

FAMILY SOCIETY

England & Wales · Charity number 1129095

Details

Other names ADOPTION FOCUS, Triangle Project

Status Registered

Legal form Charitable company

Company number [06869556](#)

Registered 2009-04-09

Register [View on the Charity Commission register](#)

Contact

Address Family Society Adoption Focus
Ts3
Pinewood Court
Coleshill Road
Marston Green
BIRMINGH

Phone 02077696741

Email info@adoption-focus.org.uk

Website www.adoptionfocus.org.uk

Activities

Objects: 1 THE RELIEF OF FINANCIAL HARDSHIP AND SUFFERING BY THE PROVISION OF SUCH GRANTS, GOODS, SERVICES OR FACILITIES AS THE CHARITY SHALL FROM TIME TO TIME DETERMINE² THE RELIEF OF SICKNESS AND PRESERVATION OF HEALTH³ THE SUPPORT, RELIEF AND CARE AND, THE PROMOTION THEREOF, OF* CHILDREN AND YOUNG PEOPLE WITHOUT FAMILIES TO CARE FOR THEM, INCLUDING, BUT NOT LIMITED TO, ADOPTION AND FOSTERING SERVICES* INDIVIDUALS AND COUPLES SEEKING TO ADOPT AND/OR FOSTER CHILDREN AND YOUNG PEOPLE* FAMILIES COMPRISING ADOPTED AND FOSTER CHILDREN* CHILDREN AND YOUNG PEOPLE* THOSE IN NEED BY REASON OF AGE, ILL-HEALTH, DISABILITY, OR OTHER DISADVANTAGE* THE CARERS OF THOSE INDIVIDUALS AND GROUPS SPECIFIED IN PARAGRAPHS 3.1.3.1, 3.1.3.2 AND 3.1.3.5* INDIVIDUALS, FAMILIES, COMMUNITIES AND GROUPS WHO ARE IN NEED; AND* THOSE IN NEED BY REASON OF FINANCIAL HARDSHIP⁴ TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES IN THE INTEREST OF SOCIAL WELFARE FOR RECREATIONAL OR OTHER LEISURE TIME OCCUPATION OF INDIVIDUALS WHO HAVE NEED OF SUCH FACILITIES BY REASON OF THEIR YOUTH, AGE, ILL-HEALTH, INFIRMITY OR DISABILITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE; AND⁵ ANY ACTIVITY WHICH IS CHARITABLE UNDER THE LAWS OF ENGLAND, SAVE THAT IF ANY ACTIVITY IS UNDERTAKEN IN SCOTLAND OR NORTHERN IRELAND, SUCH ACTIVITY SHALL ALSO BE CHARITABLE UNDER THE LAWS OF THE JURISDICTION IN WHICH SUCH ACTIVITY IS UNDERTAKEN

Activities: The Family Society is an adoption agency which prepares and approves potential adoptive parents and supports families with adopted children.

Classification

- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty
- **Who:** Children/young People, People With Disabilities, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, ENGLAND.
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,826,500	£2,703,498	£2,518,142	46
2024-03-31	£2,983,381	£2,588,431	£2,406,808	44
2023-03-31	£3,263,525	£2,572,937	£2,333,760	44
2022-03-31	£2,371,008	£2,111,086	£1,564,923	54
2021-03-31	£2,346,178	£1,769,487	£1,249,539	34

Trustees

Name	Role	Appointed
Anthony George Lawton OBE		2013-10-30
BENJAMIN DAVID JAMES		
Dr GRAHAM HARWOOD		2020-12-04
Helen Ruth Child		2023-04-14
Mark Gregory Tobin		2022-06-13
Sanjeev Kumar		2022-02-04

Accounts

FAMILY SOCIETY
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

www.adoption-focus.org.uk

Charity registration number 1129095

Company registration number 06869556 (England and Wales)

OFSTED Number: SC394569 (Adoption Focus)

OFSTED Number: 1258436 (Triangle Project)

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COMPANIES HOUSE

FAMILY SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of this report were:		
Benjamin James (Chairperson and Responsible Individual)		
Helen Child (Vice Chairperson from 1 January 2025)		
Graham Harwood (Vice Chairperson until 31 December 2024)		
Anthony Lawton		
John Bale		
Sanjeev Kumar		
Mark Tobin		
Charity number	1129095	
Company number	06869556	
Operational address	TS3, Pinewood Business Park, Coleshill Road, Marston Green, Birmingham, B37 7HG	
Registered office	C/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ	
Operating name	Adoption Focus Triangle Project Family Society Schools Project	
Ofsted rating	Outstanding Outstanding	Adoption Focus Triangle Project
Key management personnel	Anna Sharkey Howard Parker Jo Lee Cassie Harkin Malcolm Dodd Nigel Foxon-Hale	Chief Executive & Registered Manager (Adoption) Director of Operations & Registered Manager (Fostering) Director of Business Development Director of Resources Director of Finances Director of Collaborations, Performance and Standards
Auditor	Humphrey & Co Audit Services Ltd 7-9 the Avenue, Eastbourne, East Sussex, BN21 3YA	
Bankers	Lloyds Bank plc 3 Maple Walk, Chelmsley Wood, Birmingham, B37 5TS Nationwide Nationwide House, Pipers Way, Swindon, SN38 1NW	
Solicitors	McCarthy Denning Suite 102, 70 Mark Lane, London, EC3R 7NQ	
Investment advisors	RBC Brewin Dolphin 12 Smithfield Street, London, EC1A 9BD CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET	

FAMILY SOCIETY

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FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

The reference and administrative information set out on the legal and administrative information page forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (effective 1 January 2019).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

Purposes and aims

The objects of the Charity are set out in the Articles and are:

- The relief of financial hardship and suffering by the provision of such grants, goods, service or facilities as the Charity shall from time to time determine;
- The relief of sickness and preservation of health;
- The support, relief and care and the promotion thereof, of:
 - children and young people without families to care for them, including, but not limited to, adoption and fostering services;
 - individuals and couples seeking to adopt and/or foster children and young people; families comprising adopted and foster children;
 - children and young people; those in need by reason of age, ill-health, disability or other disadvantage;
 - the carers of those individuals and groups;
 - individuals, families, communities and groups who are in need;
 - those in need by reason of financial hardship;
 - to provide or assist in the provision of facilities in the interest of social welfare for recreational or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
 - any activity which is charitable under the laws of England, save that if any activity is undertaken in Scotland or Northern Ireland, such activity shall also be charitable under the laws of the jurisdiction in which such activity is undertaken.

The principal aim of the Charity is to support children assessed as in need of adoption through the recruitment, preparation and assessment of adoptive families, matching children in need to the approved families, and the continued long-term support of the children and families following the adoption process.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Children are either placed with families approved as suitable to adopt by Adoption Focus, or with dual-approved - by Adoption Focus and Triangle Project - families who can provide fostering for adoption (FFA) and concurrency placements through Early Permanence (EP). Triangle Project dual-approved carers enable children to achieve stability and security as soon as possible through the provision of placements which either become permanent adoption placements or support the child's safe return to birth family (pending court process).

We also support children through a school counselling service in support of the mental well-being of pupils and staff members.

Activities

The Charity is engaged in 2 core activities:

- The provision of a Voluntary Adoption Agency (VAA), registered with OFSTED (SC394569), under the operating name of Adoption Focus. Adoption Focus became operational on the 1 June 2009. It has been assessed as an 'Outstanding' adoption agency by Ofsted since becoming operational.
- The provision of EP placements through its Independent Fostering Agency (IFA) registered with OFSTED (2731149) under the operating name of Triangle Project.

Our vision is to secure a loving and supportive family life for every child by training supporting and empowering families to provide safe, secure homes for children in need.

Our vision is reflected in our main services.

In the year 2024-2025, the Charity has:

- Achieved permanent family life through the provision of adoption placements for children in need.
- Provided Early Permanence placements for children through fostering for adoption achieved through dual-approved carers and via child-specific fostering approval through our Local Authority colleagues.
- Enabled effective service delivery through a combination of in-person and remote service provision, which has increased charity reach, whilst building on relational connections with and between adoptive families.
- Retained our Outstanding rating following the Ofsted Inspection of Adoption Focus and Triangle Project completed in June 2024.
- Completed Stage 3 of our Workplan with Adopt Birmingham RAA as their partner agency;
- Worked collaboratively with Midlands based Regional Adoption Agencies working together to provide local placements and accessible adoption support services to children and adopters in the Midlands region.
- Actively sought and responded to feedback from service users to continually improve our service offer.
- Further invested time and resource to promote our on-line resource, Adopterverse through which access to training and support material is provided and connections made with other adopters.
- Celebrated the Charity's 15th anniversary.

The staff group has been provided with a range of training and career development opportunities which further enhance service delivery. Involvement in service development encourages and enables continuing improvement for charity beneficiaries.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Areas of Operation

The Charity operates adoption and EP services throughout the East and West Midlands area and extending into Oxfordshire, Staffordshire, Buckinghamshire, Bedfordshire and neighbouring counties. It trains, assesses, and supports adoptive families and dual-approved carers in this area to provide placements for children referred to the Charity, by Local Authorities throughout England, Wales, and Scotland.

During this year, the Charity has also provided a Schools Social Care Support Service in the East Midlands through a contractual arrangement agreed with individual schools and some operating under Academies.

Management

Family Society is staffed by qualified and registered (with Social Work England) Social Workers; Social Work Assistants; Schools Workers; Trainers; and Adoption, Family Support and Training Managers. It employs staff to support its business development and administrative processes; and finance systems.

Family Society also commissions external specialists to provide HR and financial support; legal advice; web-site development; and database and IT function.

The Charity is managed by the Chief Executive Officer with support from the Senior Management Team and the Board of Trustees.

Employees

The adoption and EP operational staff have prepared and supported adopters and dual-approved carers to provide secure and stable family life to children placed with them. Continuing support as long as it is needed, reflects our continuing commitment to families formed through our work.

We have two social workers supporting students, parents and teachers in schools to assist them in matters relating to anxiety and worries linked to family, friendships and school concerns.

The Business Development and Resources Teams have worked to underpin the Charity's operational, adopter and EP carer recruitment and communication functions. The Finance Team manages invoicing, payroll, banking and investments, carefully monitoring cashflow to ensure the smooth running of all services provided.

Employees have been encouraged to access training opportunities throughout the year in support of service development and individual career progression. The charity provides practice placements for Social Work students and is supporting 2 staff members to gain their professional Social Work qualification through a government funded apprenticeship scheme. All staff have regular formal supervision with their line Managers, access to clinical supervision in support of their therapeutically informed work with children and young people, and regular Team Meetings – both virtual and in-person. These support connections with each other and the service.

Trustees agree a budget to support staff training costs aimed to deliver ever improving services.

The Trustees acknowledge the commitment, flexibility, and professionalism of the whole staff group.

Volunteers

Paid professionals do the majority of the Charity's work which is in accordance with the regulatory requirements relating to its core activity which is the operation of an Adoption Agency and Independent Fostering Agency (registered to provide EP placements only).

The Charity is, however, very fortunate in the benefit it receives from volunteers who significantly support its work.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Volunteers (continued)

The Charity would like to thank:

- Those individuals who volunteer to sit on our Permanence Panel. Panel Members perform an important Quality Assurance role regarding the adopter and dual-approved carer preparation and assessment work undertaken by the social workers.
- Those adoptive parents who meet as our Adopter Committee. As recipients of services provided, their input is vital in ensuring the relevance of and demand for services provided. The Committee meets every 2 – 3 months, and is an important connection between the Charity and its beneficiaries, helping to identify priorities for service development as identified by our growing adopter community.
- Those adoptive parents, and members of their families who support our recruitment and training activities. This is through direct input – both remote, in-person and through their contribution to podcasts and training videos; and their involvement with Adopterverse.
- Those adoptive parents and members of their families who support our social events, helping to organise and run face-painting, craft activities, games and cake sales.
- The children who contribute ideas and content for our training of prospective adopters and welcome to children joining their new families.
- Those adoptive parents who have volunteered to be Buddies to prospective adopters and dual-approved carers entering Stage 2 of the assessment process and continuing through to the linking and placement of children. Their commitment to the requisite training and willingness to support new adoptive and EP families enhances the work of the staff group. Those with lived experience of adoption and Early Permanence are a significant support for those who are new to it.
- Volunteers who fundraise for the Charity, and donors who provide regular donations and/or one-off payments. Fundraising is an important activity for the Charity as it enables us to support families with specialised equipment, be-spoke training provision and social activities all of which improve children's lives.

The Chairperson and the CEO would like to thank the Trustees for the considerable time commitment they made this year to the Charity. In addition to the core Board Meetings, and input to consideration of strategic development and Senior staff appointments, this has also included Trustee membership of the Finance Sub-Committee and Adopt Birmingham RAA Board. The Trustees have expertise in law, finance, safeguarding, children's social care, fundraising and experience of running services and companies in the public, charitable and private sectors.

Strategic Report

The Charity's key objective is to achieve positive family life for children in need through the provision of well supported and prepared adoptive parents, some of whom also elect to provide EP placements.

This work supports Local Authorities in their statutory duty to provide a range of services for children assessed to be 'in need' – including adoption - particularly those considered 'harder to place/priority children'. By meeting the demand (achieved through targeted recruitment activities; and through the provision of a robust and effective adoption support programme) the Charity is achieving family life for children in greatest need and effectively managing its resources through the provision of placements in greatest demand.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Strategic report

Our strategic plan is based on an informed understanding of anticipated demand for services provided and includes input from our Adopter Committee (comprising a membership of 8 experienced adopters) and reflects the wishes and feelings of children placed with adopters and dual-approved carers approved by Adoption Focus and Triangle Project.

Regular meetings with Local Authority and Regional Adoption Agency colleagues, including collaborative working arrangements, further inform our knowledge of their priority needs and directs our service development.

Our strategic plan is constantly reviewed and scrutinised, and a Risk Register is updated and managed as part of the review process. The Trustees and the Executive met in September 2024 for a two day strategy meeting which included updated safeguarding training.

A long-standing carefully managed risk is the size, area of operation and influence of the Charity. This risk has been effectively addressed through careful steady growth, which has established the Charity within the sector, increased the Charity's potential influence in policy development, extended our area of operation, and enabled the further development of our offer to Local Authority partners which supports greater collaboration. This underpins our objective of ensuring that families can readily access our service offer as needed, and that the expertise gained through our core work can be applied to other areas of need as the Charity carefully considers opportunities for diversification.

A more recently developing risk is the reduced number of people across the country, coming forward to consider adoption whilst the demand for adoptive placements continues to rise. The Charity has committed to increasing budgetary spend on more extensive and different ways of recruiting more adopters to meet the needs of children waiting for families, confident that the services provided are in demand and of a high quality providing prospective adopters with a life-long support offer.

Achievements and performance

The Charity's main activities and who it tries to help are described below. In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The key objectives for the Charity in 2024-25 were to:

- Actively promote the work of the Charity through its marketing and fundraising activities to:
 - encourage more people to consider adopting and/or providing EP placements for the children who need them;
 - promote all our services to Local Authority commissioners.
- Work to recruit, assess and approve a wide range of adoptive families and EP carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year, particularly those considered priority children.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Maximise the opportunities presented in the Birmingham RAA work to:

- Increase placements (adoption and EP) made with Birmingham RAA;
- Reduce waiting times for children in Birmingham with an adoption plan;
- Develop and enhance adoption support provision.

Provide support to children in schools through a revised model of service delivery, making flexible use of support workers who can work in school settings and with families – including adopters; kinship carers and birth families.

- Fully implement the fundraising strategy to diversify income, retaining current donors, increasing our range of supporters, and making successful applications for funding linked to service delivery.
- Confirm Senior Management Team roles and resource team developments to ensure sufficient capacity to manage new service development opportunities which meet the needs of the Charity's beneficiaries.

Achievements:

- **Actively promote the work of the Charity through its marketing and fundraising activities:**

- During the year 2024-25 the Charity's adopter recruitment activity encouraged a consistent number of potential adopters and dual-approved carers to attend our Information Events so that they could find out more about adoption and Early Permanence through the Charity and about the children we place.
- Working collaboratively with Midlands based Regional Adoption Agencies (RAAs) has further increased the proportion of placements provided for Midlands children and our contribution to regional service development.
- The Charity placed children referred from England, Wales, and Scotland.
- The Fundraising Manager continues to build our network of potential supporters through our membership of the local Chamber of Commerce and promoting our fundraising through a range of different activities.

- **Work to recruit, assess and approve a wide range of adoptive families and Early Permanency (EP) carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.**

- The Charity continues to focus on the recruitment of adopters willing to consider and with our support, capable of parenting priority children, including through EP.
- During this year, the Charity approved 29 families as suitable to adopt. This includes 8 families dual-approved to provide EP placements. The focus remains the recruitment and approval of those who can provide the placements needed and in demand.
- The Charity provides a programme of training and support to prepare adopters and EP carers for adoptive parenting and EP placements. Training is also provided for adopters' friends and family to inform them of the process and the ways in which they can effectively provide support.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- **Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year engaging fully in the national campaign to encourage more people to consider adopting and promoting EP placements.**

- The Charity placed 58 children with 45 families. The demand for placements has increased and the Charity is prioritising recruitment to meet growing demand and to ensure that children in need do not miss their opportunity to achieve loving family life through adoption.

In 2 cases, the adopters were temporarily approved by the children's responsible LA to enable placements under Regulation 25A. One family had 2 children placed and the other family had one child placed. They both converted to adoption placements following resolution of court process, and Adoption Orders for all 3 children have subsequently been granted.

In 6 cases, single children were placed with dual-approved carers - this enabling earlier stability for the children concerned. 5 cases have now converted into adoption placements. Adoption Orders have been granted in respect of 3 of the children. In the remaining 2 cases Adoption Order applications have been lodged with the court. In one case, the infant returned to the birth family. The dual -approved carers were supportive of the birth mother's circumstances, providing excellent care to her baby whilst she prepared for their return to her care. The baby experienced only minimal disruption and a positive outcome. The dual-approved carers are preparing to provide another placement to a child in need.

The characteristics and placement needs of the children are as follows:

- 30% of the children placed are from a minoritised ethnic group;
- 50% are boys and 50% girls;
- 22% were aged between newborn (placed through Triangle Project) and 1 year 11 months at placement;
- 62% were aged between 2 years and 4 years 11 months;
- 16% were aged 5 years and above – the oldest being 8 years 8 months at placement;
- 55% were placed as single children;
- 45% were placed with one other brother or sister – this includes 2 sets of twins aged 2 years 1 months and 2 years 8 months at placement;
- 54% of the children placed have a diagnosis relating to their health and or development – including global developmental delay, autism, micro-deletion, cleft palate, gene mutation linked to learning disability and epilepsy, heart murmur, pre-birth exposure to drugs and alcohol resulting in drug withdrawal at birth, premature birth requiring developmental monitoring.

In all but one case, the children placed are from families experiencing one of more of the following: mental ill-health, borderline personality disorder, schizophrenia, drug and/or alcohol abuse, learning disabilities, autism, depression, diabetes, anxiety, hyperactivity. Many of the children have witnessed and/or experienced domestic violence, physical abuse and neglect, domestic violence, sexual abuse, neglect. The remaining child was placed with the consent of her parents – i.e. they agreed that adoption was the right decision for their child given their circumstances and lack of family support. This child benefitted from the provision of dual-approved carers which enabled continuity of care for the baby whilst birth parents were enabled to fully consider alternatives before confirming their decision.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- **Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.**

- The Charity regularly contributes to the training programme offered to all VAAs through the Consortium of Voluntary Adoption Agencies (CVAA) and provides training to other charities and RAAs, enabling the sharing of good practice and expertise across the sector.

The Charity is a Member of the Midlands Together Collaboration (MTC) which comprises the RAAs and VAAs operating in the Midlands region. The collaboration aims to enhance adopter access to locally based adoption support service provision; and to achieve Midlands based placements for Midland's children. During the year 2024-25, 58% of the children placed by Adoption Focus were from the Midlands region; 80% of the EP placements made through Triangle Project were from the Midlands region.

- The Charity continues to build on its collaborative work with Adoption in Central England (ACE) and Barnardos in the good practice led development of the Adopter Assessment Report for use in adopter and EP carer assessments. Through this collaborative work, enhanced support and training for families and friends of those preparing to adopt strengthens the local support network available to them as they become adoptive families.

The Charity is formally connected to other organisations which further support adopters and EP carers, contributing knowledge and expertise whilst also learning from our colleagues so that our services continually develop in line with adoptive family need – this includes New Family Social; Coram BAAF; the West Midlands Adoption & Special Guardianship Group.

Maximise the opportunities presented in the Birmingham RAA work to:

- Increase placements (adoption and FFA) made with Birmingham RAA. – during this year, Birmingham Children's Trust placed 6 children with 6 families approved by Adoption Focus.

Reduce waiting times for children in Birmingham with an adoption plan –during this year, 3 of the placements made were EP. In 2 cases, infants were placed with dual-approved carers; and in one case, the Children's Trust temporarily approved adopters so that they could accept a fostering for adoption placement. All 3 cases subsequently converted to adoption and the children avoided moves between carers.

Develop and enhance adoption support provision. This work has continued during Year 3 of the Workplan and includes the provision of training for Adopt Birmingham adopters, and the development of a training programme for staff regarding care planning for children.

Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.

- The staff group effectively utilises a combination of virtual systems and in-person events to deliver Information Events, training, and to undertake assessment and support meeting. This enables adopters and their children to access locally based training and support, in addition to an ever increasing and enhanced virtual training programme. This also provides the staff group with a more flexible working environment, whilst maintaining good connections in support of professional development and consistent service delivery.

The following continue to be provided virtually:

- Panel Meetings;

1. Family & Friends Training.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The following are provided through a combination of virtual meetings and in-person meetings/training:

- Information Events – prospective adopters can choose whether to attend in-person or to attend one of our weekly virtual meetings;
- Adopter training;
- Adopter assessments;
- Adopter support pre- and post- approval; through linking and matching; and post placement;
- Adopter and adoptee social events;
- Adoptee support;
- Staff supervision;
- Staff Team Meetings;
- Staff Training;
- Practice discussion and reflection;
- Board & Sub-Committee Meetings.

Feedback is sought regularly from service users and staff members regarding accessibility of services provided and connection with the organisation.

The central office location is the focal point of the Charity, with staff working around our whole area of operation, and with additional suitable venues utilised for easier service user access to training and support.

Review and plan for future Schools Social Work Service delivery through the development of a properly costed model.

- The Charity is committed to continuing to support children in schools and will do so as part of its ongoing commitment to family support. It will do this through providing a range of time-limited services to schools as required, this enabling a flexible response which also enables schools to manage their budgets.

