a two year grant to support the promotion of the Community Covenant and work to improve its effectiveness.

## BIG DEBATE SPONSORSHIP £41,700

Secured from a range of sponsors and stand holders for the AFF Big Debate and the Networking Event. Both events were entirely self-funded from this sponsorship.

## ELECTORAL COMMISSION £29,065

AFF received a one-off grant to increase the level of voter registration within the Army community

## ABF THE SOLDIERS' CHARITY £16,400

Towards the cost of our health & additional needs specialist and our employment, training, allowance & money specialist.

## CYPRUS HONORARIUM (CYPRUS) £6,544

Towards the cost of the Cyprus team

## DIVIDENDS AND INTEREST £4,751

**UNREALISED GAIN: INCREASE IN INVESTMENTS £38,802**

**97p in every pound is spent  
on charitable activities**

# EXPENDITURE SUMMARY

For every £1 we receive, **97.5p** is spent on our charitable activities (£1,160,216), with the remainder being spent on governance costs (£30,189).

## SALARY COSTS

This includes Employer's National Insurance and Pension Contributions and is our largest expenditure category at £882,641 (74%) of total expenditure. Many of our employees work part-time from home and work directly with family enquiries. Whilst we have 57 employees in total, our full-time equivalent is 39 employees.

## STAFF SUPPORT

Includes travel expenses, mobile phones, computer and office equipment, and volunteer costs. Our head office is based in Andover HQ and we also have offices in some overseas locations. These offices are provided free of charge by the Army as part of our agreement with them, this keeps our overheads to a minimum. We spent £59,978 in travel costs during the year which is mostly for our home working staff to meet with families in their local areas. Part of supporting the work of our paid staff is the delivery of a volunteer programme. We have a part-time volunteer manager whose responsibility is to manage the scheme and all our volunteers.

## ARMY&YOU

AFF's award winning magazine is distributed quarterly to families worldwide and is free of charge to the reader. In FY14/15 we spent £78,894 on

distributing the magazine and £1,320 on artwork and external editorial. We use a third party publisher, TylerBale, to manage the advertising income, publishing and printing of the magazine which is cost neutral to AFF.

## PROFILE AWARENESS AND EVENTS

Includes the cost of running our networking evening (this was paid for by sponsorship income), six roadshows and 35 foreign and commonwealth clinics. It also includes providing our staff with AFF branded banners and goods to maintain and promote AFF's profile and brand.

## STAFF TRAINING

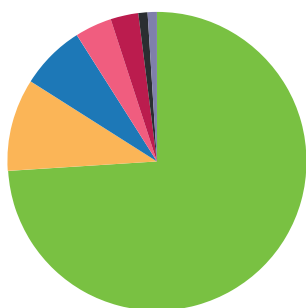
During the year, AFF provided internal training which included an all staff training session, branch training and regional training. The total cost of internal training was £20,218 which includes travel and accommodation. We spent £16,962 on individual external training much of which was the result of skill gaps identified in staff reviews.

## ADMIN, ORGANISATIONAL, GOVERNANCE

This includes postage, printing, insurance, trustee expenses and audit fee but does not include salary costs relating to governance.

## EVIDENCE COLLECTION & REPORTING

These costs include sponsoring a PhD student's study on 'The impact of Service life' and the redesign of our enquiry database.



### EXPENDITURE BY TYPE

Salaries (57 employees).....	882,641
Staff Support (travel, equipment etc).....	118,404
Army&You.....	80,214
Profile Awareness & Events.....	46,584
Training.....	39,031
Admin, Organisational, Governance....	17,358
Evidence Collection/Reporting.....	6,174
<b>Total Expenditure.....</b>	<b>1,190,405</b>



### EXPENDITURE BY BRANCH

UK.....	294,527
Comms.....	281,277
Central Office....	226,074
Evidence.....	198,457
Germany.....	78,270
Overseas.....	41,467
Cyprus.....	40,374
Conference.....	29,958
<b>Total.....</b>	<b>1,190,405</b>



# Trustee Report and Accounts 2014-2015

**The Trustees present their report with the financial statements of the Charity for the year ended 31 March 2015**

**REGISTERED CHARITY No**  
291202

## CHARITY OFFICES

Army HQ  
Ramillies Building,  
Marlborough Lines  
Monxton Road  
Andover  
SP11 8HJ