The Charity will consider individual school requests for continuation of service provision through a contract, dependent on demand, staff capacity and to ensure quality service provision.

Develop our fundraising activity in order to diversify income.

- The fundraising strategy has been updated to reflect continual review and monitoring and has achieved an increase in alternative income achieved. This includes through:
 - Launching the 200 Club through which members pay a monthly amount to support our work, and with the chance to win a cash prize
- 1. Teddy Tombola and Raffles at Adopter Social Events

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

- Inclusion in the Donate Whilst You Shop Programme
- Event Sponsorship
- Community giving through Churches and regular donors
- Grant funding for training and adoption support provision

Social Impact

The Trustees consider the social impact made by the Charity as a key part of the activities which are undertaken.

The Charity enables vulnerable, traumatised children to gain secure, stable family life which will enhance their life chances and choices into the years ahead. It has done this by providing prospective adopters with the skills, knowledge and support they need to enable them to be the parents they want and need to be, for their children to thrive. The Charity also provides its EP service – Triangle Project – through which infants and children achieve security and stability at the earliest opportunity either supporting the safe return of the child to their birth family, or their adoption by their EP carers.

Adoption from care provides children with much improved prospects for recovery (from early trauma) which will enable them to transition to adulthood with a secure sense of belonging to a family which cares for them. It reduces the potential for: poor physical and mental health; teenaged pregnancy; drug and alcohol misuse; lower educational attainment; reduced employment levels; and criminality.

The Charity recognises the significant contribution which adopters and EP carers make to the improved circumstances of the children they care for and/or parent and exercises its duty of care to them through training, preparation and continuing support.

When considering its performance, the Charity seeks evaluation from service users (adopters and their children) and commissioners; and benchmarks against Adoption National Minimum Standards (July 2014), internal response times, and disruption levels. Staff members are encouraged to contribute their knowledge and expertise to the continuing development of services which work to improve the lives of children in need of new families.

The Charity is pleased to report that the vast majority of children placed with new families are thriving in stable and secure placements. For some families, the additional challenge and demands of adoptive family life can lead to disruption. In these circumstances, the charity continues to provide support so that all parties to the placement can achieve a carefully planned ending.

Stability and security for every child are the intended outcomes of the services provided.

The Charity will continue to provide support to children in respect of their mental health and emotional well-being' through services developed in consultation with individual schools, which are responsive to local need.

Beneficiaries of our services

Through its adopter recruitment, training, and assessment activities, the Charity supports those considering adopting, to gain the skills and knowledge they need to enable them to do so, successfully. The Charity also encourages prospective adopters to consider Fostering for Adoption and Concurrency placements as an option, whilst acknowledging the additional risks inherent in these placements – the child may return to the birth family; unknown health and development matters only become apparent as the child grows.

Support offered by the Charity through its adoption services; and extended through its support services including to schools, aims to enable families to effectively manage challenges arising as their children grow and develop.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Beneficiaries of our services (continued)

Our focus on the welfare of the child also means that everything the Charity does is underpinned by safeguarding considerations, which will mean that:

- in some circumstances people are assessed to be unsuitable to be approved as adopters;
- concerns identified through all services provided may require additional input from statutory services, to whom a referral may be made.

The approval of suitable adopters supports the work of Local Authorities and RAAs in meeting their sufficiency requirements. The approval of dual approved carers enables Local Authorities to achieve stability for children whilst decisions about their permanent care are carefully made without pre-empting court process, and through a process which ensures that the ability (or not) of birth parents and other family members to care for their child is fully assessed.

Adults caring for children (parents; foster-carers; Special Guardians; teachers) are supported in their responsibilities in respect of the children's emotional development through the support service.

The ultimate beneficiaries of the Charity are the children who achieve secure, nurturing and loving family life through the adoption, EP and support services provided.

Financial review

The Trustees are content with the performance of the Charity during 2024/25. It was a difficult year as there were a significant reduction in families coming forward to be assessed and approved as adopters. This was for a number of reasons, including delays by local authorities to link and match adopters with children and a smaller number of children having been assessed in need of adoption.

Group Income for the year was £2,826,500 (2023/24: £2,616,648) and expenditure £2,703,498 (2023/24 £2,588,431). Careful financial management and cash-flow monitoring, underpinned by an effective reserves policy has enabled the Charity to adjust to fluctuating demands for service and changes to income generation. The Charity is flexible in its responses to demand, enabling a consistent level of support whilst ensuring sustainability of service provision.

The surplus for the year was £111,334 (2023/24: surplus of £73,048). The year end fund position totalled £2,518,142 (2023/24: £2,406,808).

The Charity has carefully managed its finances to ensure the most efficient use of its resources. This is both in respect of expenditure to support the Charity's activities; and investment to build reserves.

The costs of adoption service and EP provision are high. These are highly regulated activities which demand professional levels of staff qualifications, and experience, which in turn attract commensurate remuneration; as well as investment in continuing professional development.

Income is predominantly sourced from the inter-agency fee payable at the point of placement, by the Local Authority or RAA which has statutory responsibility for the child. The Consortium of Voluntary Adoption Agencies aims to agree with the Association of Directors of Children's Services, an inflation linked increase in the fee charged. The fee covers the cost of service provision from the first point of contact by a prospective adopter through to adoption order and then continuing adoption support provision.

Fostering fees charged for children placed through the Triangle Project enable the Charity to pay the fostering fee due to the carers with additional payments to cover initial equipment set-up costs and travel for medical appointments and meetings with birth family. The management fee enables the Charity to achieve a full-cost recovery for service provision – this includes for Social Work supervision of placements, financial systems to make payments to carers, and the administrative support required to manage sensitive data relating to these placements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Financial review (continued)

Having previously decided to close the existing individual contracts-based Schools' Service, during this year the Charity has provided a Social Work service to a reduced number of schools and has provided a specialist service negotiated with those schools on a full cost recovery basis.

The continuing careful financial management by the Senior Management Team and Trustees, has maintained a strong financial basis for the Charity. The services provided are in demand and achieve an income which maintains our viability. Careful growth and the development of collaborative arrangements with our local RAAs have strengthened our position and underpin our financial security. The Charity has also avoided reliance on income from time-limited funds, managing instead to finance services provided through income generated from placement fees.

The final financial outcome for the period, reflects the careful monitoring of Charity expenditure enabling continuing service development and delivery, the retention of highly motivated and experienced staff, and positive outcomes for children in need. The Trustees are committed to ensuring that reserves are sufficient to manage fluctuations in service income, and that any surplus made is re-invested in service growth and continuing improvement. Adherence to the reserves policy has enabled the Charity to flexibly respond to fluctuating demand for core service provision (adoption placements) whilst continuing to build support services. It is noted that without the income of £300,000 to the trading company, which will not continue past the middle of 2025, the Charity would have made a significant loss. Steps are being taken to replace this income with increased adoption placements. A need to increase budget allocation to adopter recruitment activity for 2025/26 was considered and then carefully implemented.

The Trustees are confident that the financial viability of the Charity is assured as it moves into 2025-26. This is because:

- The performance of the Charity during this last year remains steady and effective, with in-built flexibility within financial and staffing resources to enable increased expenditure on our key priority – adopter recruitment – which aims to increase productivity.
- Collaborative working with other agencies in the sector (both RAAs and other VAAs) has achieved a continuing increased % of children placed locally.
- Adopters and dual-approved carers prepared and approved by the Charity are in demand, and the resources of the Charity are effectively directed to where the need is greatest – including in continuing support services.
- Careful use of Charity resources to provide effective support to families in the long-term, means that the Charity is not directly impacted by changes in public funding for adoption support service provision.
- Adopterverse – the web-based provision which supports adopters in making connections with each other – continues to build its user base, enhancing connections between adopters and with the Charity.

Trading Company

FSAF Trading Limited – the Company formed by the Charity – became operational on 1st April 2022.

All income generated through our consultancy agreement with Birmingham Children's Trust is put through the trading company.

The trading company produced a turnover of £300,000 (2023/24: £375,000) as a result of the contract with Birmingham Children's Trust. This translated into a surplus of £72,002 (2023/24: £59,418). The majority of the costs were covered by existing resources recharged to the trading company, but with additional costs including the Project Manager role, payments to Board Members of the Birmingham RAA, and with the appointment of an additional trainer to support training needs within the RAA also included.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Trading Company (continued)

The Charity nominates three trustees to the Birmingham RAA Board which are paid positions and the Birmingham Children's Trust provides to the trading company the funds to pay the nominated trustees for their services to the RAA. This is recharged at approximately £500 per day. The nominated trustees were Graham Harwood, Benjamin James and Mark Tobin.

The contract agreed in 2022 is currently under review. This has arisen because of the dire financial status of Birmingham City Council and the requirement that they make significant savings in all areas. The budget agreed by Family Society Trustees for the year 2025-26 does not include any income generated through the consultancy agreement with Birmingham Children's Trust, meaning that any reduction in the value of the contract will not impact on the viability of the Charity. Continuing positive working relationships with the staff from both organisations mean that children and families will continue to benefit from the services developed through the current agreement.

Reserves Policy and Going Concern

Adoption service provision demands a long-term commitment to the adoption process. It takes approximately twelve months from the first point of contact with the Charity for a family seeking approval to be ready to have a child placed with them. The length of time they then wait before a placement is achieved (the first point at which the Charity receives a fee) will depend on the level of demand for the placement type they are offering.

Once placed, the adoptive family will need continuing support from the Charity. The support may be required for several years into the future, as they help their children recover from their early trauma.

Therefore, it is important for the Charity to be able to show that it will be in a position to support such families throughout the process and into the years ahead.

Family Society seeks to hold reserves of between three- and twelve-months' expenditure. The Trustees estimate that the operating expenditure of the Charity's continuing activities over a six-month period is £1,300,000. Therefore, the Trustees consider that it is appropriate for the Charity to maintain a reserve of no less than £750,000 to effectively meet the needs designated by its trusts. The current reserves are at £2,170,995.

The Trustees are confident that the Charity is and will be a going concern going into the future and specifically over the next 12 months. The Trustees' basis for this is:

- The working model which:
 - supports a flexible working environment for employees which assists staff recruitment and retention.
 - provides career progression opportunities to enhance service delivery and individual development.
 - ensures effective and efficient service delivery over our area of operation enabling easy access to services provided.
- Strong demand for the adoptive parents and EP carers approved by the Charity at both a local and national level:
 - 27 placements made with locally based RAAs
 - 18 placements made with RAAs outside the Midlands
- The number of prospective adopters and dual-approved carers in the preparation and assessment process at year end, is at a level which indicates that placement – and therefore income – targets for 2025-26, will be met.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Reserves Policy and Going Concern (continued)

- Promoting the use of Triangle Project to achieve earlier stability for children, leading to closer collaboration with locally based RAAs.
- A steady level of reserves held by the Charity reflecting our reserves policy.
- Effective resolution of the pension liability.
- Careful control over expenditure and investment.

Pension Fund

Due to historic low interest rates the defined benefit pension scheme has shown a liability for a number of years.

The current position is that the pension scheme is in surplus to the value of £12,000. The trustees are keeping the valuation under review and will make appropriate arrangements should a deficit appear possible. One of the options being considered is the purchase of annuities and the trustees are also considering the transfer of the pension scheme or merger.

The Charity previously instructed the pension scheme trustees to transfer all investments to GILTS or equivalent to ensure that the pension scheme remains fully funded. The Charity is seeking to transfer the pension scheme to a third party if this can be undertaken without significant further cost.

Investment Policy

The Finance Sub-Committee carefully monitors the Charity's investment policy and reports to the full Board, which is in agreement with its recommendations.

The policy of the Charity is:

- to ensure that only funds not required for current expenditure or the reserves policy are invested, where this is in the best financial interests of the Charity;
- to obtain capital growth rather than income;
- to take a long-term investment view of ten to twenty years;
- to seek annual reports from the investment managers;
- for trustees to review the investment management on annual basis.

The Charity maintains two investment funds, a collective scheme operated by CCLA (the Ethical COIF) and an individual investment portfolio under discretionary management by Brewin Dolphin.

The Charity invested some surplus cash in a short term GILT which matures in November 2025, which generated both interest and a premium between the purchase and redemption prices.

Principal risks and uncertainties

The Trustees have identified the major risks which the Charity faces, maintaining and monitoring a full risk register, and consider that all necessary action has been taken to manage those risks.

The principal risks to the Charity, and actions taken to minimise them are:

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Principal risk and uncertainties (continued)

1. Inability to recruit sufficient numbers of adopters as the demand for adoption placements increases:

During the year 2024-25, the adoption sector experienced a continuing reduction in the number of prospective adopters approved for the children in need of new families. There are currently more children seeking adopters, than there are approved adopters available to provide the family they need, which is a reversal of the situation 3 years ago.

These 'supply and demand' fluctuations are a continuing feature of adoption service provision, and the Charity has a steady but flexible response to this, enabling increased resource allocation to adopter recruitment when needed, whilst continuing with adopter support service provision at a steady and accessible level.

The Charity continues to carefully monitor the demand for adoption placements and takes a long-term view of the fluctuations in demand, adjusting recruitment activity accordingly. Having refreshed the website during 2024-25, with an additional focus on adopter recruitment, Trustees have agreed greater budget allocation during 2025-26, to increase our range of recruitment activities, with a view to increasing the number of placements available for children in need.

2. Regional Adoption Agencies

The main risks for the Charity are:

- the competition which has been created by the RAAs improving recruitment of potential adopters in our areas of operation; and
- the RAAs seeking to place internally and with other RAAs rather than using a VAA and paying the interagency fee.

Competition is managed through the use of effective and increased recruitment activity, good preparation and long-term support for children and their adopters.

Opportunities to engage in joint recruitment, placement and support activities through our positive working relationships with Midlands based RAAs are utilised to maximise collaboration whilst diminishing the impact of competition.

Closer collaboration enables earlier identification of children in need of placements improving timescales for children and placement outcomes for adoptive families.

3. Economic pressure on LA and RAA partners reducing their ability to pay for services provided by VAAs

The main risks for the Charity are:

- reduced demand for services provided because of budget cuts to LAs;
- ending of existing contracts because of significant savings requirements placed on LAs; and
- failure to pay for services provided.

The services provided by the Charity are in demand, and LAs have a statutory responsibility to provide services for children assessed to be in need. The inter-agency fee paid by LAs to the Charity for placements made, is agreed by the ADCS, and the fee paid achieves permanency and stability for children. Adoption placements are needed and local authorities are paying VAA the agreed fees.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Principal risks and uncertainties (continued)

The Charity has planned effectively for reduced income from existing contracts. This is in respect of the School Social Work Service which will in future operate on a spot-purchase basis; and the Birmingham RAA contract which is currently being renegotiated. Any continued involvement with the Birmingham RAA will be carefully costed to ensure value for money for the Children's Trust and the effective and efficient use of Charity funds to benefit children in need of adoptive families, and to provide continuing support to them.

4. Continued economic pressure and competition

Economic pressure continues and the key issues for the Charity are:

- Increases in costs.
- Potentially less families feeling that they are financial stable enough to start the adoption process.
- Families feeling unable to provide placements for larger sibling groups – 3 or more children.
- Reduced budgets in Local Authorities impacting on their ability to purchase services – including adoption placements; and Schools Services.
- Our monthly management accounts track performance and allow the Trustees to make appropriate decisions.

Our reserves are sufficient to allow us to manage the current economic pressures.

All services are carefully monitored in respect of costs and income generated.

5. The retirement of key personnel

The Charity continues to follow its carefully considered succession plan which will enable continuity of service provision to the satisfaction of the regulator, reassurance of staff members, and minimal impact on our beneficiaries.

Internal career development through formal training and mentoring opportunities continue. Job Descriptions have been reviewed and will be realigned to reflect increased responsibilities as required to enable continuation of excellent service delivery.

Those approaching retirement are sharing their plans and timescales with the Trustees to enable an effective strategic approach to the recruitment of key staff.

6. Events that could impact on the reputation of the Charity – e.g., significant data breach, failure to comply with regulatory requirements i.e., operational, fundraising or health & safety incident

The Charity actively manages its risk register responding to changing circumstances to ensure that any new or enhanced risks are mitigated. Training is undertaken to ensure that risks are understood and minimised.

The health & safety sub-committee - comprising the CEO, the Director of Collaborations Performance and Standards (DCPS) and the HR Manager - meets bi-monthly to ensure identification of and effective responses to risks arising. Staff training has been provided across the staff group to mitigate risks arising from undertaking their roles (including lone-working; fire safety; first aid).

The Charity's adoption and EP services were inspected by Ofsted in June 2024 and judged to be outstanding.

The DCPS fulfils an important Quality Assurance role with oversight of the various systems in place across the Charity to monitor performance and consistency of service delivery.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Principal risks and uncertainties (continued)

All Policies and Procedures are reviewed on an annual basis, and staff advised of amendments made. The induction process includes verification that Policies and Procedures and the Employees Handbook have been read, and that the employee will abide by them.

7. Impact of Change in Government Policy

Changes in policies and activities relating to adoption service provision are kept under constant review to mitigate against impact of change.

The Charity engages fully in Government Consultations regarding policy direction.

The Trustees are kept fully informed of changes arising, developing the Charity's strategic plan as indicated.

8. Pension Liability

At the current time there is no pension liability, and the trustees have taken active steps to ensure that the pension is fully funded and are seeking transfer of the pension scheme to a third party.

Plans for the future periods

The Trustees develop an annual plan for the Charity and the key aims for 2025-26 are to:

- Actively promote the work of the Charity through its marketing and fundraising activities to:
 - encourage more people to consider adopting and/or providing EP placements for the children who need them;
 - promote all our services to Local Authority commissioners.
- Work to recruit, assess and approve a wide range of adoptive families and EP carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year, particularly those considered priority
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Ensure the revised contract with Birmingham RAA delivers continuing improvements to the adoption experience of adopters and the children they adopt.
- Further develop the fundraising strategy to diversify income, retaining current donors, increasing our range of supporters, and making successful applications for funding linked to service delivery.
- Implement the succession plan to manage a seamless transition to a new Senior Management Team which will manage new service development opportunities which meet the needs of the Charity's beneficiaries.

Fundraising Statement

The Charity is registered with the Fundraising Regulator and undertakes all of its fundraising in accordance with the Code of Fundraising Practice.

Our fundraising policies are signed off annually by the trustees.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Fundraising Statement (continued)

The following fundraising campaigns have been undertaken during 2024-25:

- Launching the 200 Club, giving members who make a monthly donation the chance to win a cash prize whilst also contributing to Charity funds for adoption support provision;
- Teddy Tombolas and Raffles at Adopter Social Events;
- Community fundraising through Churches located in the East Midlands and from regular donors;
- Donate While You Shop;
- Event Sponsorship.

The Charity has also achieved funding through grant applications including from the Alex Timpson Trust and Foundation, The Happy Days Trust; and the May 29th 1961 Charitable Trust.

The Charity is also very grateful for a number of generous legacies received during this year.

All donations which have been received have been made on a voluntary basis. However, we have publicised that we are a charity and that we accept donations. This has been promoted through our social media feeds and our website.

Third-party involvement in our fundraising activity relates to our membership of Run for Charity (Event Sponsorship); Remember a Charity; Easyfundraising (Donate Whilst You Shop); and the 200 Club.

We use a fundraising database which helps us identify vulnerable supporters and ensure that we work appropriately with all groups.

We have not received any complaints in 2024-25 in respect of our fundraising practices.

As a children's charity we are aware that our supporters are emotionally involved with our work and that asking for money for children in need is generally emotive. We ensure that our staff are trained in understanding that vulnerable people will be among our donors, and we ensure that we do not expressly target elderly people or other vulnerable groups for donations. This is reflected in our Vulnerable Adults Safeguarding Policy. We ensure that we engage with our supporters to identify their interests.

Structure, governance and management

Family Society (the Charity) was established in 2009 as a company limited by guarantee, incorporated on 3 April 2009 and registered as a charity on 9 April 2009.

The Charity is governed by its Articles of Association and is registered as a company in England and Wales under company number 06869556. It is also registered with the Charity Commission for England and Wales under charity number 1129095.

Adoption Focus is the name of Family Society's adoption agency, which is registered with Ofsted under number SC394569. Triangle Project is the name of Family Society's fostering service, which is registered with Ofsted under number 1258436.

The Charity operates in England and Wales and the Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees work with the Chief Executive to agree and monitor the strategic direction of the Charity, and delegate responsibility for its day-to-day operation to the Senior Management Team, comprising the Chief Executive; the Director of Operations; the Director of Business Development; the Director of Resources, the Director of Finance the Director of Collaborations, Performance and Standards and the Head of Family Services, details shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Benjamin James
Anthony Lawton
Graham Harwood
Mark Tobin
John Bale
Sanjeev Kumar
Helen Child

Appointment of Trustees

The Charity looks for Trustees who are committed to children and the adoption and EP process and have professional, ministerial and/or practical experience which will contribute to the effective management and operation of the Charity.

The Charity would normally seek Trustees by advertising through social media and seeking nominations from the community and people connected to social work and adoption.

In accordance with the Charity's constitution, new Trustees are appointed by the majority of Trustees attending the meeting at which an appointment proposed is affirmed. All Trustees are encouraged to attend courses on Charity Law and management.

The Board of Trustees, which aims to meet six times per year, administers the Charity. Additional meetings may be convened as indicated.

In addition, the Director of Finances reports to the Finance Sub-Committee which meets on a 2-monthly basis. This reviews the management accounts, considers cash-flow and any matters arising, and the performance of investments. The Trustees as a whole review the management accounts on a bimonthly or quarterly basis.

Generally, the Charity seeks to maintain Trustees with the following collective experience:

- An adoptive parent;
- An accountant;
- In the management of a charity;
- A solicitor;
- A social worker with experience of working with children and adoption;
- In business.

Some of the current Trustees have experience in more than one of the specified areas and all of our key areas are currently covered.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Trustee induction and training

New Trustees are taken through an induction process by the Chief Executive concerning the operational activities of the Charity and the principles on which the Charity's accounts are based.

The Trustees receive training from the Charity's lawyers and are encouraged to attend training courses and charity related events. The Trustees also receive briefings on legal, accounting and charity issues from a number of sources, including the Charity Commission website.

Remuneration policy for key management personnel

Salaries are benchmarked against similar roles within the public sector, and charitable sector. Independent analysis of pay scales and terms and conditions of employment is sought as required.

The Charity ensures that all employees are paid at a level greater than the national living wage.

Policy for employment of disabled persons

The Charity is an equal opportunity employer. It is committed to ensuring within the framework of the law that our workplace is free from unlawful or unfair discrimination because of Protected Characteristics as defined by the Equality Act 2010.