## PATRON

HRH The Duchess of Gloucester GCVO

## PRESIDENT

Lady Carter (succeeded Lady Wall on 20th October 2014)

## TRUSTEES

Maggie Pedder – Chair from 12th February 2015  
Caroline Buchanan – Chair to 12th February 2015  
Robin Eccles  
Catherine Holland  
Elizabeth McKinney Bennett  
Catharine Moss  
Stephen Sharkey  
Julia Warren – appointed 19th November 2014  
Barrington Clarke – appointed 19th November 2014  
Gill Aldridge – resigned 12th February 2015  
Helen Kirkland – resigned 12th February 2015

HRH The Duchess of Gloucester GCVO continued to be the Patron of the Charity.

Lady Carter succeeded Lady Wall as AFF President in October 2014. The Trustees are extremely grateful to Lady Wall for her support of AFF and Army families.

## Trustee Appointments

Maggie Pedder succeeded Caroline Buchanan as Chair of the Board of Trustees, who will continue as a Core Trustee. We thank Caroline for her work as Chair and her continued hard work and dedication to AFF.

The appointment of Trustees is governed by the Army Families Federation Charter which states that Trustees shall be appointed by the Chair of the Board, with the majority agreement of the rest of the Trustees. Appointments are for an initial period of two years. Potential Trustees are invited to express an interest to apply and there is an open invitation on the AFF website. Candidates are interviewed by the Chair and a recommendation is made to the Board.

## Trustee Induction and Training

On appointment, each Trustee undergoes an induction programme tailored to their knowledge and experience. The Trustees deploy a wide range of skills and experience essential to good governance. A Register of Trustees' skills is held centrally. New Trustees are provided with the NCVO Good Trustee

Guide, the Charity's Charter, Minutes of the last Trustees meeting, latest accounts, risk assessment and business plan, copies of all recent AFF publications and Quarterly Report. The Chair of Trustees and Chief Executive of AFF both invite the new Trustee to meet them although this is complicated by some Trustees living outside the UK. Trustees are encouraged to attend appropriate external training events.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Trustees

The Board set the strategic direction and are responsible for ensuring that AFF upholds its values and governance, and delivers its objectives. The Board offers guidance, advice and support to the Chief Executive. The AFF Board is made up of 9 Trustees; the Chair, 7 Core and 1 Overseas Trustee. The Board met four times during the period; once with the Executive Management Board, and they communicated frequently between meetings. The AFF Trustees Code of Practice document and Table of Responsibilities are reviewed annually.

### Executive Management Board

The day to day administration of the Charity is delegated to the Chief Executive and Executive Management Board (EMB). The EMB comprises the Chief Executive and the Directors of United Kingdom, Germany, Overseas, Communications, Evidence, Finance and Personnel. The way that AFF is governed fully complies with the Code for the Voluntary and Community Sector, endorsed by the Charity Commission.

The EMB sets AFF policies as endorsed by the Trustees. Catherine Spencer continues her role as Chief Executive.

### Committees

In 2014/2015, AFF ran only one Committee; a remuneration committee. It had specific delegated responsibilities including the review of employees' pay structure as well as non-pay staff incentives. The aim of AFF's committees is to provide advice, good counsel and share best practice in order to effect good governance at all levels.

### Employees

The employees are line-managed by the Chief Executive and Directors UK, Overseas, Germany, Evidence and Communications. Director UK and the Overseas Director are supported by Regional Managers. Director Personnel and the Finance Director provide a layer of governance regarding HR issues and budgetary controls.

### Volunteers

The volunteers are managed by a paid member of staff, the Volunteer Manager. The volunteer project is managed by the Chief Executive.

### Our Charitable Objects

The Constitution of the Charity is laid down in the Army Families Federation Charter adopted on 17 September 1997, as amended on 21 October 1999, on 12 September 2001, on 18 June 2003, on 19 September 2007 and on 25 September 2013.



The objects of the Federation are:

1. Promotion of social inclusion and military efficiency, for the public benefit, by assisting in the prevention of Army families being disadvantaged through military Service.
2. Such other charitable purposes for the general benefit of Army families as the Trustees from time to time think fit.

#### Interpretation Clause:

“Army families” means persons who have a family member in the Army. This could be a spouse, child or indeed a parent, grandparent or sibling. For children their serving family member may be a step-parent.

#### Public Benefit Statement

The Trustees have given due regard to the Charity Commission’s guidance on reporting Public Benefit when planning the Charity’s activities, in accordance with sections G2 and G3 of the Charity Commission’s General Guidance on Public Benefit (January 2008).

The paragraphs on page 25-26 set out the Charity’s objectives, activities, achievements and performance during the year, which directly relate to the objects and purposes for which the Charity exists. The Charity achieves its objects and purposes through a series of projects and services to deliver employment, training, housing and welfare support to Army families. The benefits of this support are fully compliant with the Charity Commission Principals on Public Benefit

#### Risk Management

The Trustees are satisfied that a Risk Management process has been established. A Risk Assessment was last carried out in 2013 with the agreement that it is reviewed strategically biannually. The assessment includes identification of risks, an estimate of the likelihood of the risks occurring, and of the impact if they should occur. Actions taken to alleviate or manage the risks are included in the assessment. It remains a core item on the Board agenda and a reporting item for the Chief Executive.

Management decisions based on the risk assessment include the allocation of resources and funds towards the risks identified as being of highest significance. In 2014/2015 these risks are associated with the budgetary pressures on all government departments. This includes the Grant in Aid (GiA) allocation to the AFF and the GLSU [BFG funding for AFF (Germany)]. AFF is engaged with the Army HQ (GiA) and the BFG budget managers and continues to monitor the situation closely. Alternative sources of funding continue to be investigated.

The second highest risk to AFF is the loss of key personnel and along with them their knowledge of the issues, policies and procedures. AFF continues to address this by ensuring enhanced training for all staff and understudying of the key roles. Procedures are in place to ensure updated records of key contacts are maintained.

#### Investment Risk Management

The Trustees have considered the major investment risks to which AFF may be exposed and having reviewed those risks, have established systems and procedures to

manage them. Their overall assessment of specific risk to the Charity is one of slight risk only. This is based on the viability of the Armed Forces Common Investment Fund’s (AFCIF) overall widespread investment strategy which encompasses many different asset classes. They feel that the investments of the Charity, its reserves which are held in the two types of AFCIF Units, are sufficiently well diversified and are likely to be able to provide both long term Capital growth plus the budgeted level of income. The Trustees note the ability of the Advisory Board of the Armed Forces Charities Advisory Company (AFCAC) and the AFCIF Corporate Trustee to apply the necessary oversight of AFCIF on an ongoing basis, which is recognised that they could not themselves, provide.

In addition, AFF is an elected member of the AFCAC/ AFCIF Advisory Board which oversees the active management of the Fund and provides for its direction.

The Fund is managed by BlackRock Investment Management (UK) (BRIM) under a Charity CIF managed by BlackRock Financial Management.

Following a full external review of the Fund by the AFCIF Investment Sub Committee, BlackRock’s remit to run AFCIF was reconfirmed in May 2015 for a further five years by the full Advisory Board.

## MISSION, OBJECTIVES AND ACTIVITIES

#### Mission

The AFF Mission Statement is:

AFF is the voice of the Army Family. It empowers, acts as an advocate and an expert witness to promote a quality of life, which reflects the Armed Forces Covenant.

#### Objectives

The objectives for 2014/2015 were:

- Enhance the AFF’s reputation
- Increase the physical and virtual footprint of AFF, to make it easier to gather evidence.
- Develop/Improve analysis to capture information and to highlight emerging trends
- Understand areas for empowerment and improve signposting
- Develop robust evidence gathering/handling protocols
- Development of the Evidence Branch
- Expanding the use of the Armed Forces Covenant
- Developing the work of the Overseas Branch to more thoroughly represent families overseas
- Increasing the involvement of volunteers throughout the organisation
- Evolve our multi-channel approach of Communications

AFF has delivered against these aims through the work of the respective branches. Pages 4-21 provide a detailed account.