The Charity aims to ensure that our employees achieve their full potential and that all employment decisions are taken without reference to irrelevant or discriminatory criteria.

The Charity is committed to ensuring that all our employees and applicants for employment are protected from unlawful discrimination in employment.

Employee information

The Charity communicates with all staff members on a regular basis. The staff are kept informed of operational and financial targets; progress made in respect of strategic objectives; and the impact of external factors on Charity performance (e.g., Government Policy).

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Related parties and relationships with other organisations

The Charity is a member of several adoption organisations including:

- the Consortium of Voluntary Adoption Agencies (CVAA);
- CoramBAAF;
- the Midlands Family Placement Group (MFPG);
- Permanence West Midlands (PWM) and
- the Midlands Together Collaboration (MTC).

The CEO is a CVAA Board Member.

The CEO and Chairperson are Directors of FSAF Trading Limited set up to manage the different legal requirements of the Birmingham RAA partnership as we are providing consultation.

The Charity is also a Member of the Birmingham Chamber of Commerce.

The Charity uses McCarthy Denning as its solicitor and the Chairperson of the Charity is both a solicitor consultant to McCarthy Denning and an employee in the compliance department. The Charity assesses the relationship on a regular basis to ensure value for money is received from McCarthy Denning.

Auditor

The Trustees have instructed Humphrey & Co Audit Services Limited to undertake the audit. This is the third consecutive year in which they have undertaken this role.

Disclosure of information to auditor

In so far as the Trustees are aware:

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

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Benjamin James

Benjamin James

Chairperson

16 December 2025

Date:

FAMILY SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also the directors of Family Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members Guarantee

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees on 31 March 2025 was 8. The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY SOCIETY

Opinion

We have audited the financial statements of Family Society (the parent) and its subsidiary for the year ended 31 March 2025 which comprise the group statement of financial activities, the group balance sheet, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2025 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF FAMILY SOCIETY

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report and strategic report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

Extent to which the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the Charity and its subsidiary and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the Trustees and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the Charity's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, carrying out detailed substantive testing of a sample of income, wages and expenditure transactions arising in the year and a sample of balance sheet items such as intangible assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been 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.



Mrs Emily Smith (Senior Statutory Auditor)

For and on behalf of Humphrey & Co Audit Services Ltd, Statutory Auditor
Chartered Accountants
7-9 The Avenue
Eastbourne
East Sussex
BN21 3YA 17 December 2025
Date:

Humphrey & Co Audit Services Ltd is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	163,811	30,000	193,811	12,100	15,000	27,100
Charitable activities	4	2,610,105	-	2,610,105	2,571,619	-	2,571,619
Investments	5	22,584	-	22,584	17,929	-	17,929
Total income		2,796,500	30,000	2,826,500	2,601,648	15,000	2,616,648
Expenditure on:							
Raising funds	6	49,351	-	49,351	47,038	-	47,038
Charitable activities							
Adoption services	7	2,442,288	13,326	2,455,614	2,274,894	26,265	2,301,159
Schools and community	7	108,206	-	108,206	121,318	-	121,318
FFA	7	18,325	-	18,325	59,498	-	59,498
FSAF Trading Ltd	7	72,002	-	72,002	59,418	-	59,418
Total charitable expenditure		2,640,821	13,326	2,654,147	2,515,128	26,265	2,541,393
Total expenditure		2,690,172	13,326	2,703,498	2,562,166	26,265	2,588,431
Net gains/(losses) on investments	12	(4,668)	-	(4,668)	61,831	-	61,831

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Notes						
Net incoming resources before transfers	101,660	16,674	118,334	101,313	(11,265)	90,048
Gross transfers between funds	(567)	567	-	-	-	-
Net incoming resources	101,093	17,241	118,334	101,313	(11,265)	90,048
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes	(7,000)	-	(7,000)	(17,000)	-	(17,000)
Net movement in funds	94,093	17,241	111,334	84,313	(11,265)	73,048
Fund balances at 1 April 2024	2,376,985	29,823	2,406,808	2,292,672	41,088	2,333,760
Fund balances at 31 March 2025	2,471,078	47,064	2,518,142	2,376,985	29,823	2,406,808

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FAMILY SOCIETY**GROUP BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Fixed assets					
Intangible assets	15	-		11,838	
Tangible assets	16	6,468		5,533	
Investments	17	863,987		661,035	
			870,455		678,406
Current assets					
Debtors	18	482,100		474,192	
Cash at bank and in hand		1,270,791		1,452,381	
			1,752,891		1,926,573
Creditors: amounts falling due within one year	19	(117,204)		(223,171)	
Net current assets			1,635,687		1,703,402
Total assets less current liabilities			2,506,142		2,381,808
Net assets excluding pension surplus			2,506,142		2,381,808
Defined benefit pension surplus	20	12,000		25,000	
Net assets			2,518,142		2,406,808
Income funds					
Restricted funds	21	47,064		29,823	
<u>Unrestricted funds</u>					
Designated funds	22	288,083		139,511	
General unrestricted funds		2,170,995		2,212,474	
Pension reserve		12,000		25,000	
			2,471,078		2,376,985
			2,518,142		2,406,808

FAMILY SOCIETY

GROUP BALANCE SHEET

AS AT 31 MARCH 2025

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £111,334 (2024 - £73,048).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

4 December 2025

The financial statements were approved by the Trustees on

..... *Benjamin James*

Benjamin James
Trustee

Company registration number 06869556

FAMILY SOCIETY**CHARITY BALANCE SHEET****AS AT 31 MARCH 2025**

	Notes	2025 £	£	2024 £	£
Fixed assets					
Intangible assets	15	-		11,838	
Tangible assets	16	6,468		5,533	
Investments	17	863,988		661,036	
			870,456		678,407
Current assets					
Debtors	18	554,305		637,636	
Cash at bank and in hand		1,172,960		1,251,882	
			1,727,265		1,889,518
Creditors: amounts falling due within one year	19	(91,579)		(186,117)	
Net current assets			1,635,686		1,703,401
Total assets less current liabilities			2,506,142		2,381,808
Net assets excluding pension surplus			2,506,142		2,381,808
Defined benefit pension surplus	20	12,000		25,000	
Net assets			2,518,142		2,406,808
Income funds					
Restricted funds	21	47,064		29,823	
<u>Unrestricted funds</u>					
Designated funds	22	288,083		139,511	
General unrestricted funds		2,170,995		2,212,474	
Pension reserve		12,000		25,000	
			2,292,672		2,376,985
			2,518,142		2,406,808

FAMILY SOCIETY

CHARITY BALANCE SHEET

AS AT 31 MARCH 2025

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £111,334 (2024 - £73,048).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

4 December 2025

The financial statements were approved by the Trustees on

Benjamin James

.....
Benjamin James
Trustee

Company registration number 06869556

FAMILY SOCIETY

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	28		7,452		237,619
Investing activities					
Purchase of tangible fixed assets		(4,004)		(6,069)	
Purchase of investments		(334,421)		(162,343)	
Proceeds from disposal of investments		126,799		58,005	
Investment income received		22,584		17,929	
Net cash used in investing activities			(189,042)		(92,478)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(181,590)		145,141
Cash and cash equivalents at beginning of year			1,452,381		1,307,240
Cash and cash equivalents at end of year			1,270,791		1,452,381

FAMILY SOCIETY

CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(12,987)		113,871
Investing activities					
Purchase of tangible fixed assets		(4,004)		(6,069)	
Purchase of investments		(334,421)		(162,343)	
Proceeds from disposal of investments		126,799		58,005	
Investment income received		145,691		233,696	
Net cash (used in)/generated from investing activities			(65,935)		123,289
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(78,922)		237,160
Cash and cash equivalents at beginning of year			1,251,882		1,014,722
Cash and cash equivalents at end of year			1,172,960		1,251,882

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Family Society is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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 is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

Group financial statements have been prepared in respect of the Society and its wholly owned subsidiary. The Society's trading subsidiary is FSAF Trading Limited. This subsidiary is consolidated on a line by line basis and has the same accounting date as the Society.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of resources.

Support costs were calculated at 16% of administration costs. These costs were then allocated on the following basis:

- | | |
|--------------------------|-------|
| • Adoption Services | 93.1% |
| • Schools and community | 4.3% |
| • Fostering for adoption | 0.7% |
| • Fundraising | 1.4% |
| • Restricted Funds | 0.5% |

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	25% straight line basis
---------------	-------------------------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	100% straight line basis
Computers	33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charitable company is exempt from Corporation Tax on its charitable activities. Provision is made for Corporation Tax at the appropriate rates on the taxable profits (after Gift Aid payments) of the subsidiary company.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

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

The Trustees do not consider there are any significant judgements (other than those including estimates as disclosed) which require disclosure within the accounts.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Key sources of estimation uncertainty

Defined Pension Scheme

The charity operated a defined pension scheme under the provisions described in the Scheme's Trust Deed and Rules dated 30 July 1998 as subsequently amended.

An FRS Report for the year has been undertaken by a Fellow of the Institute and Faculty of Actuaries. This is based on the asset data provided by the charity. The actuarial cost method has been used as required by FRS102. The calculations are based on the values as at 31 March 2025. Subsequent major fluctuations in the markets and sharp rise in inflation will affect the valuation post year end.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £
Donations	8,419	-	8,419	7,971	-	7,971
Legacies receivable	153,558	-	153,558	-	-	-
Grants	-	30,000	30,000	-	15,000	15,000
Other fundraising	871	-	871	2,838	-	2,838
Gift Aid recovered	963	-	963	1,291	-	1,291
	<u>163,811</u>	<u>30,000</u>	<u>193,811</u>	<u>12,100</u>	<u>15,000</u>	<u>27,100</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Charitable activities

	Adoption services	Schools & community services	FFA	FSAF Trading Ltd	Total 2025	Total 2024
	2025	2025	2025	2025		
	£	£	£	£	£	£
Adoption placements	2,049,261	-	-	300,000	2,349,261	2,235,111
Post placement support	91,562	-	-	-	91,562	76,709
Adoption Support Fund	11,089	-	-	-	11,089	20,771
Training	5,946	-	-	-	5,946	14,246
Foster to Adopt	-	-	63,372	-	63,372	126,527
Schools SLAs	-	88,875	-	-	88,875	98,255
	<u>2,157,858</u>	<u>88,875</u>	<u>63,372</u>	<u>300,000</u>	<u>2,610,105</u>	<u>2,571,619</u>

For the year ended 31 March 2024

	Adoption services	Schools & community services	FFA	FSAF Trading Ltd	Total 2024
	£	£	£	£	£
Adoption placements	1,860,111	-	-	375,000	2,235,111
Post placement support	76,709	-	-	-	76,709
Adoption Support Fund	20,771	-	-	-	20,771
Training	14,246	-	-	-	14,246
Foster to Adopt	-	-	126,527	-	126,527
Schools SLAs	-	98,255	-	-	98,255
	<u>1,971,837</u>	<u>98,255</u>	<u>126,527</u>	<u>375,000</u>	<u>2,571,619</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	5,498	6,267
Interest receivable	17,086	11,662
	<u>22,584</u>	<u>17,929</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Seeking donations, grants and legacies	150	455
Membership schemes and social lotteries	2,008	755
Staging fundraising events	783	1,076
Staff costs	42,329	41,303
Support costs	942	737
	<u>46,212</u>	<u>44,326</u>
Investment management	<u>3,139</u>	<u>2,712</u>
Total costs	<u><u>49,351</u></u>	<u><u>47,038</u></u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Charitable activities

	Adoption 2025 £	Schools and community 2025 £	FFA 2025 £	FSAF Trading Ltd 2025 £	Total 2025 £	Total 2024 £
Staff costs	1,984,068	105,284	-	47,361	2,136,713	2,018,445
Depreciation and impairment	14,599	-	-	-	14,599	19,579
Contract staff	1,079	-	-	-	1,079	5,974
Adopter recruitment costs	44,387	-	-	-	44,387	9,543
Panel costs	44,338	-	-	-	44,338	41,146
Property costs	99,429	-	-	-	99,429	86,172
Travel costs	34,129	-	-	203	34,332	32,321
Professional fees	48,476	-	-	19,750	68,226	64,752
Office costs	21,592	-	-	-	21,592	28,476
Other costs	24,509	-	-	192	24,701	21,556
Computer costs	59,538	-	-	362	59,900	78,907
Fostering to adopt fees	-	-	17,820	-	17,820	61,410
	<u>2,376,144</u>	<u>105,284</u>	<u>17,820</u>	<u>67,868</u>	<u>2,567,116</u>	<u>2,468,281</u>
Share of support costs (see note 11)	46,936	2,137	369	-	49,442	38,676
Share of governance costs (see note 11)	32,534	785	136	4,134	37,589	34,436
	<u>2,455,614</u>	<u>108,206</u>	<u>18,325</u>	<u>72,002</u>	<u>2,654,147</u>	<u>2,541,393</u>
Analysis by fund						
Unrestricted funds	2,442,288	108,206	18,325	72,002	2,640,821	2,515,128
Restricted funds	13,326	-	-	-	13,326	26,265
	<u>2,455,614</u>	<u>108,206</u>	<u>18,325</u>	<u>72,002</u>	<u>2,654,147</u>	<u>2,541,393</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Charitable activities

(Continued)

For the year ended 31 March 2024

	Adoption services £	Schools and community £	FFA £	FSAF Trading Ltd £	Total 2024 £
Staff costs	1,854,549	118,508	-	45,388	2,018,445
Depreciation and impairment	19,579	-	-	-	19,579
Contract staff	5,974	-	-	-	5,974
Adopter recruitment costs	9,543	-	-	-	9,543
Panel costs	41,146	-	-	-	41,146
Property costs	86,172	-	-	-	86,172
Travel costs	32,321	-	-	-	32,321
Professional fees	54,147	-	-	10,605	64,752
Office costs	28,476	-	-	-	28,476
Other costs	21,336	-	-	220	21,556
Computer costs	78,523	-	-	384	78,907
Fostering to adopt fees	3,291	-	58,119	-	61,410
	<u>2,235,057</u>	<u>118,508</u>	<u>58,119</u>	<u>56,597</u>	<u>2,468,281</u>
Share of support costs (see note 11)	35,777	1,945	954	-	38,676
Share of governance costs (see note 11)	30,325	865	425	2,821	34,436
	<u>2,301,159</u>	<u>121,318</u>	<u>59,498</u>	<u>59,418</u>	<u>2,541,393</u>
Analysis by fund					
Unrestricted funds	2,274,894	121,318	59,498	59,418	2,515,128
Restricted funds	26,265	-	-	-	26,265
	<u>2,301,159</u>	<u>121,318</u>	<u>59,498</u>	<u>59,418</u>	<u>2,541,393</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

No trustee received payment from the Charity for professional or other services supplied to the Charity other than Mr Benjamin James as stated in note 26.

Trustees expenses represent the payment or reimbursement of travelling expenses and subsistence costs totalling £nil (2024: £nil) incurred by 0 (2024: 0) members relating to attendance at meetings of the trustees.

9 Employees

The employee figures below all relate to the charity as the subsidiary does not directly employ any staff.

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Adoption Services	29	28
Management and Administration	11	9
Fundraising and Marketing	4	4
School Service	2	3
Total	46	44

Employment costs	2025 £	2024 £
Wages and salaries	1,929,213	1,789,267
Social security costs	160,162	169,198
Other pension costs	102,389	96,678
	2,191,764	2,055,143

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 - £69,999	2	1
£70,000 - £79,999	1	-
£80,000 - £89,999	1	1

The total employee benefits including pension contributions of the key management personnel were £460,166 (2024: £420,954). The key management team were 6 FTE staff (2024: 5).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10	Net movement in funds	2025	2024
		£	£
	The net movement in funds is stated after charging/(crediting):		
	Fees payable for the audit of the charity's financial statements	15,300	14,400
	Depreciation of owned tangible fixed assets	3,071	8,060
	Amortisation of intangible assets	11,838	11,856
		<u> </u>	<u> </u>
11	Support costs allocated to activities	2025	2024
		£	£
	Staff costs	41,860	32,082
	Depreciation	310	337
	Other costs	393	350
	Contract staff	23	103
	Adopter Recruitment costs	943	164
	Panel costs	942	707
	Property costs	2,111	1,555
	Travel costs	725	556
	Professional fees	975	946
	Office costs	459	675
	Computer costs	1,265	956
	Fostering to Adopt fees	379	982
	Governance costs	37,588	34,436
		<u> </u>	<u> </u>
		87,973	73,849
		<u> </u>	<u> </u>
	Analysed between:		
	Fundraising	942	737
	Adoption services	79,470	66,102
	Schools & community services	2,922	2,810
	FFA	505	1,379
	FSAF Trading Limited	4,134	2,821
		<u> </u>	<u> </u>
		87,973	73,849
		<u> </u>	<u> </u>
12	Gains and losses on investments	Unrestricted funds	Unrestricted funds
		2025	2024
		£	£
	Gains/(losses) arising on:		
	Revaluation of investments	(13,320)	60,159
	Sale of investments	8,652	1,672
		<u> </u>	<u> </u>
		(4,668)	61,831
		<u> </u>	<u> </u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

13 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2025	2024
	£	£
Audit of the Charity's annual accounts	15,300	14,400
Other services to the group		
- Other assurance services and tax compliance of the Charity's subsidiaries	1,100	1,800
Total audit fees	16,400	16,200

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

The subsidiary trading company is subject to Corporation Tax on the taxable profits arising during the period.

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Subsidiary taxation for the year	-	-	-	-

15 Intangible fixed assets - Charity & Group

	Charity Website costs
	£
Cost	
At 1 April 2024 and 31 March 2025	47,400
Amortisation and impairment	
At 1 April 2024	35,562
Amortisation charged for the year	11,838
At 31 March 2025	47,400
Carrying amount	
At 31 March 2025	-
At 31 March 2024	11,838

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Tangible fixed assets - Charity & Group

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2024	773	62,901	63,674
Additions	-	4,004	4,004
At 31 March 2025	773	66,905	67,678
Depreciation and impairment			
At 1 April 2024	773	57,366	58,139
Depreciation charged in the year	-	3,071	3,071
At 31 March 2025	773	60,437	61,210
Carrying amount			
At 31 March 2025	-	6,468	6,468
At 31 March 2024	-	5,533	5,533

17 Fixed asset investments

Fixed asset investments - Group

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2024	309,493	343,697	7,845	-	661,035
Additions	333,178	-	1,243	-	334,421
Valuation changes	(8,257)	(5,063)	-	-	(13,320)
Disposals	(118,149)	-	-	-	(118,149)
At 31 March 2025	516,265	338,634	9,088	-	863,987
Carrying amount					
At 31 March 2025	516,265	338,634	9,088	-	863,987
At 31 March 2024	309,493	343,697	7,845	-	661,035

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

17 Fixed asset investments

(Continued)

Fixed asset investments - Charity

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2024	309,493	343,697	7,845	1	661,036
Additions	333,178	-	1,243	-	334,421
Valuation changes	(8,257)	(5,063)	-	-	(13,320)
Disposals	(118,149)	-	-	-	(118,149)
At 31 March 2025	516,265	338,634	9,088	1	863,988
Carrying amount					
At 31 March 2025	516,265	338,634	9,088	1	863,988
At 31 March 2024	309,493	343,697	7,845	1	661,036

Other investments comprise:	Notes	2025 £	2024 £
Investments in subsidiaries	25	1	1

Fixed asset investments revalued

Revalued investments are calculated by readily available market valuations provided. The historical cost of the listed investments is £492,026 (2024 - £274,000). The historical cost of other investments totalled £300,000 (2024 - £300,000).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Debtors - Group

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	449,219	445,823
Other debtors	20,000	20,000
Prepayments and accrued income	12,881	8,369
	<u>482,100</u>	<u>474,192</u>

Debtors - Charity

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	398,318	393,501
Amounts owed by subsidiary undertakings	123,107	215,767
Other debtors	20,000	20,000
Prepayments and accrued income	12,880	8,368
	<u>554,305</u>	<u>637,636</u>

19 Creditors: amounts falling due within one year

Group	2025	2024
	£	£
Other taxation and social security	52,508	76,465
Payments received on account	978	47,393
Trade creditors	34,931	55,483
Other creditors	-	4,888
Accruals and deferred income	28,787	38,942
	<u>117,204</u>	<u>223,171</u>

Charity	2025	2024
	£	£
Other taxation and social security	38,767	47,284
Payments received on account	978	47,393
Trade creditors	24,697	49,660
Other creditors	-	4,888
Accruals and deferred income	27,137	36,892
	<u>91,579</u>	<u>186,117</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £102,389 (2024 - £96,678).

Defined benefit schemes

The Charity operates a defined benefit scheme in the UK which closed to future accruals on 31 July 2017. The assets are held separately from those of the Charity. Being invested in managed funds with insurance companies. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The last triennial actuarial valuation was as at 1 August 2022 by a qualified Actuary which indicated the Scheme had a funding shortfall of £73,000. However, an update at 28 February 2023 revealed that the Scheme was in surplus and no further contributions were required.

The employer's contribution for the period was £Nil (2024: £14,000).

The employer pays all costs of running the Scheme.

Key assumptions

	2025 %	2024 %
Discount rate	5.50	4.70
Expected rate of increase of pensions in payment	3.2	3.2
Revaluation in deferment	3.2	3.2
	<u> </u>	<u> </u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025 Years	2024 Years
Retiring today		
- Males	21.4	21.4
- Females	23.9	23.9
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	22.4	22.4
- Females	25	25
	<u> </u>	<u> </u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20 Retirement benefit schemes

(Continued)

Amounts recognised in the profit and loss account:

	2025 £	2024 £
Net interest on defined benefit liability/(asset)	19,000	17,000
Other costs and income	6,000	18,000
Total costs	<u>25,000</u>	<u>35,000</u>

Amounts taken to other comprehensive income:

	2025 £	2024 £
Other gains and losses	<u>7,000</u>	<u>17,000</u>

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2025 £	2024 £
Present value of defined benefit obligations	370,000	394,000
Fair value of plan assets	<u>(382,000)</u>	<u>(419,000)</u>
Surplus in scheme	<u>(12,000)</u>	<u>(25,000)</u>

Movements in the present value of defined benefit obligations:

	2025 £
Liabilities at 1 April 2024	394,000
Benefits paid	(7,000)
Interest cost	19,000
Other	<u>(36,000)</u>
At 31 March 2025	<u>370,000</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2025 £
Fair value of assets at 1 April 2024	419,000
Benefits paid	(7,000)
Other	(30,000)
At 31 March 2025	<u>382,000</u>

Actual return on plan assets was (£24,000) (2024 - £18,000).

The fair value of plan assets at the reporting period end was as follows:

	2025 £	2024 £
Bonds	379,000	403,000
Cash	3,000	16,000
	<u>382,000</u>	<u>419,000</u>

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Comic Relief - Tech for Good	2,478	-	(3,045)	567	-
Teen Group	3,320	-	(158)	-	3,162
School Social Work Grant	6,811	-	-	-	6,811
Hardship Fund	843	-	-	-	843
Star Trust	3,117	-	(455)	-	2,662
Timpson - Safe Base Fund	13,254	20,000	(9,668)	-	23,586
Virtual Reality Project	-	10,000	-	-	10,000
	<u>29,823</u>	<u>30,000</u>	<u>(13,326)</u>	<u>567</u>	<u>47,064</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Restricted funds (Continued)

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Comic Relief - Tech for Good	16,976	-	(14,498)	-	2,478
Teen Group	3,320	-	-	-	3,320
School Social Work Grant	9,142	-	(2,331)	-	6,811
Hardship Fund	8,193	-	(7,350)	-	843
Star Trust	3,457	-	(340)	-	3,117
Timpson - Safe Base Fund	-	15,000	(1,746)	-	13,254
	<u>41,088</u>	<u>15,000</u>	<u>(26,265)</u>	<u>-</u>	<u>29,823</u>

Comic Relief Tech Fund

The Fund was set up to use technology (Adopter Verse – a safe, secure online space within the website) to bring outstanding support to an increasing number of adopters and potential adopters, located across a wide geographic area. The Fund aims to significantly increase the choice of adoptive homes for some of the country's most vulnerable children, enabling them to find the best match possible for their unique needs and circumstances.

The development of Adopter Verse is now supported through a designated fund which has been now established.

Teen Group Fund (Love Brum)

The grant was made to support adopted children who have experienced loss and trauma. The Teen Group aims to be a mutually supportive group for young people in the Birmingham area, which will enhance family relationships by enabling young people to develop their personal and social skills.

School Social Work Fund

This is a fund for training of staff service and expansion of service into catholic / other schools.

Hardship Fund

This fund is for the support of families and children who, in the Trustees' opinion, need extra financial support.

Star Trust

Star Trust is the creation of locally based entrepreneurs and business owners with a huge passion for fundraising. FS received initially £5,000 in 2022 towards the cost of organising adoption support events for families and children in the East Midlands. These events occur during the year and are well attended by our families and form part of our adoption support offer.

Timpson - SafeBase

Sir John Timpson made a generous donation to FS in 2023/24 and 2024/25 to support the enhancement of the SafeBase programme. It is a therapeutic parenting programme for adoptive parents, helping create a solid foundation for loving and lasting relationships within the family and supporting children to feel more confident, safe, and secure with their parents and carers. Everyone who adopts with Adoption Focus can take part in our SafeBase programme, and we are now able to offer the programme to our partners within the region.

VR Project

This proposal requires funding for two years, with the first year to embed the use of the technology into adopter preparation training and the second year will allow for this to be reviewed and analysed. The funding received from 29May1961 grant making body in 2024/25, will facilitate this project to move forward into first year.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2025 £
Timerick Development Fund	23,039	-	(675)	-	-	22,364
BM Memorial Fund	1,354	-	(1,354)	-	-	-
Adopter Verse Fund	16,000	-	-	8,000	-	24,000
Daniels Legacy Fund	49,118	-	-	-	-	49,118
Support Fund	50,000	-	(6,957)	-	-	43,043
Turner - Legacy Fund	-	149,558	-	-	-	149,558
General funds	2,212,474	2,646,942	(2,556,966)	(8,567)	(4,668)	2,289,215
	2,351,985	2,796,500	(2,684,172)	(567)	(4,668)	2,459,078
Pension fund	25,000	-	(6,000)	-	(7,000)	12,000
	2,376,985	2,796,500	(2,690,172)	(567)	(11,668)	2,471,078

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

22 Unrestricted funds							(Continued)
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £	
Timerick Development Fund	23,039	-	-	-	-	23,039	
BM Memorial Fund	4,654	900	(4,200)	-	-	1,354	
Adopter Verse Fund	8,000	-	-	8,000	-	16,000	
Daniels Legacy Fund	49,118	-	-	-	-	49,118	
Support Fund	-	-	-	50,000	-	50,000	
General funds	2,164,861	2,600,748	(2,556,966)	(58,000)	61,831	2,212,474	
	2,249,672	2,601,648	(2,561,166)	-	61,831	2,351,985	
Pension fund	43,000	-	(1,000)	-	(17,000)	25,000	
	2,292,672	2,601,648	(2,562,166)	-	44,831	2,376,985	

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2025**

22 Unrestricted funds

(Continued)

Timerick Development Fund

This fund is to support the development of the agency into community work based in schools for early intervention and community support to vulnerable children and families. The charity anticipates that the fund will be expended over the next 3 to 5 years as the service develops and they work in new schools, to continue to meet the needs of the students that are supported by the service.

Support Grants

During 2023/24, the Trustees made an allocation from reserve funds into a Designated fund for the financial support of the Society's families who face difficulties arising from placement of adopted children in their care. This is to acknowledge the challenges that our parents face and the commitment of the Society to offer continual support post placement.

Adopter verse

Adopter Verse was initially a Tech for Good programme and received funding to develop the resource for our adopters. FS wanted to make it easier for parents of adopted children to connect each other, help them find peers in their area and from across the country with similar experiences, views, and challenges. Adopter Verse facilitates these connections within existing digital channels and our expansion to across the country can better prepare parents to provide safe and supportive homes for adoptive children.

Recognising the importance of this secure platform for our beneficiaries, the trustees have committed to provide annual funds to a designated fund to support the development of Adopter verse for 3-5 years.

Daniels Legacy

A legacy was made to FS from the estate of the Late Joan Daniels to FS in 2023 to support vulnerable children in the provision of a loving and caring home. The Trustees are committed to ensuring the funds are used in accordance with the legacy, therefore created a designated fund to monitor its use over the coming years.

Turner Family Legacy

A legacy was received from the Late Fred Turner and the late Miss Christine Ann Turner to FS in October 2024. Mr Turner and his wife were adoptive parents of a disabled child (Christine) who has now sadly also passed away. There was no specific directive from the Will, however the Trustees have committed some of the funds to be used to boost our adoption recruitment activities, hence providing more options for people to enter the process and become adoptive parents.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

23 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Fund balances at 31 March 2025 are represented by:						
Intangible fixed assets	-	-	-	11,838	-	11,838
Tangible assets	6,468	-	6,468	5,533	-	5,533
Investments	863,987	-	863,987	661,035	-	661,035
Current assets/(liabilities)	1,588,623	47,064	1,635,687	1,673,579	29,823	1,703,402
Provisions and pensions	12,000	-	12,000	25,000	-	25,000
	<u>2,471,078</u>	<u>47,064</u>	<u>2,518,142</u>	<u>2,376,985</u>	<u>29,823</u>	<u>2,406,808</u>

24 Operating lease commitments

Lessee

The operating leases represents property and equipment leases to third parties. At the year end the Charity had entered into a property lease with a minimum lease period of two years expiring on 30 June 2025. Following 1 July 2024 a notice period of 12 months is required from either the lessee or lessor to terminate the lease.

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	90,111	88,128
Between two and five years	-	22,032
	<u>90,111</u>	<u>110,160</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

25 Subsidiaries

These financial statements are consolidated Charity financial statements for Family Society and its subsidiaries.

Details of the Charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
FSAF Trading Limited	Suite 102, 70 Mark Lane, London EC3R 7NQ	Trading Company	Ordinary	100.00	
Triangle Project	Suite 102, 70 Mark Lane, London EC3R 7NQ	Dormant	Company limited by guarantee		100.00

The investment in subsidiaries are all stated at cost.

The Profit and Loss Account and Balance Sheet for the FSAF Trading Limited are shown below.

	£
Profit & Loss Account	
Turnover	300,000
Administration expenses	<u>(176,893)</u>
Net profit	123,107
Taxation	-
Profit for the year	123,107
Balance Sheet	
Current assets	187,831
Current liabilities	<u>(187,830)</u>
Net assets/(liabilities)	1
Share capital	<u>1</u>
Equity shareholders' funds	-

26 Related party transactions

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Related party transactions

(Continued)

Transactions with related parties

During the year the group engaged McCarthy Denning to provide certain legal and company secretarial services. The chair of trustees - Mr Benjamin James is a solicitor consultant to the firm. The transactions arising during the year were on normal arm's length terms for £10,800 (2024: £15,952).

During the year the charity paid £5,025 (2024: £3,867) to Criminalangel Consulting Ltd for work undertaken. The sole director of the company is the wife of a trustee.

During the year three of the trustees received consultancy fees from the trading company, paid by Adopt Birmingham, for their attendance at meetings relating to the governance of Adopt Birmingham. Mark Tobin received £5,500 (2024 - £3,605) and Graham Harwood received £5,250 (2024 - £3,250). Benjamin James received fees paid to Dracolex Limited; a company of which he is the sole director and ultimate beneficial owner, totalling £10,800 (2024 - £4,500).

27 Analysis of changes in net funds

The Charity had no material debt during the year.

28 Cash generated from operations - Group

	2025 £	2024 £
Surplus for the year	118,334	90,048
Adjustments for:		
Investment income recognised in statement of financial activities	(22,584)	(17,929)
Gain on disposal of investments	(8,652)	(1,672)
Fair value gains and losses on investments	13,320	(60,159)
Depreciation and impairment of tangible fixed assets	14,909	19,916
Difference between pension charge and cash contributions	6,000	1,000
Movements in working capital:		
(Increase)/decrease in debtors	(7,908)	224,862
(Decrease) in creditors	(105,967)	(18,447)
Cash generated from operations	7,452	237,619

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

28	Cash generated from operations - Charity	2025 £	2024 £
	Surplus for the year	118,334	90,048
	Adjustments for:		
	Investment income recognised in statement of financial activities	(145,691)	(233,696)
	Gain on disposal of investments	(8,652)	(1,672)
	Fair value gains and losses on investments	13,320	(60,159)
	Depreciation and impairment of tangible fixed assets	14,909	19,916
	Difference between pension charge and cash contributions	6,000	1,000
	Movements in working capital:		
	Decrease in debtors	83,331	335,488
	(Decrease) in creditors	(94,538)	(37,054)
	Cash (absorbed by)/generated from operations	(12,987)	113,871

Accounts

FAMILY SOCIETY
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

www.adoption-focus.org.uk

Charity registration number 1129095

Company registration number 06869556 (England and Wales)

OFSTED Number: SC394569 (Adoption Focus)

OFSTED Number: 1258436 (Triangle Project)

FAMILY SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of this report were:

Benjamin James (Chairperson and Responsible Individual)

Graham Harwood (Vice Chairperson)

Janet Forster

Anthony Lawton

John Bale

Sanjeev Kumar

Mark Tobin

Helen Child

appointed 14 April 2023

Charity number 1129095

Company number 06869556

Operational address TS3, Pinewood Business Park, Coleshill Road, Marston Green, Birmingham, B37 7HG

Registered office C/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ

Operating name

Adoption Focus

Triangle Project

Family Society Schools Project

Ofsted rating

Outstanding

Outstanding

Adoption Focus

Triangle Project

Key management personnel

Anna Sharkey

Chief Executive & Designated Manager (Adoption)

Howard Parker

Director of Operations & Designated Manager (Fostering)

Jo Lee

Director of Business Development

Cassie Harkin

Director of Resources

Malcolm Dodd

Director of Finances

Nigel Foxon-Hale

Director of Collaborations, Performance and Standards

Auditor

Humphrey & Co Audit Services Ltd

7-9 the Avenue, Eastbourne, East Sussex, BN21 3YA

Bankers

Lloyds Bank plc

3 Maple Walk, Chelmsley Wood, Birmingham, B37 5TS

Nationwide

Nationwide House, Pipers Way, Swindon, SN38 1NW

Solicitors

McCarthy Denning

70 Mark Lane, London, EC3R 7NQ

Investment advisors

Brewin Dolphin

12 Smithfield Street, London, EC1A 9BD

CCLA Investment Management Limited

Senator House, 85 Queen Victoria Street, London, EC4V 4ET

FAMILY SOCIETY

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FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements for the year ended 31 March 2024.

The reference and administrative information set out on the legal and administrative information page forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (effective 1 January 2019).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

Purposes and aims

The objects of the Charity are set out in the Articles and are:

- The relief of financial hardship and suffering by the provision of such grants, goods, service or facilities as the Charity shall from time to time determine;
- The relief of sickness and preservation of health;
- The support, relief and care and the promotion thereof, of:
 - children and young people without families to care for them, including, but not limited to, adoption and fostering services;
 - individuals and couples seeking to adopt and/or foster children and young people; families comprising adopted and foster children;
 - children and young people; those in need by reason of age, ill-health, disability or other disadvantage;
 - the carers of those individuals and groups;
 - individuals, families, communities and groups who are in need;
 - those in need by reason of financial hardship;
 - to provide or assist in the provision of facilities in the interest of social welfare for recreational or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
 - any activity which is charitable under the laws of England, save that if any activity is undertaken in Scotland or Northern Ireland, such activity shall also be charitable under the laws of the jurisdiction in which such activity is undertaken.

The principle aim of the Charity is to support children assessed as in need of adoption through the recruitment, preparation and assessment of adoptive families, matching children in need to the approved families, and the continued long-term support of the children and families following the adoption process.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Children are either placed with families approved as suitable to adopt by Adoption Focus, or with dual-approved - by Adoption Focus and Triangle Project - families who can provide fostering for adoption (**FFA**) and concurrency placements through Early Permanence (**EP**). Triangle Project dual-approved carers enable children to achieve stability and security as soon as possible through the provision of placements which either become permanent adoption placements or support the child's safe return to birth family (pending court process).

A Schools Service has also been provided by the Charity through contractual arrangements with several schools in support of the mental well-being of their pupils, and staff members.

Activities

The Charity is engaged in 3 core activities:

- The provision of a Voluntary Adoption Agency (**VAA**), registered with OFSTED (SC394569), under the operating name of Adoption Focus. Adoption Focus became operational on the 1 June 2009. It has been assessed as an 'Outstanding' adoption agency by Ofsted since becoming operational.
- The provision of EP placements through its Independent Fostering Agency (**IFA**) registered with OFSTED (2731149) under the operating name of Triangle Project.
- The provision of a Schools Service to several schools in the East Midlands, under contract.

Our vision is to secure a loving and supportive family life for every child by training supporting and empowering families to provide safe, secure homes for children in need.

Our vision is reflected in all 3 services.

In the year 2023-24, the Charity has:

- Achieved permanent family life through the provision of adoption placements for children in need.
- Further developed our Early Permanence service, providing fostering for adoption placements through dual-approved carers and via child-specific fostering approval through our Local Authority colleagues.
- Reviewed, monitored and adapted service delivery utilising both in-person and remote service provision options to maximise charity reach whilst also retaining effective relational interactions.
- Completed Stage 2 of our Workplan with Adopt Birmingham Regional Adoption Agency (**RAA**) as their partner agency;
- Worked collaboratively with Midlands based Regional Adoption Agencies working together to provide local placements and accessible adoption support services to children and adopters in the Midlands region.
- Actively sought and responded to feedback from service users to continually improve our service offer.
- Further invested time and resource to promote our on-line resource, Adopterverse through which access to training and support material is provided and connections made with other adopters.
- Reviewed and developed our Schools Service delivery model to enable a sustainable and effective response to children's continuing need for support with their emotional well-being.

The staff group has been provided with a range of training and career development opportunities which further enhance service delivery. Involvement in service development encourages and enables continuing improvement for charity beneficiaries.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Areas of Operation

The Charity operates adoption and EP services throughout the Midlands area and extending into Oxfordshire, Staffordshire, Buckinghamshire, Bedfordshire and neighbouring counties. It trains, assesses and supports adoptive families and dual-approved carers in this area to provide placements for children referred to the Charity, by Local Authorities throughout England, Wales and Scotland.

During this year, the Charity has also provided a Schools Social Care Support Service in the East Midlands through a contractual arrangement agreed with individual schools and some operating under Academies.

Management

Family Society is staffed by qualified and registered (with Social Work England) Social Workers, Social Work Assistants; Schools Workers; Trainers; and Adoption, Family Support and Training Managers. It employs staff to support its business development and administrative processes; and finance systems.

Family Society also commissions external specialists to provide HR and financial support; legal advice; web-site development; and database and IT function.

The Charity is managed by the Chief Executive Officer with support from the Senior Management Team and the Board of Trustees.

Employees

The operational staff employed to provide adoption and EP services have achieved loving homes for children in need with adopters and dual-approved carers who have been prepared and supported to provide secure and stable family life. A commitment to continuing support for families formed through our work, means that staff continue their involvement as required.

The staff members involved with children and young people through the Schools Service have provided support and care assisting them with anxiety and worries linked to family, friendships and school concerns. They work in schools, supporting students, parents and teachers.

The Business Development and Admin Teams have worked to underpin the Charity's operational, recruitment and communication functions. The Finance Team manages invoicing, payroll, banking and investments, carefully monitoring cashflow to ensure the smooth running of all services provided.

Employees have been encouraged to access training opportunities throughout the year in support of service development and individual career progression. Training providers have delivered content both virtually, and – dependent on training content – in person. All staff have regular formal supervision with their line Managers, access to clinical supervision in support of their therapeutically informed work with children and young people, and regular Team Meetings – both virtual and in-person. These support connections with each other and the service.

Trustees agree a budget to support staff training costs aimed to deliver ever improving services.

The Trustees would like to acknowledge the commitment, flexibility, and professionalism of the whole staff group.

Volunteers

Much of the work of the Charity is undertaken by paid professionals. This is in accordance with the regulatory requirements relating to the core activity of the Charity which is the operation of an Adoption Agency and Independent Fostering Agency (registered to provide EP placements only).

The Charity is, however, very fortunate in the benefit it receives from volunteers who significantly support its work.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Volunteers (continued)

The Charity would like to thank:

- Those individuals who volunteer to sit on our Permanence Panel. Panel Members perform an important Quality Assurance role regarding the adopter preparation and assessment work undertaken by the social workers.
- Those adoptive parents who meet as our Adopter Committee. As recipients of services provided, their input is vital in ensuring the relevance of and demand for services provided. The Committee meets every 2 – 3 months, and is an important connection between the Charity and its beneficiaries, helping to identify priorities for service development as identified by our growing adopter community.
- Those adoptive parents, and members of their families who support our recruitment and training activities. This is through direct input – both remote, in-person and through their contribution to podcasts and training videos; and their involvement with Adopterverse.
- Those adoptive parents and members of their families who support our social events, helping to organise and run face-painting, craft activities, games and cake sales.
- The children who contribute ideas and content for our training of prospective adopters and welcome to children joining their new families.
- Those adoptive parents who have volunteered to be Buddies to adopters entering Stage 2 of the adoption process and continuing through the linking and placement process. Their commitment to the requisite training and willingness to support new adoptive families enhances the work of the staff group. During this year the Buddy Service has been extended to support connections with prospective adopters at an earlier stage of the process. Those with lived experience of adoption are a significant support for those who are new to it.
- Volunteers who fundraise for the Charity, and donors who provide regular donations and/or one-off payments. Fundraising is an important activity for the Charity as it enables us to support families with specialised equipment, be-spoke training provision and social activities all of which improve children's lives.

The Chairperson and the CEO would like to thank the Trustees for the considerable time commitment they made this year to the Charity. In addition to the core Board Meetings, and input to consideration of strategic development and Senior staff appointments, this has also included Trustee membership of the Finance Sub-Committee and Adopt Birmingham RAA Board. The Trustees have expertise in law, finance, safeguarding, children's social care, fundraising and experience of running services and companies in the public, charitable and private sectors.

Strategic report

The Charity's key objective is to achieve positive family life for children in need through the provision of well supported and prepared adoptive parents, some of whom also elect to provide EP placements. This work supports Local Authorities in their statutory duty to provide a range of services for children assessed to be 'in need' – including adoption - particularly those considered 'harder to place/priority children'. By meeting the demand (achieved through targeted recruitment activities; and through the provision of a robust and effective adoption support programme) the Charity is achieving family life for children in greatest need, and effectively managing its resources through the provision of placements in greatest demand.

Our strategic plan is based on an informed understanding of anticipated demand for services provided and includes input from our Adopter Committee (comprising a membership of 8 experienced adopters).

Regular meetings with Local Authority and Regional Adoption Agency colleagues, including collaborative working arrangements, further inform our knowledge of their priority needs and directs our service development.

Our strategic plan is constantly reviewed and scrutinised, and a Risk Register is updated and managed as part of the review process.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Strategic report (continued)

A long-standing carefully managed risk is the size, area of operation and influence of the Charity. This risk has been effectively addressed through careful steady growth, which aims to increase the Charity's potential influence in policy development, extend our area of operation, further develop our offer to Local Authority partners and flexibly respond to opportunities for greater collaboration. Through this we will achieve our objective of ensuring that families can readily access our service offer as needed, and that the expertise gained through our core work can be applied to other areas of need as the Charity carefully considers opportunities for diversification.

Achievements and performance

The Charity's main activities and who it tries to help are described below. In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The key objectives for the Charity in 2023-24 were to:

- Actively promote the work of the Charity through its marketing and fundraising activities to
 - encourage more people to consider adopting and/or providing EP placements for the children who need them;
 - promote all our services to Local Authority commissioners.
- Work to recruit, assess and approve a wide range of adoptive families and EP carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year, particularly those considered priority children.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Maximise the opportunities presented in the Birmingham RAA work to:
 - Increase placements (adoption and EP) made with Birmingham RAA;
 - Reduce waiting times for children in Birmingham with an adoption plan;
 - Develop and enhance adoption support provision.
- Promote the Schools Service to schools in the West Midlands making flexible use of support workers who can work in school settings and with families – including adopters; kinship carers and birth families.
- Develop our fundraising activity to diversify income, through an effective strategy which aims to retain current donors and increase our range of supporters.
- Review roles within the Senior Management Team to ensure sufficient capacity to manage new service development opportunities which meet the needs of the Charity's beneficiaries.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Achievements:

- **Actively promote the work of the Charity through its marketing and fundraising activities:**
 - During the year 2023-24 the Charity's adopter recruitment activity achieved a consistent number of potential adopters contacting the Agency. In addition to weekly generic Information Events, the Agency also provided:
 - Specific events targeting adopters considering Early Permanency and placements for priority children;
 - One-to-one Information Provision meetings for those unable to attend the weekly scheduled events.