## Activities

In 2014/2015 AFF continued to make an impact by addressing the many challenges that face Army families. With a constant increase in response to AFF surveys, an encouraging dialogue between AFF staff and Army families and invitations for the organisation to be part of more working groups through effective engagement, we have achieved many positive results worldwide. These include securing enhancements to the overseas package, securing entitlement to concessionary travel for families living in their own home, working with the Forces Pension Society to help secure justice for widows and their pensions, reinstatement of the British Forces Cyprus pan-island welfare meeting and securing a win for Army families in the schools admission code.

AFF continued to extend its footprint by creating a new co-ordinator post in Kenya and launching a new virtual co-ordinator to reach families in remote locations and Reserve units. The volunteer programme is now in its second year and has become an integral support to the organisation.

AFF hosted a range of events in 2014/15 including a biennial conference – The Big Debate - which attracted around 500 delegates and the AFF networking event at the HAC; both of which were supported by AFF's Patron HRH The Duchess of Gloucester. AFF also hosted a series of successful roadshows in Germany, Northern Ireland and two roadshows for Reserve families in Cardiff and St Helens. In September 2014, AFF announced its first ever Employer of the Year Award, raising awareness of the barriers faced by Army spouses, a key focus throughout the year.

As an organisation AFF continues to listen, learn and refine the support available to Army families to ensure that their voice is always heard.

## FINANCIAL REVIEW

### Income & Allocated Funding

AFF receives its main funding from Grant in Aid and the Army Central Fund. During the financial year, AFF also received additional one-off funding for the continued Covenant work, a project to get Army families voting, an upgrade of our office equipment, staff training and a promotional film.

### Total Funds

At the end of the financial year AFF held funds of £519,262, with £384,932 being held in the Armed Forces Common Investment Fund.

At 31 March 2015, AFF had unspent restricted funds (funds committed to a specific project or event) of £40,244.

### Financial Outlook

The Charity held additional funds of £479,018 and plans to spend up to £200,000 of these surplus reserves over the next two years to extend the services originally funded by LIBOR. At the end of this two year period, we will need to secure additional funding.

### Investment Powers

The charter permits the investment of monies not immediately required for the objects of the Charity.

## Investment Performance

AFF holds its reserves in units of the Armed Forces Common Investment Fund (AFCIF), a mixed asset class charity Common Investment Fund (CIF) managed by BlackRock Investment Managers.

The fund has an advisory board on which the AFF Finance Director sits, inter alia, as a representative Director for the AFCIF's smaller fund sized investors.

AFCIF offers two types of units to Armed Forces charities' investors - accumulation (reinvestment) units & distribution (income) units.

AFF's holding in the Armed Forces Common Investment Fund reported a total return of £42,868 during the 12 month period (12.4% annualised return). AFF has both accumulation units (which reinvest income into the fund) and income units (which provide us with a quarterly dividend) – AFF has not made any transfers into or out of the fund during the financial year. The dividend payment from income units for the year is £4,066. The total value of investments at 31 March 2015 is £384,932 (£346,130 at 31 March 2014).

### Reserve Policy

AFF is run as an independent Charity and is responsible for all internal functions including employment practices and payment of wages, employee insurance and liability, direct and indirect running costs, and project capital. The Charity's policy is to hold reserves for the following purposes:

- Flexibility of cash-flow to support expenditure between deliveries of income.
- Three months' basic running costs in the eventuality of the Charity either losing its primary sources of income, or having to close down completely.
- Minimum emergency funds to be held in each Branch account.

The sum required to maintain reserves to support these costs is calculated annually as part of the budget and bidding process.

For the year ended 31 March 2015, the required reserves amounted to £205,345.

For the year ending 31 March 2016, the required reserves amount to £282,514

At the end of the year, the Charity had free reserves of £94,086 (2014 - £80,935).

The charity also held an additional £384,932 of reserves in AFCIF. Total held reserves are therefore £479,018.