Our continued involvement in the collaborative working arrangement with Midlands based RAAs has increased the proportion of placements provided for Midlands children and our contribution to regional service development.

The Charity placed children referred from England, Wales, and Scotland.

The Fundraising Officer is building our network of potential supporters through our membership of the local Chamber of Commerce and promoting our fundraising through a range of different activities.

Work to recruit, assess and approve a wide range of adoptive families and Early Permanency (EP) carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.

- The Charity continues to focus on the recruitment of adopters willing to consider and with our support, capable of parenting priority children, including through EP.
 - During this year, the Charity approved 35 families as suitable to adopt. This includes 8 families dual-approved to provide EP placements. The adoption approvals are lower than last year, as the Charity focused on recruiting and approving those who can provide the placements needed and in demand; and achieved placements for those already approved.
 - The Charity provides a programme of training and support to prepare adopters and EP carers for adoptive parenting and EP placements. Training is also provided for adopters' friends and family to inform them of the process and the ways in which they can effectively provide support.
- **Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year engaging fully in the national campaign to encourage more people to consider adopting and promoting EP placements.**
 - The Charity placed 61 children with 44 families. This is fewer than the previous year, reflecting a reduction in demand – a situation which has now reversed as more children have a plan of adoption to secure their well-being.
 - In 4 cases, the adopters were temporarily approved by the children's responsible LA to enable placements under Regulation 25A. At year end, one placement continues under Regulation 25A whilst the others converted to adoption placements following resolution of court process.
 - In 6 cases, children were placed with dual-approved carers - this enabling earlier stability for the children concerned – and which have now converted into adoption placements. A further 2 placements continue under these arrangements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- 26% of the children placed are from a minoritised ethnic group; 46% of the children placed have a diagnosis relating to their health and or development – including hearing loss; Hepatitis C; Foetal Alcohol Syndrome; learning disabilities; 100% of the children placed are from families experiencing one of more of the following: ADHD, learning disabilities, autism, depression, drug and/or alcohol abuse, diabetes, anxiety, hyperactivity, asthma, aspergers, schizophrenia, domestic violence, sexual abuse, neglect.
- **Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.**
 - The Charity has contributed to the training programme offered to all VAAs through the Consortium of Voluntary Adoption Agencies (CVAA) and is providing training to other charities and RAAs, enabling the sharing of good practice and expertise across the sector.
 - The Charity is a Member of the Midlands Together Collaboration (MTC) which comprises the RAAs and VAAs operating in the Midlands region. It aims to enhance adopter access to locally based adoption support service provision; and to achieve Midlands based placements for Midland's children. During the year 2023-24, 52% of the children placed by Adoption Focus were from the Midlands region; 62% of the EP placements made through Triangle Project were from the Midlands region.
 - The Charity continues to work collaboratively with Adoption in Central England (ACE) and Barnardos in the development roll-out and continuing improvement of the Adopter Assessment Report for use in adopter and EP carer assessments. This joint working arrangement has also enabled the development of post placement family and friends' sessions across the 3 agencies which has further enhanced the connections between adopters and their support systems.
 - The Charity is formally connected to other organisations which further support adopters and EP carers, contributing knowledge and expertise whilst also learning from our colleagues so that our services continually develop in line with adoptive family need – this includes New Family Social; Coram BAAF; the West Midlands Adoption & Special Guardianship Group.
- **Maximise the opportunities presented in the Birmingham RAA work to:**
 - Increase placements (adoption and FFA) made with Birmingham RAA – during this year, Birmingham Children's Trust placed 7 children with 7 families approved by Adoption Focus.
 - Reduce waiting times for children in Birmingham with an adoption plan –work continues with the Birmingham RAA to enhance service delivery and reduce the time children wait for a suitable placement. As the workplan enters its 3rd year, the focus is on practice development through staff training, the identification of priority children for specific recruitment, the provision of more EP placements and support with placement preparation.
 - Develop and enhance adoption support provision. This works continues in partnership with the adoption support service provision between the two partners.
- **Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.**
 - The Charity continues to make effective and secure use of robust virtual systems, combined with in-person training, support and assessment work which enables adopters and their children to access locally based training and support, in addition to an ever increasing and enhanced virtual training programme. This also provides the staff group with a more flexible working environment, whilst maintaining good connections in support of professional development and consistent service delivery.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

- The following continue to be provided virtually:
 - Information Events offered weekly;
 - Panel Meetings;
 - Family & Friends Training.
- The following are provided through a combination of virtual meetings and in-person meetings/training:
 - Adopter training;
 - Adopter assessments;
 - Adopter support pre- and post- approval; through linking and matching; and post placement;
 - Adopter and adoptee social events;
 - Adoptee support;
 - Staff supervision;
 - Staff Team Meetings;
 - Staff Training;
 - Practice discussion and reflection;
 - Board & Sub-Committee Meetings.
- Feedback is sought regularly from service users and staff members regarding accessibility of services provided and connection with the organisation.
- The central office location is the focal point of the Charity, with staff working around our whole area of operation, and with additional suitable venues utilised for easier service user access to training and support.

Review and plan for future Schools Social Work Service delivery through the development of a properly costed model.

- Whilst the service is valued and provides important support to children which enables them to make effective use of the education provided in their schools, the Charity has had to carefully review the financial, staffing and practical implications of service delivery based on the existing contractual model, and in consideration of the reducing demand from schools because of the pressure on schools' budgets.
- The current service delivery model is therefore reducing following consultation with current commissioning schools.
- The Charity is committed to continuing to support children in schools and will do so as part of its ongoing commitment to family support. It will do this through providing a range of time-limited services to schools as required, this enabling a flexible response which also enables schools to manage their budgets.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Develop our fundraising activity in order to diversify income.

- The fundraising strategy has been implemented.
- The fundraising activity is under continual review and development.

Social Impact

The Trustees consider the social impact made by the Charity as a key part of the activities which are undertaken.

The Charity enables vulnerable, traumatised children to gain secure, stable family life which will enhance their life chances and choices into the years ahead. It has done this by providing prospective adopters with the skills, knowledge and support they need to enable them to be the parents they want and need to be, for their children to thrive. The Charity also provides its EP service – Triangle Project – through which infants and children achieve security and stability at the earliest opportunity either supporting the safe return of the child to their birth family, or their adoption by their EP carers.

Adoption from care provides children with much improved prospects for recovery (from early trauma) which will enable them to transition to adulthood with a secure sense of belonging to a family which cares for them. It reduces the potential for: poor physical and mental health; teenaged pregnancy; drug and alcohol misuse; lower educational attainment; reduced employment levels; and criminality.

The Charity recognises the significant contribution which adopters and EP carers make to the improved circumstances of the children they care for and/or parent and exercises its duty of care to them through training, preparation and continuing support.

When considering its performance, the Charity seeks evaluation from service users (adopters and their children) and commissioners; and benchmarks against Adoption National Minimum Standards (July 2014), internal response times, and disruption levels. Staff members are encouraged to contribute their knowledge and expertise to the continuing development of services which work to improve the lives of children in need of new families.

The Charity is delighted to report that the vast majority of children placed with new families are thriving in stable and secure placements.

Stability and security for every child are the intended outcomes of the services provided.

Changes to the way in which services to schools is provided by the Charity, will continue to support the mental health and emotional well-being of children and young people in schools. Individual packages of support developed in consultation with individual schools will enable the delivery of services responsive to local need.

Beneficiaries of our services

Through its adopter recruitment, training, and assessment activities, the Charity enables people who want to adopt to gain the skills and knowledge they need to enable them to do so, successfully. The Charity also encourages prospective adopters to consider Fostering for Adoption and Concurrency placements as an option, whilst acknowledging the additional risks inherent in these placements – the child may return to the birth family; unknown health and development matters only become apparent as the child grows.

Support offered by the Charity through its adoption services; and extended through its support services including to schools, aims to enable families to effectively manage challenges arising as their children grow and develop.

During this financial period, we were also informed that a local authority was not in a position to fund a specialist bed for an adopted child with over thirty specialist needs. The cost of the bed were in excess of £7,000 and it was not possible for the family to fund the costs directly. We made the decision to fund the purchase for the family from our hardship fund.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Beneficiaries of our services (continued)

Our focus on the welfare of the child also means that everything the Charity does is underpinned by safeguarding considerations, which will mean that:

- in some circumstances people are assessed to be unsuitable to be approved as adopters;
- concerns identified through all services provided may require additional input from statutory services, to whom a referral may be made.

The approval of suitable adopters supports the work of Local Authorities and RAAs in meeting their sufficiency requirements. The approval of dual approved carers enables Local Authorities to achieve stability for children whilst decisions about their permanent care are carefully made without pre-empting court process, and through a process which ensures that the ability (or not) of birth parents and other family members to care for their child is fully assessed.

Adults caring for children (parents; foster-carers; Special Guardians; teachers) are supported in their responsibilities in respect of the children's emotional development through the support service.

The ultimate beneficiaries of the Charity are the children who achieve secure, nurturing and loving family life through the adoption, EP and support services provided.

Financial review

The Charity performed as well as possible during a very difficult year. The main pressure was a lack of available children meaning that fewer local authorities requested placements with the families that we approved. This resulted in a decrease in income by over £600,000. However, costs remained roughly the same which allowed the charity to finish the year with a small surplus.

Income for the year was £2,616,648 (2022/23: £3,263,525) and expenditure was £2,588,431 (2022/23: £2,572,937). Careful financial management and cash-flow monitoring, underpinned by an effective reserves policy has enabled the Charity to adjust to fluctuating demands for service and changes to income generation. The Charity is flexible in its responses to demand, enabling a consistent level of support whilst ensuring sustainability of service provision.

The surplus for the year was £73,048 (2022/23: £768,837).

The year end fund position totalled £2,406,808 (2022/23: £2,333,760).

The Charity has carefully managed its finances to ensure the most efficient use of its resources. This is both in respect of expenditure to support the Charity's activities; and investment to build reserves.

The costs of adoption service and EP provision are high. These are highly regulated activities which demand professional levels of staff qualifications, and experience, which in turn attract commensurate remuneration.; as well as investment in continuing professional development.

Income is predominantly sourced from the inter-agency fee payable at the point of placement, by the Local Authority or RAA which has statutory responsibility for the child. The Consortium of Voluntary Adoption Agencies aims to agree with the Association of Directors of Children's Services, an inflation linked increase in the fee charged. The fee covers the cost of service provision from the first point of contact by a prospective adopter through to adoption order and then continuing adoption support provision.

Fostering fees charged for children placed through the Triangle Project enable the Charity to pay the fostering fee due to the carers with additional payments to cover initial equipment set-up costs and travel for medical appointments and meetings with birth family. The management fee enables the Charity to achieve a full-cost recovery for service provision – this includes for Social Work supervision of placements, financial systems to make payments to carers, and the administrative support required to manage sensitive data relating to these placements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review (continued)

The funding model for the Schools Service was based on contracts negotiated with schools to cover the Charity's School Service staff wages, with additional costs (admin and management support, IT system, staff mileage etc) covered by restricted funds achieved through fundraising activities. As school budgets have come under increased pressure, the number of existing schools renewing contracts or additional schools agreeing new contracts has diminished to the point where the contracts model is unsustainable. We have renewed contracts with two schools on a continuing basis, due to specialist need and a specialist social worker being in place. The Charity is carefully managing the reducing service, but with a continuing commitment to support children and families through its support services which includes a spot-purchase range of training and other input for schools as required. The Charity can also negotiate a contract with existing schools to maintain current staff input. This combined approach provides greater flexibility to schools when prioritising their budget allocation and is responsive to specific requirements whilst ensuring continuing viability.

The continuing careful financial management by the Senior Management Team and Trustees, has maintained a strong financial basis for the Charity. The services provided are in demand and achieve an income which maintains our viability. Careful growth and the development of collaborative arrangements with our local RAAs – including the formal partnership arrangement with Birmingham Children's Trust -have strengthened our position and underpin our financial security.

The final financial outcome for the period, reflects the careful monitoring of Charity expenditure enabling continuing service development and delivery, the retention of highly motivated and experienced staff, and positive outcomes for children in need. The Trustees are committed to ensuring that any surplus made is re-invested in service growth and continuing improvement, whilst adhering to the reserves policy. Adherence to the reserves policy has enabled the Charity to flexibly respond to fluctuating demand for core service provision (adoption placements) whilst continuing to build support services and adapt to increasing adopter recruitment and placement demand as we move into 2024-25.

The Trustees are confident that the financial viability of the Charity is assured as it moves into 2024-25. This is because:

- The performance of the Charity during this last year is consistently steady and effective, responding to fluctuating demand and building on relationships already established. This has enabled continuing adopter and EP assessment and placement productivity, training delivery and support provision; and a review of the Schools Service to provide continuing services as needed.
- Collaborative working with other agencies in the sector (both RAAs and other VAAs) has achieved a continuing increased % of children placed locally.
- Recruitment of adopters and dual-approved carers has focussed on harder to place/priority children to meet their needs and in response to the requirements of our RAA colleagues. This means that adopters and dual-approved carers prepared and approved by the Charity are in demand, and the resources of the Charity effectively directed to where the need is greatest – including in continuing support services.
- Adopterverse – the web-based provision which supports adopters in making connections with each other – continues to build its user base, enhancing connections between adopters and with the Charity.

Trading Company

FSAF Trading Limited – the Company formed by the Charity – became operational on 1st April 2022.

All income generated through our consultancy agreement with Birmingham Children's Trust is put through the trading company.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Trading Company (continued)

The trading company produced a turnover of just £375,000 (2022/23: £280,000) as a result of the contract with Birmingham Children's Trust. The translated into a surplus of £217,567. The majority of the costs were covered by existing resources recharged to the trading company, but with additional costs including the Project Manager role, payments to Board Members of the Birmingham RAA, and with plans to recruit an additional trainer to support training needs within the RAA.

The Charity nominates three trustees to the Birmingham RAA Board which are paid positions and the Birmingham Children's Trust provides to the trading company the funds to pay the nominated trustees for their services to the RAA. This is recharged at approximately £500 per day. The nominated trustees were Graham Harwood, Benjamin James and Mark Tobin.

Reserves Policy and Going Concern

Adoption service provision demands a long-term commitment to the adoption process. It takes approximately twelve months from the first point of contact with the Charity for a family seeking approval to be ready to have a child placed with them. The length of time they then wait before a placement is achieved (the first point at which the Charity receives a fee) will depend on the level of demand for the placement type they are offering.

Once placed, the adoptive family will need continuing support from the Charity. The support may be required for several years into the future, as they help their children recover from their early trauma.

Therefore, it is important for the Charity to be able to show that it will be in a position to support such families throughout the process and into the years ahead.

Family Society seeks to hold reserves of between three- and twelve-months' expenditure. The Trustees estimate that the operating expenditure of the Charity's continuing activities over a six-month period is £1,300,000. Therefore, the Trustees consider that it is appropriate for the Charity to maintain a reserve of no less than £750,000 to effectively meet the needs designated by its trusts. The current reserves are at £2,212,474.

The Trustees are confident that the Charity is and will be a going concern going into the future and specifically over the next 12 months. The Trustees' basis for this is:

- The working model which:
 - supports a flexible working environment for employees which assists staff recruitment and retention.
 - provides career progression opportunities to enhance service delivery and individual development.
 - ensures effective and efficient service delivery over our area of operation enabling easy access to services provided.
- Increasing demand for the adoptive parents and EP carers approved by the Charity at both a local and national level:
 - 24 placements made with locally based RAAs
 - 19 placements made with RAAs outside the Midlands

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Reserves Policy and Going Concern (continued)

- Increasing number of adopters and dual-approved carers progressing to approval in response to an increasing demand for approved adopters.
- Promoting the use of Triangle Project to achieve earlier stability for children, leading to closer collaboration with locally based RAAs.
- A steady level of reserves held by the Charity reflecting our reserves policy.
- Effective resolution of the pension liability.
- Careful control over expenditure and investment.

Pension Fund

Due to historic low interest rates the defined benefit pension scheme has shown a liability for a number of years.

The current position is that the pension scheme is in surplus to the value of £25,000. The trustees are keeping the valuation under review and will make appropriate arrangements should a deficit appear possible. One of the options being considered is the purchase of annuities and the trustees are also considering the transfer of the pension scheme or merger.

The Charity previously instructed the pension scheme trustees to transfer all investments to GILTS or equivalent to ensure that the pension scheme remains fully funded. The Charity is seeking to transfer the pension scheme to a third party if this can be undertaken without significant further cost.

Investment Policy

During this year the Finance Sub-Committee reviewed the Charity's investment policy and the full Board accepted its recommendations.

The policy of the Charity is:

- to ensure that only funds not required for current expenditure or the reserves policy are invested, where this is in the best financial interests of the Charity;
- to obtain capital growth rather than income;
- to take a long-term investment view of ten to twenty years;
- to seek annual reports from the investment managers;
- for trustees to review the investment management on annual basis.

The Charity maintains two investment funds, a collective scheme operated by CCLA (the Ethical COIF) and an individual investment portfolio under discretionary management by Brewin Dolphin.

Principal risks and uncertainties

The Trustees have identified the major risks which the Charity faces, maintaining and monitoring a full risk register, and consider that all necessary action has been taken to manage those risks.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Principal risk and uncertainties (continued)

The principal risks to the Charity, and actions taken to minimise them are:

1. Inability to recruit sufficient numbers of adopters as the demand for adoption placements increases:

During the year 2023-24, the demand for adoption placements decreased, leading to increased competition from RAAs and other VAAs to recruit prospective adopters. This fluctuation in demand is a regular feature of the adoption sector, demanding a steady, but flexible response.

The Charity continues to carefully monitor the demand for adoption placements, and takes a long term view of the fluctuations in demand, adjusting recruitment activity accordingly. It has invested additional expenditure in the web-site to promote the Charity, and can allocate all prospective adopters to an assessing Social Worker.

2. Regional Adoption Agencies

The main risks for the Charity are:

- the competition which has been created by the RAAs improving recruitment of potential adopters in our areas of operation; and
- the RAAs seeking to place internally and with other RAAs rather than using a VAA and paying the interagency fee.

Competition can be managed through the use of careful recruitment techniques, better preparation and long term support.

At the current time our local RAAs are at between 50 and 60% sufficiency and cannot meet their adoption placement needs without VAAs.

As the VAA partner involved in the delivery of the Birmingham RAA, we are well-placed to develop services in support of this RAA development, including through the provision of adoption and EP placements. Closer collaboration enables earlier identification of children in need of placements improving timescales for children and placement outcomes for adoptive families.

3. Continued economic pressure and competition

Economic pressure continues and the key issues for the Charity are:

- Increases in costs.
- Potentially less families feeling that they are financial stable enough to start the adoption process.
- Families feeling unable to provide placements for larger sibling groups – 3 or more children
- Reduced budgets in Local Authorities impacting on their ability to purchase services – including adoption placements; and Schools Services.

Our monthly management accounts track performance and allow the Trustees to make appropriate decisions.

Our reserves are sufficient to allow us to manage the current economic pressures.

All services are carefully monitored in respect of costs and income generated.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Principal risks and uncertainties (continued)

4. The retirement of key personnel

The Charity has been following a succession plan for some time with plans for internal career development – including through formal training and mentoring opportunities - agreement for role shadowing opportunities and re-structuring to enable effective use of other staff members which provides opportunities for progression and continuity of service delivery. Careful consideration of Job Descriptions to reflect increased responsibilities within roles will also enable effective recruitment to key Senior roles as they arise.

Those approaching retirement are sharing their plans and timescales with the Trustees to enable an effective strategic approach to the recruitment of key staff.

5. Events that could impact on the reputation of the Charity – e.g., significant data breach, failure to comply with regulatory requirements i.e., operational, fundraising or health & safety incident

The Charity actively manages its risk register responding to changing circumstances to ensure that any new or enhanced risks are mitigated. Training is undertaken to ensure that risks are understood and minimised.

A health & safety sub-committee has been established to ensure identification and effective responses to risks arising.

The Charity's adoption and EP services were inspected by Ofsted in October 2021 and judged to be outstanding. The appointment of a Director of Collaborations Performance and Standards fulfils an important Quality Assurance role with oversight of the various systems in place across the Charity to monitor performance and consistency of service delivery.

6. Impact of Change in Government Policy

Changes in policies and activities relating to adoption service provision are kept under constant review to mitigate against impact of change.

The Charity engages fully in Government Consultations regarding policy direction.

The Trustees are kept fully informed of changes arising, developing the Charity's strategic plan as indicated.

7. Pension Liability

At the current time there is no pension liability and the trustees have taken active steps to ensure that the pension is fully funded and are seeking transfer of the pension scheme to a third party.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for the future periods

The Trustees develop an annual plan for the Charity and the key aims for 2024-25 are to:

- Actively promote the work of the Charity through its marketing and fundraising activities to:
 - encourage more people to consider adopting and/or providing EP placements for the children who need them;
 - promote all our services to Local Authority commissioners.
- Work to recruit, assess and approve a wide range of adoptive families and EP carers for children in need, equipping them with the skills and knowledge required to achieve successful EP placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year, particularly those considered priority children.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Maximise the opportunities presented in the Birmingham RAA work to:
 - Increase placements (adoption and EP) made with Birmingham RAA;
 - Reduce waiting times for children in Birmingham with an adoption plan;
 - Develop and enhance adoption support provision.
- Provide support to children in schools through a revised model of service delivery, making flexible use of support workers who can work in school settings and with families – including adopters; kinship carers and birth families.
- Fully implement the fundraising strategy to diversify income, retaining current donors, increasing our range of supporters, and making successful applications for funding linked to service delivery.
- Confirm Senior Management Team roles and resource team developments to ensure sufficient capacity to manage new service development opportunities which meet the needs of the Charity's beneficiaries.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Fundraising Statement

The Charity is registered with the Fundraising Regulator and undertakes all of its fundraising in accordance with the Code of Fundraising Practice.

Our fundraising policies are signed off annually by the trustees.

We have undertaken the following fundraising campaigns in 2023-24:

- Cake sales and raffles at adopter social events;
- Community fundraising through Churches located in the East Midlands (previously undertaken by Faith in Families);
- Promoting sponsorship of those running on our behalf in various challenges through our Run for Charity membership.

All donations which have been received have been made on a voluntary basis. However, we have publicised that we are a charity and that we accept donations. This has been promoted through our social media feeds and our website.

Apart from our Run for Charity and Remember a Charity memberships, there is no other third-party involvement in our fundraising activity.

We use a fundraising database which helps us identify vulnerable supporters and ensure that we work appropriately with all groups.

We have not received any complaints in 2023-24 in respect of our fundraising practices.