## PLANS FOR FUTURE ACTIVITIES

- Understand the different needs of Army families, recognising varying personal situations, to enable us to better support and represent all those affected by their soldier's Service
- Provide information and guidance that is accurate, reliable and current to families and those we work with, in plain English, which can be easily accessed
- Gather evidence on issues identified by Army families using a variety of methods to ensure all issues are represented
- Develop and improve communication, participation and engagement with all whom are affected by their soldier's Service

- Develop and improve communication and engagement with the public, commercial and third sectors to influence change and understanding
- Fully understand and utilise the Armed Forces Covenant to ensure better outcomes for Army families
- Collaborate with external research organisations and charities to produce further compelling and persuasive evidence to influence policy changes and better understanding of the impact of Army life to create better outcomes for Army families
- Promote a learning culture across the whole organisation and work on continuous improvement by promoting team work, colleague networks and sharing knowledge
- the Trustees are required to select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year.

In preparing those financial statements;

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with applicable law and regulations.

They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Financial and payroll authorisations are detailed in the AFF governance policy and the remuneration committee terms of reference.

Signed by order of the Trustees



Mrs Maggie Pedder

Chair of the Trustees

Approved by the Board of Trustees on 25th June 2015

## SENIOR MANAGEMENT

Catherine Spencer	<b>Chief Executive</b>
Jill Baines	<b>UK Director</b>
Julie Lowe	<b>Overseas Director – appointed 1st February 2015</b>
Philip Robertson	<b>Overseas Director – resigned 23rd January 2015</b>
Anna Sharlott	<b>Finance Director</b>
Louise Simpson	<b>Evidence Director</b>
Elizabeth Spencer	<b>Communications Director</b>
Bex Valentine	<b>Personnel Director</b>
Diane Weir	<b>Germany Director</b>

## INVESTMENT MANAGERS

BlackRock Investment Management (UK) Ltd  
12 Throgmorton Avenue  
London EC2N 2DL

## AUDITORS

Fawcetts  
Chartered Accountants & Statutory Auditor  
Windover House  
St Ann Street  
Salisbury SP1 2DR

## BANKERS

Lloyds Bank plc  
PO Box 22, 38 Blue Boar Row  
Salisbury  
SP1 1DB

**ARMY FAMILIES FEDERATION****REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ARMY FAMILIES FEDERATION**

We have audited the financial statements of Army Families Federation for the year ended 31 March 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work will be undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement, on page 27, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2015, and of its incoming resources and application of resources, 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 Charities Act 2011.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Fawcetts  
Chartered Accountants  
and Statutory Auditors  
Windover House  
St Ann Street  
Salisbury SP1 2DR

Date: **25th June 2015**



## ARMY FAMILIES FEDERATION

### STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 2015

	Notes	2015		2014	
		£ Unrestricted	£ Restricted	£ Total	£ Total
<b>INCOME AND EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income					
Grants and donations	2	879,111	196,344	1,075,455	1,137,384
Activities for generating funds					
Conference funding		41,700	-	41,700	650
Investment income	3	4,751	-	4,751	1,659
<b>Total incoming resources</b>		<b>925,562</b>	<b>196,344</b>	<b>1,121,906</b>	<b>1,139,693</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities					
Operating costs		852,264	277,994	1,130,258	958,574
Costs of generating funds					
Conference and Networking Event		29,958	-	29,958	101
Governance costs		30,189	-	30,189	27,045
<b>Total resources expended</b>	6	<b>912,411</b>	<b>277,994</b>	<b>1,190,405</b>	<b>985,720</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>13,151</b>	<b>(81,650)</b>	<b>(68,499)</b>	<b>152,973</b>
Unrealised investment gains and losses	7	38,802	-	38,802	13,666
<b>NET MOVEMENT IN FUNDS</b>		<b>51,953</b>	<b>(81,650)</b>	<b>(29,697)</b>	<b>167,639</b>
Total funds brought forward at 1 April 2014		427,065	121,894	548,959	381,320
<b>TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2015</b>		<b>479,018</b>	<b>40,244</b>	<b>519,262</b>	<b>548,959</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

# ARMY FAMILIES FEDERATION

## BALANCE SHEET 31 March 2015

	Notes	2015		2014	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8	-		-	
Investments	7	384,932		346,130	
			384,932		346,130
<b>CURRENT ASSETS</b>					
Debtors	9	3,622		327	
Cash at bank and in hand		191,450		257,359	
		195,072		257,686	
<b>CREDITORS</b>					
Amounts falling due within one year	10	(60,742)		(54,857)	
<b>NET CURRENT ASSETS</b>			134,330		202,829
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>519,262</b>		<b>548,959</b>
<b>FUNDS</b>					
Unrestricted funds: general reserve	12		208,518		156,565
Unrestricted funds: designated funds	12		270,500		270,500
Restricted funds	13		40,244		121,894
			<b>519,262</b>		<b>548,959</b>