As a children's charity we are aware that our supporters are emotionally involved with our work and that asking for money for children in need is generally emotive. We ensure that our staff are trained in understanding that vulnerable people will be among our donors, and we ensure that we do not expressly target elderly people or other vulnerable groups for donations. We ensure that we engage with our supporters to identify their interests.

Structure, governance and management

Family Society (the Charity) was established in 2009 as a company limited by guarantee, incorporated on 3 April 2009 and registered as a charity on 9 April 2009.

The Charity is governed by its Articles of Association and is registered as a company in England and Wales under company number 06869556. It is also registered with the Charity Commission for England and Wales under charity number 1129095. Adoption Focus is the name of Family Society's adoption agency, which is registered with Ofsted under number SC394569. Triangle Project is the name of Family Society's fostering service, which is registered with Ofsted under number 1258436.

The Charity operates in England and Wales and the Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

The Trustees work with the Chief Executive to agree and monitor the strategic direction of the Charity, and delegate responsibility for its day-to-day operation to the Senior Management Team, comprising the Chief Executive; the Director of Operations; the Director of Business Development; the Director of Resources, the Director of Finance the Director of Collaborations, Performance and Standards and the Head of Family Services, details shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Benjamin James
Janet Forster
Anthony Lawton
Graham Harwood
Mark Tobin
John Bale
Sanjeev Kumar
Helen Child

(Appointed 14 April 2023)

Appointment of Trustees

The Charity looks for Trustees who are committed to children and the adoption and EP process and have professional, ministerial and/or practical experience which will contribute to the effective management and operation of the Charity.

The Charity would normally seek Trustees by advertising through social media and seeking nominations from the community and people connected to social work and adoption.

In accordance with the Charity's constitution, new Trustees are appointed by the majority of Trustees attending the meeting at which an appointment proposed is affirmed. All Trustees are encouraged to attend courses on Charity Law and management.

The Board of Trustees, which aims to meet six times per year, administers the Charity. Additional meetings may be convened as indicated.

In addition, the Director of Finances reports to the Finance Sub-Committee which meets on a 2-monthly basis. This reviews the management accounts, considers cash-flow and any matters arising, and the performance of investments. The Trustees as a whole review the management accounts on a bimonthly or quarterly basis.

Generally, the Charity seeks to maintain Trustees with the following collective experience:

- An adoptive parent;
- An accountant;
- In the management of a charity;
- A solicitor;
- A social worker with experience of working with children and adoption;
- In business.

Some of the current Trustees have experience in more than one of the specified areas and all of our key areas are currently covered.

Trustee induction and training

New Trustees are taken through an induction process by the Chief Executive concerning the operational activities of the Charity and the principles on which the Charity's accounts are based.

The Trustees receive training from the Charity's lawyers and are encouraged to attend training courses and charity related events. The Trustees also receive briefings on legal, accounting and charity issues from a number of sources, including the Charity Commission website.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Remuneration policy for key management personnel

Salaries are benchmarked against similar roles within the public sector, and charitable sector. Independent analysis of pay scales and terms and conditions of employment is sought as required.

The Charity ensures that all employees are paid at a level greater than the national living wage.

Policy for employment of disabled persons

The Charity is an equal opportunity employer. It is committed to ensuring within the framework of the law that our workplace is free from unlawful or unfair discrimination because of Protected Characteristics as defined by the Equality Act 2010.

The Charity aims to ensure that our employees achieve their full potential and that all employment decisions are taken without reference to irrelevant or discriminatory criteria.

The Charity is committed to ensuring that all our employees and applicants for employment are protected from unlawful discrimination in employment.

Employee information

The Charity communicates with all staff members on a regular basis. The staff are kept informed of operational and financial targets; progress made in respect of strategic objectives; and the impact of external factors on Charity performance (e.g., Government Policy).

Related parties and relationships with other organisations

The Charity is a member of a number of adoption organisations including: the Consortium of Voluntary Adoption Agencies (CVAA); CoramBAAF; the Midlands Family Placement Group (MFPG); Permanence West Midlands (PWM) and the Midlands Together Collaboration (MTC).

The CEO is a CVAA Board Member. The CEO and Chairperson are Directors of FSAF Trading Limited set up to manage the different legal requirements of the Birmingham RAA partnership as we are providing consultation.

The Charity is also a Member of the Birmingham Chamber of Commerce.

The Charity has a Service Level Agreement with Father Hudson's Society (registered charity) to provide adoption support services.

The Charity uses McCarthy Denning as its solicitor and the Chairperson of the Charity is both a solicitor consultant to McCarthy Denning and an employee in the compliance department. The Charity assesses the relationship on a regular basis to ensure value for money is received from McCarthy Denning.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustees' responsibilities

The Trustees, who are also the directors of Family Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members Guarantee

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees on 31 March 2024 was 8. The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditor

The Trustees have instructed Humphrey & Co Audit Services Limited to undertake the audit. This is the third consecutive year in which they have undertaken this role.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Disclosure of information to auditor

In so far as the Trustees are aware:

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

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Benjamin James

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Benjamin James

Chairperson

10 December 2024

Date:

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY SOCIETY

Opinion

We have audited the financial statements of Family Society (the parent) and its subsidiary for the year ended 31 March 2024 which comprise the group statement of financial activities, the group balance sheet, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2024 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their 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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the Charity and its subsidiary and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the Trustees and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the Charity's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, carrying out detailed substantive testing of a sample of income, wages and expenditure transactions arising in the year and a sample of balance sheet items such as intangible assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been 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.

Mrs Emily Smith (Senior Statutory Auditor)
for and on behalf of Humphrey & Co Audit Services Ltd

Chartered Accountants
Statutory Auditor

Emily Smith
.....
12 December 2024

7-9 The Avenue
Eastbourne
East Sussex
BN21 3YA

Humphrey & Co Audit Services Ltd is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Notes							
Income from:							
Donations and legacies	3	12,100	15,000	27,100	89,189	11,905	101,094
Charitable activities	4	2,571,619	-	2,571,619	3,155,607	-	3,155,607
Investments	5	17,929	-	17,929	6,824	-	6,824
Total income		2,601,648	15,000	2,616,648	3,251,620	11,905	3,263,525
Expenditure on:							
Raising funds	6	47,038	-	47,038	24,393	-	24,393
Charitable activities							
Adoption services	7	2,274,894	26,265	2,301,159	2,274,514	35,046	2,309,560
Schools and community	7	121,318	-	121,318	147,584	-	147,584
FFA	7	59,498	-	59,498	42,373	-	42,373
FSAF Trading Ltd	7	59,418	-	59,418	49,027	-	49,027
Total charitable expenditure		2,515,128	26,265	2,541,393	2,513,498	35,046	2,548,544
Total expenditure		2,562,166	26,265	2,588,431	2,537,891	35,046	2,572,937
Net gains/(losses) on investments	13	61,831	-	61,831	(21,751)	-	(21,751)
Gross transfers between funds		-	-	-	(1,519)	1,519	-
Net incoming/(outgoing) resources		101,313	(11,265)	90,048	690,459	(21,622)	668,837
Other recognised gains and losses							
Actuarial (loss)/gain on defined benefit pension schemes		(17,000)	-	(17,000)	100,000	-	100,000
Net movement in funds		84,313	(11,265)	73,048	790,459	(21,622)	768,837
Fund balances at 1 April 2023		2,292,672	41,088	2,333,760	1,502,213	62,710	1,564,923
Fund balances at 31 March 2024		2,376,985	29,823	2,406,808	2,292,672	41,088	2,333,760

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FAMILY SOCIETY

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	15		11,838		23,694
Tangible assets	16		5,533		7,524
Investments	17		661,035		494,864
			<u>678,406</u>		<u>526,082</u>
Current assets					
Debtors	18	474,192		699,056	
Cash at bank and in hand		1,452,381		1,307,240	
		<u>1,926,573</u>		<u>2,006,296</u>	
Creditors: amounts falling due within one year	19	(223,171)		(241,618)	
Net current assets			<u>1,703,402</u>		<u>1,764,678</u>
Total assets less current liabilities			<u>2,381,808</u>		<u>2,290,760</u>
Net assets excluding pension surplus			2,381,808		2,290,760
Defined benefit pension surplus	21		25,000		43,000
Net assets			<u>2,406,808</u>		<u>2,333,760</u>
Income funds					
Restricted funds	20		29,823		41,088
<u>Unrestricted funds</u>					
Designated funds	22	139,511		84,811	
General unrestricted funds		2,212,474		2,164,861	
Pension reserve		<u>25,000</u>		<u>43,000</u>	
			<u>2,376,985</u>		<u>2,292,672</u>
			<u>2,406,808</u>		<u>2,333,760</u>

FAMILY SOCIETY

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £73,048 (2023 - £768,837).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

6 December 2024

The financial statements were approved by the Trustees on

Benjamin James

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Benjamin James

Trustee

Company registration number 06869556

FAMILY SOCIETY

CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Intangible assets	15		11,838		23,694
Tangible assets	16		5,533		7,524
Investments	17		661,036		494,865
			<u>678,407</u>		<u>526,083</u>
Current assets					
Debtors	18	637,636		973,126	
Cash at bank and in hand		1,251,882		1,014,722	
		<u>1,889,518</u>		<u>1,987,848</u>	
Creditors: amounts falling due within one year	19	(186,117)		(223,171)	
Net current assets			<u>1,703,401</u>		<u>1,764,677</u>
Total assets less current liabilities			<u>2,381,808</u>		<u>2,290,760</u>
Net assets excluding pension surplus			2,381,808		2,290,760
Defined benefit pension surplus	21		<u>25,000</u>		<u>43,000</u>
Net assets			<u><u>2,406,808</u></u>		<u><u>2,333,760</u></u>
Income funds					
Restricted funds	20		29,823		41,088
<u>Unrestricted funds</u>					
Designated funds	22	139,511		84,811	
General unrestricted funds		2,212,474		2,164,861	
Pension reserve		<u>25,000</u>		<u>43,000</u>	
			<u>2,376,985</u>		<u>2,292,672</u>
			<u><u>2,406,808</u></u>		<u><u>2,333,760</u></u>

FAMILY SOCIETY

CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £73,048 (2023 - £768,837).

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6 December 2024

The financial statements were approved by the Trustees on

Benjamin James

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Benjamin James
Trustee

Company registration number 06869556

FAMILY SOCIETY

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	27		237,619		334,706
Investing activities					
Purchase of tangible fixed assets		(6,069)		(1,453)	
Purchase of investments		(162,343)		(200,000)	
Proceeds from disposal of investments		58,005		-	
Investment income received		17,929		6,824	
Net cash used in investing activities			(92,478)		(194,629)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			145,141		140,077
Cash and cash equivalents at beginning of year			1,307,240		1,167,163
Cash and cash equivalents at end of year			1,452,381		1,307,240

FAMILY SOCIETY

CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	27		113,871		(94,377)
Investing activities					
Purchase of tangible fixed assets		(6,069)		(1,453)	
Purchase of investments		(162,343)		(200,000)	
Proceeds from disposal of investments		58,005		-	
Investment income received		233,696		143,390	
Net cash generated from/(used in) investing activities			123,289		(58,063)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			237,160		(152,440)
Cash and cash equivalents at beginning of year			1,014,722		1,167,162
Cash and cash equivalents at end of year			1,251,882		1,014,722

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Family Society is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

Group financial statements have been prepared in respect of the Society and its wholly owned subsidiary. The Society's trading subsidiary is FSAF Trading Limited. This subsidiary is consolidated on a line by line basis and has the same accounting date as the Society.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1

Accounting policies

(Continued)

1.5

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of resources.

Support costs were calculated at 11% of administration costs. These costs were then allocated on the following basis:

- | | |
|--------------------------|-------|
| • Adoption Services | 89.9% |
| • Schools and community | 6.0% |
| • Fostering for adoption | 1.7% |
| • Fundraising | 1.0% |
| • Restricted Funds | 1.4% |

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

1.6

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	25% straight line basis
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FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	100% straight line basis
Computers	33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charitable company is exempt from Corporation Tax on its charitable activities. Provision is made for Corporation Tax at the appropriate rates on the taxable profits (after Gift Aid payments) of the subsidiary company.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

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

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

The Trustees do not consider there are any significant judgements (other than those including estimates as disclosed) which require disclosure within the accounts.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Key sources of estimation uncertainty

Defined Pension Scheme

The charity operated a defined pension scheme under the provisions described in the Scheme's Trust Deed and Rules dated 30 July 1998 as subsequently amended.

An FRS Report for the year has been undertaken by a Fellow of the Institute and Faculty of Actuaries. This is based on the asset data provided by the charity. The actuarial cost method has been used as required by FRS102. The calculations are based on the values as at 31 March 2024. Subsequent major fluctuations in the markets and sharp rise in inflation will affect the valuation post year end.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations	7,971	-	7,971	11,388	-	11,388
Legacies receivable	-	-	-	74,234	-	74,234
Grants	-	15,000	15,000	-	11,905	11,905
Other fundraising	2,838	-	2,838	3,059	-	3,059
Gift Aid recovered	1,291	-	1,291	508	-	508
	<u>12,100</u>	<u>15,000</u>	<u>27,100</u>	<u>89,189</u>	<u>11,905</u>	<u>101,094</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Charitable activities

	Adoption services	Schools & community services	FFA	FSAF Trading Ltd	Total 2024	Total 2023
	2024	2024	2024	2024		
	£	£	£	£	£	£
Adoption placements	1,860,111	-	-	375,000	2,235,111	2,835,236
Post placement support	76,709	-	-	-	76,709	25,762
Adoption Support Fund	20,771	-	-	-	20,771	58,587
Training	14,246	-	-	-	14,246	8,143
Foster to Adopt	-	-	126,527	-	126,527	95,352
Schools SLAs	-	98,255	-	-	98,255	132,527
	<u>1,971,837</u>	<u>98,255</u>	<u>126,527</u>	<u>375,000</u>	<u>2,571,619</u>	<u>3,155,607</u>

For the year ended 31 March 2023

	Adoption services	Schools & community services	FFA	FSAF Trading Ltd	Total 2023
	£	£	£	£	£
Adoption placements	2,555,236	-	-	280,000	2,835,236
Post placement support	25,762	-	-	-	25,762
Adoption Support Fund	58,587	-	-	-	58,587
Training	8,143	-	-	-	8,143
Foster to Adopt	-	-	95,352	-	95,352
Schools SLAs	-	132,527	-	-	132,527
	<u>2,647,728</u>	<u>132,527</u>	<u>95,352</u>	<u>280,000</u>	<u>3,155,607</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	6,267	4,265
Interest receivable	11,662	2,559
	<u>17,929</u>	<u>6,824</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

6 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Seeking donations, grants and legacies	455	736
Membership schemes and social lotteries	755	-
Staging fundraising events	1,076	445
Staff costs	41,303	22,950
Support costs	737	262
	44,326	24,393
Investment management	2,712	-
Total costs	<u>47,038</u>	<u>24,393</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Charitable activities

	Adoption services	Schools and community	FFA	FSAF Trading Ltd	Total 2024	Total 2023
	2024	2024	2024	2024		
	£	£	£	£	£	£
Staff costs	1,854,549	118,508	-	45,388	2,018,445	1,956,460
Depreciation and impairment	19,579	-	-	-	19,579	18,863
Contract staff	5,974	-	-	-	5,974	16,853
Adopter recruitment costs	9,543	-	-	-	9,543	9,608
Panel costs	41,146	-	-	-	41,146	44,855
Property costs	86,172	-	-	-	86,172	133,144
Travel costs	32,321	-	-	-	32,321	42,411
Professional fees	54,147	-	-	10,605	64,752	62,389
Office costs	28,476	-	-	-	28,476	34,507
Other costs	21,336	-	-	220	21,556	-
Computer costs	78,523	-	-	384	78,907	30,795
Fostering to adopt fees	3,291	-	58,119	-	61,410	127,975
	2,235,057	118,508	58,119	56,597	2,468,281	2,477,860
Share of support costs (see note 9)	35,777	1,945	954	-	38,676	26,382
Share of governance costs (see note 9)	30,325	865	425	2,821	34,436	44,302
	2,301,159	121,318	59,498	59,418	2,541,393	2,548,544
Analysis by fund						
Unrestricted funds	2,274,894	121,318	59,498	59,418	2,515,128	2,513,498
Restricted funds	26,265	-	-	-	26,265	35,046
	2,301,159	121,318	59,498	59,418	2,541,393	2,548,544

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Charitable activities

(Continued)

For the year ended 31 March 2023

	Adoption services £	Schools and community £	FFA £	FSAF Trading Ltd £	Total 2023 £
Staff costs	1,769,080	144,283	-	43,097	1,956,460
Depreciation and impairment	18,863	-	-	-	18,863
Contract staff	16,853	-	-	-	16,853
Adopter recruitment costs	9,608	-	-	-	9,608
Panel costs	44,855	-	-	-	44,855
Property costs	133,144	-	-	-	133,144
Travel costs	42,361	-	-	50	42,411
Professional fees	59,026	-	-	3,363	62,389
Office costs	34,507	-	-	-	34,507
Computer costs	30,675	-	-	120	30,795
Fostering to adopt fees	86,417	-	41,425	133	127,975
	<u>2,245,389</u>	<u>144,283</u>	<u>41,425</u>	<u>46,763</u>	<u>2,477,860</u>
Share of support costs (see note 9)	24,341	1,586	455	-	26,382
Share of governance costs (see note 9)	39,830	1,715	493	2,264	44,302
	<u>2,309,560</u>	<u>147,584</u>	<u>42,373</u>	<u>49,027</u>	<u>2,548,544</u>
Analysis by fund					
Unrestricted funds	2,274,514	147,584	42,373	49,027	2,513,498
Restricted funds	35,046	-	-	-	35,046
	<u>2,309,560</u>	<u>147,584</u>	<u>42,373</u>	<u>49,027</u>	<u>2,548,544</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8	Net movement in funds				2024	2023	
					£	£	
	The net movement in funds is stated after charging/(crediting):						
	Fees payable for the audit of the charity's financial statements				14,400	13,500	
	Depreciation of owned tangible fixed assets				8,060	7,241	
	Amortisation of intangible assets				11,856	11,856	
9	Support costs						
		Support costs	Governance costs	2024	Support costs	Governance costs	2023
		£	£	£	£	£	£
	Staff costs	32,082	-	32,082	21,144	-	21,144
	Depreciation	337	-	337	234	-	234
	Other costs	350	-	350	-	-	-
	Contract staff	103	-	103	209	-	209
	Adopter recruitment costs	164	-	164	119	-	119
	Panel costs	707	-	707	555	-	555
	Property costs	1,555	-	1,555	1,647	-	1,647
	Travel costs	556	-	556	524	-	524
	Professional fees	946	-	946	730	-	730
	Office costs	675	-	675	695	-	695
	Computer costs	956	-	956	787	-	787
	Fostering to adopt fees	982	-	982	-	-	-
	Audit and accountancy fees	-	16,200	16,200	-	17,915	17,915
	Legal and professional	-	13,088	13,088	-	17,138	17,138
	Governance and public affairs	-	4,064	4,064	-	2,130	2,130
	Registration and compliance	-	1,084	1,084	-	4,098	4,098
	Bad debt write off	-	-	-	-	3,305	3,305
		39,413	34,436	73,849	26,644	44,586	71,230
	Analysed between						
	Fundraising	737	-	737	262	284	546
	Charitable activities	38,676	34,436	73,112	26,382	44,302	70,684
		39,413	34,436	73,849	26,644	44,586	71,230

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

No trustee received payment from the Charity for professional or other services supplied to the Charity other than Mr Benjamin James as stated in note 25.

Trustees expenses represent the payment or reimbursement of travelling expenses and subsistence costs totalling £nil (2023: £nil) incurred by 0 (2023: 0) members relating to attendance at meetings of the trustees.

11 Employees

The employee figures below all relate to the charity as the subsidiary does not directly employ any staff.

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Adoption Services	28	27
Management and Administration	9	10
Fundraising and Marketing	4	3
School Service	3	4
Total	44	44

Employment costs

	2024 £	2023 £
Wages and salaries	1,789,267	1,708,051
Social security costs	169,198	165,327
Other pension costs	96,678	96,107
	2,055,143	1,969,485

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 - £69,999	1	1
£80,000 - £89,999	1	1

The total employee benefits including pension contributions of the key management personnel were £420,954 (2023: £368,500). The key management team were 5 FTE staff (2023: 5).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2024 £	2023 £
Audit of the Charity's annual accounts	14,400	13,500
Other services to the group		
- Other assurance services and tax compliance of the Charity's subsidiaries	1,800	1,500
Total audit fees	<u>16,200</u>	<u>15,000</u>

13 Gains and losses on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Gains/(losses) arising on:		
Revaluation of investments	60,159	(21,751)
Sale of investments	1,672	-
	<u>61,831</u>	<u>(21,751)</u>

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

The subsidiary trading company is subject to Corporation Tax on the taxable profits arising during the period.

	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Subsidiary taxation for the year	-	-	-	-

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Intangible fixed assets - Charity & Group

	Charity Website costs £
Cost	
At 1 April 2023 and 31 March 2024	47,400
Amortisation and impairment	
At 1 April 2023	23,706
Amortisation charged for the year	11,856
At 31 March 2024	35,562
Carrying amount	
At 31 March 2024	11,838
At 31 March 2023	23,694

16 Tangible fixed assets - Charity & Group

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2023	773	56,831	57,604
Additions	-	6,069	6,069
At 31 March 2024	773	62,900	63,673
Depreciation and impairment			
At 1 April 2023	773	49,307	50,080
Depreciation charged in the year	-	8,060	8,060
At 31 March 2024	773	57,367	58,140
Carrying amount			
At 31 March 2024	-	5,533	5,533
At 31 March 2023	-	7,524	7,524

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Fixed asset investments

Fixed asset investments - Group

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2023	284,379	204,829	5,656	-	494,864
Additions	60,155	100,000	2,189	-	162,344
Valuation changes	21,025	38,868	-	-	59,893
Disposals	(56,066)	-	-	-	(56,066)
At 31 March 2024	309,493	343,697	7,845	-	661,035
Carrying amount					
At 31 March 2024	309,493	343,697	7,845	-	661,035
At 31 March 2023	284,379	204,829	5,656	-	494,864

Fixed asset investments - Charity

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2023	284,379	204,829	5,656	1	494,865
Additions	60,155	100,000	2,189	-	162,344
Valuation changes	21,025	38,868	-	-	59,893
Disposals	(56,066)	-	-	-	(56,066)
At 31 March 2024	309,493	343,697	7,845	1	661,036
Carrying amount					
At 31 March 2024	309,493	343,697	7,845	1	661,036
At 31 March 2023	284,379	204,829	5,656	1	494,865

	Notes	2024 £	2023 £
Other investments comprise:			
Investments in subsidiaries		1	1

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17 Fixed asset investments

(Continued)

Fixed asset investments revalued

Revalued investments are calculated by readily available market valuations provided. The historical cost of the listed investments is £274,400 (2023 - £275,882). The historical cost of other investments totalled £300,000 (2023 - £200,000).