The financial statements were approved by the members of the Board of Trustees on 25th June 2015 and signed on their behalf by Maggie Pedder



**Mrs Maggie Pedder**  
Chair of the Trustees

Date: **25th June 2015**

## ARMY FAMILIES FEDERATION

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 March 2015

#### 1. ACCOUNTING POLICIES

##### Accounting convention

The financial statements have been prepared under the Charities Act 2011 on the historical cost convention, except investment assets that are carried at market value. The financial statements are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting and Reporting by Charities: Charities SORP 2005.

The Charity has taken advantage of the exemption in Financial Reporting Standard 1 from the requirement to produce a cashflow statement on the grounds that it qualifies as a small Charity.

##### Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods or when the donor has imposed conditions which must be met before the Charity has unconditional entitlement. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognized as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

##### Resources expended

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

##### Tangible fixed assets

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the statement of financial activities. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer and office equipment – 33% on cost

##### Income and funds policy

Voluntary income and donations are accounted for as received by the Charity.

##### Investments and investment income

Investments are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities. Investment income is accounted for on an accruals basis.

##### Value added tax

Value added tax is not recoverable by the Charity, and as such is included in the relevant costs in the Statement of Financial Activities.

##### Governance costs

Governance costs include all expenditure which is not directly related to the charitable activity. This includes salaries for administrative staff, auditors' remuneration and Trustees meeting expenses.

##### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

#### 2. VOLUNTARY INCOME

	2015 £	2014 £
Grant in Aid (Pubic money funding)	501,891	460,000
Army Central Fund (non-public money)	405,111	388,730
LIBOR (Covenant) Funding	48,000	190,000
GLSU (Germany)	68,444	74,898
MOD (Electoral Registration)	29,065	-
Grants and donations	16,400	16,400
British Forces Cyprus (Honorarium)	6,544	7,356
	<b>1,075,455</b>	<b>1,137,384</b>

#### 3. INVESTMENT INCOME

The Charity's investment income arises from both interest bearing deposit accounts and dividends from the Income Units held within the Armed Forces Common Investment Fund. Funds invested in the Armed Forces Common Investment Fund are in accumulation units where income is reinvested and in income units where the income is distributed quarterly.

#### 4. EXPENDITURE

Governance costs for the year are stated after charging:

	2015 £	2014 £
Auditors' remuneration- for audit	4,078	3,418
Trustee costs	8,688	7,998
Employment costs	<u>17,423</u>	<u>15,629</u>
Employer pension contributions	<u>3,892</u>	<u>3,249</u>

#### 5. STAFF COSTS

No remuneration was paid to Trustees, or persons closely connected with them, in the period. Six Trustees received travel expenses totalling £3,357 in the year (2014 - six £3,311). The staff costs, which includes salary and employers national insurance, in the year ended 31 March 2015 were £882,626 (2014 - £716,861). No employee received a salary in excess of £60,000 in the current or previous years.

The average number of employees during the year, calculated on a full time equivalent basis, was as follows:

2015: 39

2014: 36

The majority of AFF staff are part time. This takes the actual number of employees to 57 (2014 - 59).

#### 6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff salaries and costs £	Support costs £	Depreciation £	2015 Total £	2014 Total £
<b>Charitable expenditure</b>					
Central Office direct costs	144,321	51,565	-	195,886	168,439
UK Branch costs	240,877	53,650	-	294,527	231,665
Evidence Branch costs	158,854	39,603	-	198,457	199,558
Germany Branch costs	68,444	9,826	-	78,270	84,869
Overseas Branch costs	68,799	13,042	-	81,841	53,449
Communication Branch costs	172,596	108,681	-	281,277	220,594
	<b>853,891</b>	<b>276,367</b>	-	<b>1,130,258</b>	<b>958,574</b>
<b>Governance costs</b>	17,423	12,766	-	30,189	27,045
<b>Costs of generating funds</b>					
Conference and Networking Event	11,312	18,646	-	29,958	101
	<b>882,626</b>	<b>307,779</b>	-	<b>1,190,405</b>	<b>985,720</b>

#### 7. INVESTMENTS

	2015 £	2014 £
<b>Balance as at 1 April 2014</b>	346,130	172,464
Additions	-	160,000
Revaluations	38,802	13,666
<b>Quoted investments at 31 March 2015</b>	<b>384,932</b>	<b>74,898</b>

#### 8. TANGIBLE FIXED ASSETS

	Computer and office equipment £
<b>COST</b>	
At 1 April 2014	24,600
Additions	-
Disposals	(3,214)
At 31 March 2015	<u>21,386</u>
<b>DEPRECIATION</b>	
At 1 April 2014	24,600
Charge for year	-
Eliminated on disposal	(3,214)
At 31 March 2015	<u>21,386</u>
<b>NET BOOK VALUE</b>	
At 31 March 2015	-
At 31 March 2014	-



## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Prepayments and accrued income	3,622	321

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	36,994	19,029
PAYE and national insurance	4,513	15,428
Accruals and deferred income	19,235	20,400
	<b>60,742</b>	<b>54,857</b>

## 11. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme in respect of certain employees. The assets of the scheme are administered by Trustees in a fund independent from those of the Charity. Contributions are charged in the Statement of Financial Activities as they fall due and amounted to £3,892 in the year (2014 - £3,249). At the balance sheet date there were outstanding contributions of £1,051 (2014 - £nil).

## 12. UNRESTRICTED FUNDS

	General funds £	Designated funds £	Total £
Balance as at 1 April 2014	156,565	270,500	427,065
Surplus for the year	51,953	-	51,953
Transfer between funds	-	-	-
<b>Balance as at 31 March 2015</b>	<b>208,518</b>	<b>270,500</b>	<b>479,018</b>

The designated funds represent amounts committed by the Trustees to cover the extension services originally funded by LIBOR (Covenant) Funding.

## 13. RESTRICTED FUNDS

The income funds of the Charity include restricted funds comprising the following balances of grants held on trust to be applied for specific purposes:

	Incoming resources	Resources expended/transfers	Balance at 31 March 2015	Balance at 1 April 2015
The Army Benevolent Fund	-	16,400	16,400	-
LIBOR (Covenant) Funding	104,347	48,000	138,561	13,786
UKSC(G)/BFC Funding	-	74,988	74,988	-
Andover Skills Fund	1,070	-	406	664
MOD (Electoral Funding)	-	29,065	19,748	9,317
GiA (Additional Funding)	-	27,891	27,891	-
TA Centenary Fund	16,477	-	-	16,477
	<b>121,894</b>	<b>196,344</b>	<b>277,994</b>	<b>40,244</b>

### The Army Benevolent Fund (ABF The Soldiers' Charity)

The grant assisted the Charity with the employment of a Health and Additional Needs Specialist and an Employment, Training Allowances and Money Specialist.

### LIBOR (Covenant) Funding

The grant was made to assist the Charity with work towards supporting the Armed Forces Covenant. The funding covers the FY13/14 and FY14/15 period.

### UKSC(G) and BFC Funding

The funding was made to assist the Charity with the employment costs associated with the branch offices in Germany and Cyprus.

### Andover Skills Fund

The grant was made to assist the Charity with the costs of training of its Finance Director.

### MOD (Electoral Funding)

The funding was made to assist the Charity with a project to get Army Personnel and their families registered to vote

### GiA (Additional Funding)

Additional funding was provided to upgrade our IT/office equipment, management training and promotional materials

### TA Centenary Fund

The grant was made to assist the Charity with the costs of providing support to Reserves (TA) Families.

## 14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Incoming resources	Resources expended/transfers	Balance at 31 March 2015	Balance at 1 April 2015
Unrestricted Funds	114,432	154,828	60,742	208,518
Designated Funds	270,500	-	-	270,500
Restricted Funds	-	40,244	-	40,244
<b>Balance at 31.03.15</b>	<b>384,932</b>	<b>195,072</b>	<b>60,742</b>	<b>519,262</b>

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