18 Debtors - Group

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	445,823	670,733
Other debtors	20,000	20,000
Prepayments and accrued income	8,369	8,323
	<u>474,192</u>	<u>699,056</u>

Debtors - Charity

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	393,501	771,300
Amounts owed by subsidiary undertakings	215,767	136,566
Other debtors	20,000	20,000
Prepayments and accrued income	8,368	45,260
	<u>637,636</u>	<u>973,126</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

19 Creditors: amounts falling due within one year

Group	2024 £	2023 £
Other taxation and social security	76,465	76,855
Payments received on account	47,393	52,802
Trade creditors	55,483	85,751
Other creditors	4,888	4,888
Accruals and deferred income	38,942	21,322
	<u>223,171</u>	<u>241,618</u>
Charity	2024 £	2023 £
Other taxation and social security	47,284	62,261
Payments received on account	47,393	52,802
Trade creditors	49,660	83,398
Other creditors	4,888	4,888
Accruals and deferred income	36,892	19,822
	<u>186,117</u>	<u>223,171</u>

20 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Comic Relief - Tech for Good	16,976	-	(14,498)	-	2,478
Teen Group	3,320	-	-	-	3,320
School Social Work Grant	9,142	-	(2,331)	-	6,811
Hardship Fund	8,193	-	(7,350)	-	843
Star Trust	3,457	-	(340)	-	3,117
Timpson - Safe Base Fund	-	15,000	(1,746)	-	13,254
	<u>41,088</u>	<u>15,000</u>	<u>(26,265)</u>	<u>-</u>	<u>29,823</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds (Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
National Lottery Community Grant	4,949	-	(4,468)	(481)	-
Edward Cadbury Charitable Trust	5,000	-	(5,000)	-	-
Comin Relief - Tech for Good	33,202	6,905	(23,131)	-	16,976
Teen Group	1,895	-	(575)	2,000	3,320
Intermediary Services Trust	3,822	-	-	(3,822)	-
School Social Work Grant	9,314	-	(172)	-	9,142
Life Story Support	503	-	-	(503)	-
Hardship Fund	4,025	-	(157)	4,325	8,193
Star Trust	-	5,000	(1,543)	-	3,457
	<u>62,710</u>	<u>11,905</u>	<u>(35,046)</u>	<u>1,519</u>	<u>41,088</u>

National Lottery Community Fund

This fund is to provide additional support to adoptive families during the pandemic.

Edward Cadbury Charitable Trust Fund

This fund is to develop and expand post adoption support to adoptive families.

Department for Education Grant Fund

This assisted with cashflow during a period of delays arising with placements because of lock-down, and extended periods of pre-order placement support and supervision because of court delay impacting on the granting of Adoption Orders.

Comic Relief Tech Fund

The Fund was set up to use technology (Adopter Verse – safe, secure online space within the website) to bring outstanding support to an increasing number of adopters and potential adopters, located across a wide geographic area. The Fund aims to significantly increase the choice of adoptive homes for some of the country's most vulnerable children, enabling them to find the best match possible for their unique needs and circumstances.

Teen Group Fund (Love Brum)

The grant was made to support adopted children who have experienced loss and trauma. The Teen Group aims to be a mutually supportive group for young people in the Birmingham area, which will enhance family relationships by enabling young people to develop their personal and social skills.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

20 Restricted funds

(Continued)

Intermediary Services Fund

These are accumulated funds received from service users for providing that service and amounts received cover direct costs.

School Social Work Fund

This is a fund for training of staff service and expansion of service into catholic schools.

Life Story Fund

This is the remaining balance of a one-off grant received by Faith in Families in 2015/16.

Hardship Fund

This fund is for the support of families and children who, in the Trustees' opinion, need extra financial support.

Star Trust

Star Trust is the creation of locally based entrepreneurs and business owners with a huge passion for fundraising. FS received initially £5,000 in 2022 towards the cost of organising adoption support events for families and children in the East Midlands. These events occur during the year and are well attended by our families and form part of our adoption support offer.

Timpson - SafeBase

Sir John Timpson made a generous donation to FS in 2023 to support the enhancement of the SafeBase programme. It is a therapeutic parenting programme for adoptive parents, helping create a strong foundation for loving and lasting relationships within the family and supporting children to feel more confident, safe and secure with their parents and carers. Everyone who adopts with Adoption Focus can take part in our SafeBase programme, and we are now able to offer the programme to our partners within the region.

21 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £96,678 (2023 - £96,107).

Defined benefit schemes

The Charity operates a defined benefit scheme in the UK which closed to future accruals on 31 July 2017. The assets are held separately from those of the Charity. Being invested in managed funds with insurance companies. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The last triennial actuarial valuation was as at 1 August 2022 by a qualified Actuary which indicated the Scheme had a funding shortfall of £73,000. However, an update at 28 February 2023 revealed that the Scheme was in surplus and no further contributions were required.

The employer's contribution for the period was £14,000 (2023: £43,000 including deficit repayments of £40,000).

The employer pays all costs of running the Scheme.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

21 Retirement benefit schemes

(Continued)

Key assumptions

	2024 %	2023 %
Discount rate	4.70	4.75
Expected rate of increase of pensions in payment	3.2	3.35
Revaluation in deferment	3.2	3.25

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2024 Years	2023 Years
Retiring today		
- Males	21.4	21.9
- Females	23.9	24.3
Retiring in 20 years		
- Males	22.4	22.9
- Females	25	25.4

Amounts recognised in the profit and loss account:

	2024 £	2023 £
Net interest on defined benefit liability/(asset)	17,000	15,000
Other costs and income	18,000	3,000
Total costs	35,000	18,000

Amounts taken to other comprehensive income:

	2024 £	2023 £
Other gains and losses	17,000	(100,000)

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2024 £	2023 £
Present value of defined benefit obligations	394,000	385,000
Fair value of plan assets	(419,000)	(428,000)
Surplus in scheme	(25,000)	(43,000)

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

21 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

	2024 £
Liabilities at 1 April 2023	385,000
Benefits paid	(23,000)
Interest cost	17,000
Other	15,000
At 31 March 2024	394,000

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2024 £
Fair value of assets at 1 April 2023	428,000
Benefits paid	(23,000)
Contributions by the employer	14,000
At 31 March 2024	419,000

Actual return on plan assets was £18,000 (2023 - (£39,000)).

The fair value of plan assets at the reporting period end was as follows:

	2024 £	2023 £
Equity instruments	-	227,000
Bonds	403,000	98,000
Cash	16,000	103,000
	419,000	428,000

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2024 £
Timerick Development Fund	23,039	-	-	-	-	23,039
BM Memorial Fund	4,654	900	(4,200)	-	-	1,354
Adopter Verse Fund	8,000	-	-	8,000	-	16,000
Daniels Legacy Fund	49,118	-	-	-	-	49,118
Support Fund	-	-	-	50,000	-	50,000
General funds	2,164,861	2,600,748	(2,556,966)	(58,000)	61,831	2,212,474
	<u>2,249,672</u>	<u>2,601,648</u>	<u>(2,561,166)</u>	<u>-</u>	<u>61,831</u>	<u>2,351,985</u>
Pension fund	43,000	-	(1,000)	-	(17,000)	25,000
	<u>2,292,672</u>	<u>2,601,648</u>	<u>(2,562,166)</u>	<u>-</u>	<u>44,831</u>	<u>2,376,985</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Unrestricted funds

(Continued)

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Gains and losses £	At 31 March 2023 £
Timerick Development Fund	19,524	3,515	-	-	-	23,039
BM Memorial Fund	4,173	-	-	481	-	4,654
SJP Grant (Covid 19)	10,000	-	-	(10,000)	-	-
Adopter Verse Fund	-	-	-	8,000	-	8,000
Daniels Legacy Fund	-	49,118	-	-	-	49,118
General funds	1,563,516	3,160,987	(2,537,891)	-	(21,751)	2,164,861
	<u>1,597,213</u>	<u>3,213,620</u>	<u>(2,537,891)</u>	<u>(1,519)</u>	<u>(21,751)</u>	<u>2,249,672</u>
Pension fund	(95,000)	38,000	-	-	100,000	43,000
	<u>1,502,213</u>	<u>3,251,620</u>	<u>(2,537,891)</u>	<u>(1,519)</u>	<u>78,249</u>	<u>2,292,672</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

22 Unrestricted funds

(Continued)

Timerick Development Fund

This fund is to support the development of the agency into community work based in catholic schools for early intervention and community support to vulnerable children and families. The charity anticipates that the fund will be expended over the next 3 to 5 years as the service develops and they work in new schools, to continue to meet the needs of the students that are supported by the service.

Beverley Morris (BM) Fund

This fund is to support ongoing training for social work staff in their direct work with vulnerable children. The charity anticipates that the fund will be expended over the next 1 to 3 years.

SJP Grant

In 2020/21 the Sisters of Joseph of Peace made a grant in recognition of the difficulties the charity would face throughout the pandemic. The Trustees are looking to allocate this expenditure in the next 1 to 2 years.

Adopter verse

Adopter Verse was initially a Tech for Good programme and received funding to develop the resource for our adopters. FS wanted to make it easier for parents of adopted children to connect each other, help them find peers in their area and from across the country with similar experiences, views and challenges. Adopter Verse facilitates these connections within existing digital channels and our expansion to across the country can better prepare parents to provide safe and supportive homes for adoptive children. Recognising the importance of this secure platform for our beneficiaries, the trustees have committed to provide annual funds to a designated fund to support the development of Adopter verse for 3-5 years.

Daniels Legacy

A legacy was made to FS from the estate of the Late Joan Daniels to FS in 2023 to support vulnerable children in the provision of a loving and caring home. The Trustees are committed to ensuring the funds are used in accordance with the legacy, therefore created a designated fund to monitor its use over the coming years.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Intangible fixed assets	11,838	-	11,838	23,694	-	23,694
Tangible assets	5,533	-	5,533	7,524	-	7,524
Investments	661,035	-	661,035	494,864	-	494,864
Current assets/(liabilities)	1,673,579	29,823	1,703,402	1,723,590	41,088	1,764,678
Provisions and pensions	25,000	-	25,000	43,000	-	43,000
	<u>2,376,985</u>	<u>29,823</u>	<u>2,406,808</u>	<u>2,292,672</u>	<u>41,088</u>	<u>2,333,760</u>

24 Operating lease commitments

Lessee

The operating leases represents property and equipment leases to third parties. The leases are negotiated over terms of 1-5 years and rentals are fixed for 1-5 years. There are no options in place for either party to extend the lease terms.

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	88,128	24,251
Between two and five years	22,032	-
	<u>110,160</u>	<u>24,251</u>

25 Related party transactions

Transactions with related parties

During the year the group engaged McCarthy Denning to provide certain legal and company secretarial services. The chair of trustees - Mr Benjamin James is a solicitor consultant to the firm. The transactions arising during the year were on normal arm's length terms for £15,952 (2023: £19,782).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25 Related party transactions

(Continued)

During the year the charity paid £3,867 (2023: £6,492) to Criminalangel Consulting Ltd for work undertaken. The sole director of the company is the wife of a trustee.

During the year three of the trustees received consultancy fees from the trading company, paid by Adopt Birmingham, for their attendance at meetings relating to the governance of Adopt Birmingham. Mark Tobin received £3,605 (2023 - £1,013) and Graham Harwood received £3,250 (2023 - £1,200). Benjamin James received fees paid to Dracolex Limited; a company of which he is the sole director and ultimate beneficial owner, totalling £4,500 (2023 - £1,440).

26 Analysis of changes in net funds

The Charity had no material debt during the year.

27 Cash generated from operations - Group	2024 £	2023 £
Surplus for the year	90,048	668,838
Adjustments for:		
Investment income recognised in statement of financial activities	(17,929)	(6,824)
Gain on disposal of investments	(1,672)	-
Fair value gains and losses on investments	(60,159)	21,751
Depreciation and impairment of tangible fixed assets	19,916	19,097
Difference between pension charge and cash contributions	1,000	(38,000)
Movements in working capital:		
Decrease/(increase) in debtors	224,862	(348,201)
(Decrease)/increase in creditors	(18,447)	18,045
Cash generated from operations	237,619	334,706

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

27	Cash generated from operations - Charity	2024 £	2023 £
	Surplus for the year	90,048	668,838
	Adjustments for:		
	Investment income recognised in statement of financial activities	(233,696)	(6,824)
	Gain on disposal of investments	(1,672)	-
	Fair value gains and losses on investments	(60,159)	21,751
	Depreciation and impairment of tangible fixed assets	19,916	19,097
	Non-cash transactions on donated operations	-	(239,271)
	Difference between pension charge and cash contributions	1,000	(38,000)
	Movements in working capital:		
	Decrease/(increase) in debtors	335,488	(348,201)
	(Decrease)/increase in creditors	(37,054)	18,045
	Cash generated from operations	113,871	95,435

Accounts



FAMILY SOCIETY

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023



www.adoption-focus.org.uk

Charity registration number 1129095

Company registration number 06869556 (England and Wales)

OFSTED Number: SC394569 (Adoption Focus)

OFSTED Number: 1258436 (Triangle Project)

FAMILY SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of this report were:

Benjamin James (Chairperson and Responsible Individual)	
Mary Jones (Vice Chairperson)	resigned 3 February 2023
Graham Harwood (Vice Chairperson)	appointed Vice chairperson 3 February 2023
Janet Forster	
Anthony Lawton	
John Bale	
Sanjeev Kumar	
Mark Tobin	appointed 13 June 2022
Tracey Hartshorn	resigned 28 September 2022
Helen Child	appointed 14 April 2023

Charity number	1129095
Company number	06869556
Operational address	TS3, Pinewood Business Park, Coleshill Road, Marston Green, Birmingham, B37 7HG
Registered office	C/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ
Operating name	Adoption Focus Triangle Project Family Society Schools Project
Ofsted rating	Outstanding Outstanding Adoption Focus Triangle Project
Key management personnel	Anna Sharkey Howard Parker Jo Lee Beverly Brown Malcolm Dodd Nigel Foxon-Hale Chief Executive & Designated Manager (Adoption) Director of Operations & Designated Manager (Fostering) Director of Business Development Director of Resources Director of Finances Director of Collaborations, Performance and Standards
Auditor	Humphrey & Co Audit Services Ltd 7-9 the Avenue, Eastbourne, East Sussex, BN21 3YA
Bankers	Lloyds Bank plc 3 Maple Walk, Chelmsley Wood, Birmingham, B37 5TS Nationwide Nationwide House, Pipers Way, Swindon, SN38 1NW
Solicitors	McCarthy Denning 70 Mark Lane, London, EC3R 7NQ
Investment advisors	Brewin Dolphin 12 Smithfield Street, London, EC1A 9BD CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET

FAMILY SOCIETY

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FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The reference and administrative information set out on the legal and administrative information page forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (effective 1 January 2019).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

Purposes and aims

The objects of the Charity are set out in the Articles and are:

- The relief of financial hardship and suffering by the provision of such grants, goods, service or facilities as the Charity shall from time to time determine;
- The relief of sickness and preservation of health;
- The support, relief and care and the promotion thereof, of:
 - children and young people without families to care for them, including, but not limited to, adoption and fostering services;
 - individuals and couples seeking to adopt and/or foster children and young people; families comprising adopted and foster children;
 - children and young people; those in need by reason of age, ill-health, disability or other disadvantage;
 - the carers of those individuals and groups;
 - individuals, families, communities and groups who are in need;
 - those in need by reason of financial hardship;
 - to provide or assist in the provision of facilities in the interest of social welfare for recreational or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
 - any activity which is charitable under the laws of England, save that if any activity is undertaken in Scotland or Northern Ireland, such activity shall also be charitable under the laws of the jurisdiction in which such activity is undertaken.

The principle aim of the Charity is to support children assessed as in need of adoption through the recruitment, preparation and assessment of adoptive families, matching children in need to the approved families, and the continued long-term support of the children and families following the adoption process.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Children are either placed with families approved as suitable to adopt by Adoption Focus, or with dual-approved - by Adoption Focus and Triangle Project - families who can provide fostering for adoption (FFA) placements. Triangle Project dual-approved carers enable children to achieve stability and security as soon as possible through the provision of placements which either become permanent adoption placements or support the child's safe return to birth family (pending court process).

A Schools Service is also provided by the Charity through contractual arrangements with several schools in support of the mental well-being of their pupils, and staff members.

Activities

The Charity is engaged in 3 core activities:

- The provision of a Voluntary Adoption Agency (**VAA**), registered with OFSTED (SC394569), under the operating name of Adoption Focus. Adoption Focus became operational on the 1 June 2009. It has been assessed as an 'Outstanding' adoption agency by Ofsted since becoming operational.
- The provision of Fostering for Adoption (**FFA**) placements through its Independent Fostering Agency (IFA) registered with OFSTED (2731149) under the operating name of Triangle Project.
- The provision of a Schools Social Work service to several schools in the East Midlands, under contract.

Our vision is to secure a loving and supportive family life for every child by training supporting and empowering families to provide safe, secure homes for children in need.

Our vision is reflected in all 3 services.

In the year 2022-23, the Charity has:

- Placed a record number of children in their forever family.
- Expanded the reach of our early placement, FFA, service.
- Fully embedded a hybrid flexible response to service provision following the changes arising from managing Covid;
- Managed the transition to a wider area of operation and service delivery since merging with Faith in Families;
- Completed Stage 1 of our Workplan with Adopt Birmingham RAA as their partner agency;
- Continued to work collaboratively with Midlands based Regional Adoption Agencies in support of their aim to provide local placements and accessible adoption support services;
- Encouraged and responded to input from our Adopter Committee, Teen & Tween Groups, and Children's Voice Group to further develop services;
- Extended the reach of adoption support services through the roll-out of Adopterverse – an on-line resource for adopters;
- Recruited to hybrid posts to strengthen the connection between adoption support services and the support offer to schools, this enabling a more flexible response to fluctuating demand.

The staff group continued to access support, supervision and training throughout the year to ensure the professional delivery of adoption, FFA services and support in schools for the benefit of our key beneficiaries –children placed with adopters and FFA carers; and children and young people in need of additional support to enable them to access education.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Areas of Operation

The Charity operates adoption and FFA services throughout the Midlands area and extending into Oxfordshire, Staffordshire, and neighbouring counties. It trains, assesses, and supports adoptive families and FFA carers in this area to provide placements for children referred to the Charity, by Local Authorities throughout England, Wales, and Scotland.

The Charity also provides a Schools Social Care Support Service in the East Midlands through a contractual arrangement agreed with individual schools and those operating under Academies.

Management

Family Society is staffed by qualified and registered (with Social Work England) Social Workers; Social Work Assistants; Schools Workers; Trainers; and Adoption, Family Support and Training Managers. It employs staff to support its business development and administrative processes; and finance systems.

Family Society also commissions external specialists to provide HR and financial support; legal advice; and database and IT function.

The Charity is managed by the Chief Executive Officer with support from the Senior Management Team and the Board of Trustees.

Employees

The operational staff employed to provide adoption and FFA services have achieved loving homes for children in need with adopters and FFA carers who have been prepared and supported to provide secure and stable family life.

The staff members involved with children and young people through the Schools Service have provided support and care assisting them with anxiety and worries linked to family, friendships and school concerns, exacerbated by the continuing challenges arising in the aftermath of the pandemic. They have worked in person in schools, supporting students, parents and teachers through this difficult time.

The Business Development and Admin Teams have worked to underpin the Charity's operational, recruitment and communication functions. The Finance Team manages invoicing, payroll, banking and investments, carefully monitoring cashflow to ensure the smooth running of all services provided.

Employees have been encouraged to access training opportunities throughout the year. Training providers have delivered content virtually, and this has been extensively utilised to ensure continuing professional development and enhanced service delivery. There has also been increasing opportunity during this year for in-person training which staff members have utilised. All staff have regular formal supervision with their line Managers, access to clinical supervision in support of their therapeutically informed work with children and young people, and regular Team Meetings – both virtual and in-person. These support connections with each other and the service.

Trustees agree a budget to support staff training costs aimed to deliver ever improving services.

The Trustees would like to acknowledge the commitment, flexibility, and professionalism of the whole staff group. They consistently demonstrate their commitment to ensuring that children achieve safe, secure, and loving family life through their work with and continuing support of adopters and FFA carers, and in their Schools Work.

Volunteers

Much of the work of the Charity is undertaken by paid professionals. This is in accordance with the regulatory requirements relating to the core activity of the Charity which is the operation of an Adoption Agency and Independent Fostering Agency (registered to provide FFA placements only).

The Charity is, however, very fortunate in the benefit it receives from volunteers who significantly support its work.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Volunteers (continued)

The Charity would like to thank:

- Those individuals who volunteer to sit on our Permanence Panel. Panel Members perform an important Quality Assurance role regarding the adopter preparation and assessment work undertaken by the social workers.
- Those adoptive parents who meet as our Adopter Committee. As recipients of services provided, their input is vital in ensuring the relevance of and demand for services provided. During this year, the Committee has returned to in-person meetings and meets every 2 – 3 months. The Committee is an important connection between the Charity and its beneficiaries. They support the Charity in its development, identifying priorities for growth based on need in the adoption community, and assisting in the delivery of support groups, and social events.
- Those adoptive parents, and members of their families who support our recruitment and training activities. This is through direct input – both remote, in-person and through their contribution to podcasts and training videos; and their involvement with Adopterverse.
- Those adoptive parents and members of their families who support our social events, helping to organise and run face-painting, craft activities, games and cake sales.
- The children who contribute ideas and content for our training of prospective adopters and welcome to children joining their new families.
- Those adoptive parents who have volunteered to be Buddies to adopters entering Stage 2 of the adoption process and continuing through the linking and placement process. Their commitment to the requisite training and willingness to support new adoptive families enhances the work of the staff group. During this year the Buddy Service has been extended to support connections with prospective adopters at an earlier stage of the process. Those with lived experience of adoption are a significant support for those who are new to it.
- Volunteers who have fundraised for the Charity. This includes those who continue to collect contributions from networks established by Faith in Families; and those who have undertaken sponsored challenges – including the Great Birmingham Run.

The Chairperson and the CEO would like to thank the Trustees for the considerable time commitment they made this year to the Charity. In addition to the core Board Meetings, and input to consideration of strategic development and Senior staff appointments, this has also included Trustee membership of the Finance Sub-Committee and Adopt Birmingham RAA Board. The Trustees have expertise in law, finance, safeguarding, children's social care, fundraising and experience of running services and companies in the public, charitable and private sectors.

Strategic report

The Charity's key objective is to achieve positive family life for children in need through the provision of well supported and prepared adoptive parents, some of whom also elect to provide FFA placements.

This work supports Local Authorities in their statutory duty to provide a range of services for children assessed to be 'in need' – including adoption - particularly those considered 'harder to place/priority children'. By meeting the demand (achieved through targeted recruitment activities; and through the provision of a robust and effective adoption support programme) the Charity is achieving family life for children in greatest need, and effectively managing its resources through the provision of placements in greatest demand.

Our strategic plan is based on an informed understanding of anticipated demand for services provided and includes input from our Adopter Committee (comprising a membership of 8 experienced adopters).

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Strategic report (continued)

Regular meetings with Local Authority and Regional Adoption Agency colleagues, including collaborative working arrangements, further inform our knowledge of their priority needs and directs our service development.

Our strategic plan is constantly reviewed and scrutinised, and a Risk Register is updated and managed as part of the review process.

A long-standing carefully managed risk is the size, area of operation and influence of the Charity. To manage this risk, a core objective of the strategic plan has been to grow steadily and carefully to increase the Charity's potential influence in policy development, extend our area of operation, increase our offer to Local Authority partners and enable opportunities for greater collaboration. This aims to improve our accessibility to adopters seeking support in the longer term, whilst also considering opportunities for diversification.

During the last year, the consolidation of our increased area of operation, and further development of the Schools Service as a complementary provision which falls within our key objectives, has reflected this. In addition, the Charity stepped in to provide a continuing adoption service to adopters who had been or were in the process of being approved by St Francis Children's Society which ceased operating at the end of 2022. This has further increased our area of operation and influence.

Achievements and performance

The Charity's main activities and who it tries to help are described below. In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The key objectives for the Charity in 2022-23 were to:

- **Actively promote the work of the Charity through its marketing and fundraising activities to encourage more people to consider adopting and/or providing FFA placements for the children who need them; to promote our services to Local Authority commissioners; and in support of the Charity's fundraising activity.**
 - During the year 2022-23 the Charity increased the number of potential adopters contacting the Agency and achieved a consistent level of attendees at Information Events.
 - A collaborative working arrangement with Midlands based Regional Adoption Agencies (RAAs) has delivered an increase in placements made locally, and greater involvement in regional service development. The Charity placed children referred from England and Wales.
 - The Charity placed children referred from England and Wales.
 - The appointment of a Fundraising Officer is enabling positive messaging around services provided as well as information about opportunities for supporting our work.
- **Work to recruit, assess and approve a wide range of adoptive families and FFA carers for children in need, equipping them with the skills and knowledge required to achieve successful FFA placements and adoptive parenting.**
 - The Charity continues to focus on the recruitment of adopters willing to consider and with our support, capable of parenting priority children.
 - During this year, the Charity approved 43 families as suitable to adopt. This includes 11 families dual-approved to provide EP placements. The adoption approvals are lower than last year, reflecting the impact of the cost-of-living challenge on many households, but also our effective use of Charity resources to focus on those who can provide the placements needed and in demand.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- **Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year engaging fully in the national campaign to encourage more people to consider adopting, and promoting FFA placements.**
 - The Charity placed 84 children with 60 families. This is a significant increase on last year and includes 4 placements of 3 children, and 15 placements of 2 siblings.
 - In 2 cases, the adopters were temporarily approved by the children's responsible LA to enable placements under Regulation 25A (a placement of 3 children; and a placement of 2 children). In both cases the placements became permanent adoption placements following resolution of court process.
 - In 4 cases, single children were placed with dual-approved carers - this enabling earlier stability for the children concerned – and which have now converted into adoption placements. A further 4 placements continue under these arrangements.
 - 92% of the children placed this year fall into one or more of the categories which define them as being in priority need: over the age of 4 years; have a disability; from a minority ethnic group; to be placed with siblings.
 - The 10 single children who do not fall into any of the priority categories have had experience, however of one or more of the following: pre-and post-birth exposure to domestic violence; parental substance misuse during pregnancy; neglect and emotional abuse; physical abuse; family history of mental ill-health; parental learning disability; one of a large sibling group with continuing contact requirements.
- **Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.**
 - The Charity has contributed to the training programme offered to all VAAs through the Consortium of Voluntary Adoption Agencies (CVAA) and is providing training to other charities and RAAs.
 - The Charity is a Member of the Midlands Together Collaboration (MTC) which comprises the RAAs and VAAs operating in the Midlands region. It aims to enhance adopter access to locally based adoption support service provision; and to achieve Midlands based placements for Midlands children. During the year 2022-23, 53% of the children placed by Adoption Focus were from the Midlands region.
 - The Charity has contributed to the guidance developed for use in EP placements through its involvement in MTC.
 - The Charity continues to work collaboratively with Adoption in Central England (ACE) and Barnardos in the development roll-out and continuing improvement of the Adopter Assessment Report for use in adopter and EP carer assessments.
 - The Charity accepted the formal transfer of 6 families either previously approved or in the approval process with St Francis Children's Society which ceased operating at the end of 2022. This has enabled continuity of adoption agency support to those families, working with them to achieve placements and/or completing their assessments so that they could be approved as suitable to adopt.
- **Maximise the opportunities presented in the Birmingham RAA work to:**
 - Increase placements (adoption and FFA) made with Birmingham RAA – during this year, Birmingham Children's Trust placed 6 children with 5 families approved by Adoption Focus – this included 2 single children placed under FFA through Triangle Project.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- Reduce waiting times for children in Birmingham with an adoption plan – the use of FFA placements reduced waiting times for children. Work continues with the Birmingham RAA to review the child's progress through care with the aim to reduce waiting times.
- Develop and enhance adoption support provision. This works continues in partnership with the adoption support service provision between the 2 partners.
- **Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.**

Positive adaptations made during the prolonged restrictions on direct contact, combined with the full and secure use of robust virtual systems, in-person training, support and assessment work has enabled adopters and their children to access locally based training and support, in addition to an enhanced virtual training programme; and provides the staff group with a more flexible working environment.

The following continue to be provided virtually:

- Information Events offered weekly;
- Panel Meetings;
- Family & Friends Training.

The following are provided through a combination of virtual meetings and in-person meetings/training:

- Adopter training;
- Adopter assessments;
- Adopter support pre- and post- approval; through linking and matching; and post placement;
- Adopter and adoptee social events;
- Adoptee support;
- Staff supervision;
- Staff Team Meetings;
- Staff Training;
- Practice discussion and reflection;
- Board & Sub-Committee Meetings.

Feedback is sought regularly from service users and staff members regarding accessibility of services provided and connection with the organisation.

The central office location has been retained as the focal point of the Charity, with staff working around our whole area of operation, and with additional suitable venues utilised for easier service user access to training and support.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Review and plan for future Schools Social Work Service delivery through the development of a properly costed model.

- The Schools' Social Work Service was formally reviewed by the Head of Family Support Service and the Manager of Schools and Community Work, and their recommendations presented to the Board.

The service is continuing with the following changes in delivery:

- Utilising staff members with a range of child and youth-based qualifications and experience;

Appointing to hybrid roles enabling full-time posts split between Schools Work and Adoption Support provision this providing greater flexibility and a more effective response to time-limited pieces of work;

Working to extend coverage beyond the East Midlands.

Develop our fundraising activity in order to diversify income.

- A full-time fundraiser was appointed at the end of 2022;

A fundraising strategy is under development and is building on community fundraising activity which continues in the East Midlands, whilst building our funding community and additional fundraising opportunities.

Social Impact

The Trustees consider the social impact made by the Charity as a key part of the activities which are undertaken.

The Charity enables vulnerable, traumatised children to gain secure, stable family life which will enhance their life chances and choices into the years ahead. It has done this by providing prospective adopters with the skills, knowledge and support they need to enable them to be the parents they want and need to be, for their children to thrive. The Charity also continues to grow and develop its FFA service – Triangle Project – which provides an additional resource for infants and children enabling security and stability at the earliest opportunity and supporting either the safe return of the child to their birth family, or their adoption by their FFA carers.

The Charity was able to respond effectively to the needs of adopters impacted by the closure of St Francis Children's Society. Placements for children in need are assured.

Adoption from care provides children with much improved prospects for recovery (from early trauma) which will enable them to transition to adulthood with a secure sense of belonging to a family which cares for them. It reduces the potential for: poor physical and mental health; teenaged pregnancy; drug and alcohol misuse; lower educational attainment; reduced employment levels; and criminality.

The Charity recognises the significant contribution which adopters and FFA carers make to the improved circumstances of the children they care for and/or parent and exercises its duty of care to them through training, preparation and continuing support.

When considering its performance, the Charity seeks evaluation from service users (adopters and their children) and commissioners; and benchmarks against Adoption National Minimum Standards (July 2014), internal response times, and disruption levels. Staff members are encouraged to contribute their knowledge and expertise to the continuing development of services which work to improve the lives of children in need of new families.

The Charity is delighted to report that the vast majority of children placed with new families are thriving in stable and secure placements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Social Impact (continued)

Stability and security for every child are the intended outcomes of the services provided.

The Schools Service aims to support the mental health and emotional well-being of children and young people in schools. This support helps those who may otherwise struggle to do so, make use of the educational opportunities available.

Beneficiaries of our services

Through its adopter recruitment, training, and assessment activities, the Charity enables people who want to adopt to gain the skills and knowledge they need to enable them to do so, successfully. The Charity also encourages prospective adopters to consider Fostering for Adoption as an option, whilst acknowledging the additional risks inherent in these placements – the child may return to the birth family; unknown health and development matters only become apparent as the child grows.

Support offered by the Charity through its adoption services; and through the Schools Service aims to enable families to effectively manage challenges arising as their children grow and develop.

Our focus on the welfare of the child also means that everything the Charity does is underpinned by safeguarding considerations, which will mean that:

- in some circumstances people are assessed to be unsuitable to be approved as adopters;
- concerns identified through the Schools Service requires additional input from statutory services.

The approval of suitable adopters supports the work of Local Authorities and RAAs in meeting their sufficiency requirements. The approval of dual approved carers enables Local Authorities to achieve stability for children whilst decisions about their permanent care are carefully made without pre-empting court process, and through a process which ensures that the ability (or not) of birth parents and other family members to care for their child is fully assessed.

Adults caring for children (parents; foster-carers; Special Guardians; teachers) are supported in their responsibilities in respect of the children's emotional development through the Schools Service.

The ultimate beneficiaries of the Charity are the children who achieve secure, nurturing and loving family life through the adoption, FFA and Schools' services provided.

Financial review

The Trustees are delighted with the performance of the Charity during 2022-23, as the Charity adjusted to its increased size and additional area of service delivery.

Income for the year was £3,263,525 (2021/22: £2,371,009) and expenditure increased to £2,572,937 (2021/22: £2,111,087). Economies of scale resulted in us being able to ensure that we replaced reserves which were depleted as a result of the COVID-19 pandemic and the reduction in children being assessed as in need of adoption.

The surplus for the year was £768,837 (2021/22: £315,384).

The year end fund position totalled £2,333,760 (2021/22: £1,564,923).

The Charity has carefully managed its finances to ensure the most efficient use of its resources. This is both in respect of expenditure to support the Charity's activities; and investment to build reserves.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Financial review (continued)

The costs of adoption service and FFA provision are high. These are highly regulated activities which demand professional levels of staff qualifications, and experience, which in turn attract commensurate remuneration.; as well as investment in continuing professional development. The increased numbers of children placed, provided sufficient income to ensure that we maintained a professionally supported group of experts to delivery record numbers of children to their forever family. We were also able to increase the amount we spent on adoption support activities and also invest in the future.

Income is predominantly sourced from the inter-agency fee payable at the point of placement, by the Local Authority or RAA which has statutory responsibility for the child. The Consortium of Voluntary Adoption Agencies aims to agree with the Association of Directors of Children's Services, an inflation linked increase in the fee charged. The fee covers the cost of service provision from the first point of contact by a prospective adopter through to adoption order and then continuing adoption support provision. Fostering fees charged for children placed through the Triangle Project enable the Charity to pay the fostering fee due to the carers with additional payments to cover initial equipment set-up costs and travel for medical appointments and meetings with birth family. The management fee enables the Charity to achieve a full-cost recovery for service provision – this includes for Social Work supervision of placements, financial systems to make payments to carers, and the administrative support required to manage sensitive data relating to these placements.

There is a high demand for the Schools Service, but school budgets are under pressure. The contracts negotiated with schools cover the Charity's School Service staff wages, with additional costs (admin and management support, IT system, staff mileage etc) covered by restricted funds achieved through fundraising activities. Demand and cost are carefully monitored to ensure that the service remains a viable part of our activity in support of our Charitable objectives. The number of schools supported did decrease, however, contracts were also renewed and new schools took up our services.

The continuing careful financial management by the Senior Management Team and Trustees, has maintained a strong financial basis for the Charity. The services provided are in demand and achieve an income which maintains our viability. Careful growth and the development of collaborative arrangements with our local RAAs – including the formal partnership arrangement with Birmingham Children's Trust -have strengthened our position and underpin our financial security.

The final financial outcome for the period, reflects the careful monitoring of Charity expenditure enabling continuing service development and delivery, the retention of highly motivated and experienced staff, and positive outcomes for children in need. The Trustees are committed to ensuring that any surplus made is re-invested in service growth and continuing improvement, whilst adhering to the reserves policy.

The Trustees are confident that the financial viability of the Charity is assured as it moves into 2023-24.

This is because:

- The performance of the Charity during this last year has consolidated the growth achieved through the merger last year, and has enabled continuing adopter and FFA assessment and placement productivity, training delivery and support provision; and a re-structure of Schools Service provision to support a more flexible and cost-efficient service delivery model.
 - Collaborative working with other agencies in the sector (both RAAs and other VAAs) which laid the foundation for increased use of services provided has seen an increased % of children placed with our local RAA colleagues.
 - Recruitment of adopters and dual-approved carers has focussed on the harder to place/priority children – because these are the 'in-demand' placements – and the Charity has maintained a good level of enquiries from potentially suitable prospective adopters, whilst also focussing its resources on the delivery of placements which meet the demand.
 - Adopterverse – the web-based provision which supports adopters in making connections with each other – is building its user base and enhancing support provision.
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FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Trading Company

On 1 April 2022, FSAF Trading Limited – the Company formed by the Charity – became operational.

All income generated through our consultancy agreement with Birmingham Children's Trust is put through the trading company.

The trading company produced a turnover of just over £300,000 as a result of the contract with Birmingham Children's Trust. The translated into a surplus of £136,566. The majority of the costs were covered by existing resources recharged to the trading company. However new costs included a project manager for the relationship and payments to board members of the Birmingham RAA. The Charity nominates three trustees to the Birmingham RAA Board which are paid positions and the Birmingham Children's Trust provides to the trading company the funds to pay the nominated trustees for their services to the RAA. This is recharged at approximately £500 per day. The nominated trustees were Graham Harwood, Benjamin James and Mark Tobin.

Reserves Policy and Going Concern

The nature of the adoption work requires a long-term commitment to the adoption process. It takes approximately twelve months from the first point of contact with the Charity for a family seeking approval to be in a position to have a child placed with them. The length of time they then wait before a placement is achieved (the first point at which the Charity receives a fee) will depend on the level of demand for the placement type they are offering.

Once placed, the adoptive family will need continuing support from the Charity. The support may be required for several years into the future, as they help their children recover from their early trauma.

Therefore, it is important for the Charity to be able to show that it will be in a position to support such families throughout the process and into the years ahead.

Family Society seeks to hold reserves of between three- and twelve-months' expenditure. The Trustees estimate that the operating expenditure of the Charity's continuing activities over a six-month period is £1,300,000. Therefore, the Trustees consider that it is appropriate for the Charity to maintain a reserve of no less than £750,000 to effectively meet the needs designated by its trusts. The current reserves are at £2,262,861.

The Trustees are confident that the Charity is and will be a going concern going into the future and specifically over the next 12 months. The Trustees' basis for this is:

- The embedding of a hybrid working model which utilises improvements to service delivery achieved during the Covid-19 crisis and:
 - supports a flexible working environment for employees which assists staff recruitment and retention.
 - maintains effective provision across the Charity's activities ensuring that beneficiaries continue to easily access services provided.

Strong demand for the adoptive parents and FFA carers approved by the Charity at a national level evidenced by the placement of 39 children with 28 families by RAAs outside the Midlands region – this includes 6 children placed through FFA.

Increased demand for the adoptive parents and FFA carers approved by the Charity at a local level evidenced by the placement of 43 children with 31 families with Midlands based RAAs – this includes 5 children placed through FFA.

Continuing achievement of recruitment targets of prospective adopters who are progressing through to approval status.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy and going concern (continued)

- Utilising our expertise through the Triangle Project to further increase the use of dual-approved carers, which also enables a flexible and effective response to increasing demand for Regulation 25A placements (temporary fostering approval of approved adopters for a specific child).
- A steady level of reserves held by the Charity reflecting our reserves policy.
- Effective resolution of the pension liability.
- Careful control over expenditure and investment.

Pension Fund Deficit

Due to historic low interest rates the defined benefit pension scheme has shown a liability for a number of years. The significant change in interest rates in 2022 resulted in us bringing forward the Triennial valuation.

At the end of July 2022, the date of the triennial valuation, the defined benefit pension scheme was £40,000 in deficit, by March 2023, the pension fund was showing a surplus of £43,000.

In the previous financial year the valuation showed a pension liability of approximately £180,000. The Charity and the trustees of the Pension Scheme entered into an arrangement by which the Charity would reduce by making annual payments into the scheme; in this financial year the payment was £40,000. This agreement has now been terminated and no further payments are due.

The Charity has instructed the pension scheme trustees to transfer all investments to GILTS or equivalent to ensure that the pension scheme remains fully funded. The Charity is seeking to transfer the pension scheme to a third party if this can be undertaken without significant further cost.

Investment Policy

During this year the Finance Sub-Committee reviewed the Charity's investment policy and the full Board accepted its recommendations.

The policy of the Charity is:

- to ensure that only funds not required for current expenditure or the reserves policy are invested, where this is in the best financial interests of the Charity;
- to obtain capital growth rather than income;
- to take a long-term investment view of ten to twenty years;
- to seek annual reports from the investment managers;
- for trustees to review the investment management on annual basis.

The Charity maintains two investment funds, a collective scheme operated by CCLA (the Ethical COIF) and an individual investment portfolio under discretionary management by Brewin Dolphin.

Principal risks and uncertainties

The Trustees have identified the major risks which the Charity faces, maintaining and monitoring a full risk register, and consider that all necessary action has been taken to manage those risks.

The principal risks to the Charity, and actions taken to minimise them are:

1. Covid-19 Pandemic

The Covid-19 Pandemic significantly reduced the number of children being assessed as in need of adoption. This has meant that there have been less children available for our approved families.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties (continued)

1. Covid-19 Pandemic (continued)

The Charity continues to carefully monitor the reduction in adoption placement demand, and notes that the higher number of children placed during this year reflects its recruitment and approval of adopters and FFA carers for harder to place children.

2. Regional Adoption Agencies

The main risks for the Charity are:

- the competition which has been created by the RAAs improving recruitment of potential adopters in our areas of operation; and
- the RAAs seeking to place internally and with other RAAs rather than using a VAA and paying the interagency fee.

Competition can be managed through the use of careful recruitment techniques, better preparation and long term support.

At the current time our local RAAs are at between 50 and 60% sufficiency and cannot meet their adoption placement needs without VAAs.

As the VAA partner involved in the delivery of the Birmingham RAA, we are well-placed to develop services in support of this RAA development. Moving into Year 2 provides opportunities to support service development and increased collaboration.

3. Continued economic pressure and competition

Economic pressure continues and the key issues for the Charity are:

- Increases in costs.
- Potentially less families feeling that they are financial stable enough to start the adoption process.
- Reduced budgets in Local Authorities impacting on their ability to purchase services – including adoption placements; and Schools Services.

Our monthly management accounts track performance and allow the Trustees to make appropriate decisions.

Our reserves are sufficient to allow us to manage the current economic pressures.

All services are carefully monitored in respect of costs and income generated.

4. The retirement of key personnel

A Senior Member of the Management Team is retiring in the autumn of 2023, and this will be followed by another retirement in the next 2 years. Two further senior management members are approaching retirement age, but are seeking to continue in their roles.

The Charity has been following a succession plan for some time with plans for internal career development, agreement for role shadowing opportunities and re-structuring to enable effective use of other staff members which provides opportunities for progression and continuity of service delivery.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties (continued)

5. Events that could impact on the reputation of the Charity – e.g., significant data breach, failure to comply with regulatory requirements i.e., operational, fundraising or health & safety incident

The Charity actively manages its risk register responding to changing circumstances to ensure that any new or enhanced risks are mitigated. Training is undertaken to ensure that risks are understood and minimised.

The Charity's adoption and FFA services were inspected by Ofsted in October 2021 and judged to be outstanding.

6. Impact of Change in Government Policy

Changes in policies and activities relating to adoption service provision are kept under constant review to mitigate against impact of change.

The Charity engages fully in Government Consultations regarding policy direction.

The Trustees are kept fully informed of changes arising, developing the Charity's strategic plan as indicated.

7. Pension Liability

At the current time there is no pension liability and the trustees have taken active steps to ensure that the pension is fully funded and are seeking transfer of the pension scheme to a third party.

Plans for future periods

The Trustees develop an annual plan for the Charity and the key aims for 2023-24 are to:

- Actively promote the work of the Charity through its marketing and fundraising activities to:
 - encourage more people to consider adopting and/or providing FFA placements for the children who need them;
 - promote all our services to Local Authority commissioners.
- Work to recruit, assess and approve a wide range of adoptive families and FFA carers for children in need, equipping them with the skills and knowledge required to achieve successful FFA placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year, particularly those considered priority children.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Maximise the opportunities presented in the Birmingham RAA work to:
 - Increase placements (adoption and FFA) made with Birmingham RAA;
 - Reduce waiting times for children in Birmingham with an adoption plan;
 - Develop and enhance adoption support provision.
- Promote the Schools Service to schools in the West Midlands making flexible use of support workers who can work in school settings and with families – including adopters; kinship carers and birth families.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for the future (continued)

- Develop our fundraising activity to diversify income, through an effective strategy which aims to retain current donors and increase our range of supporters.
- Review roles within the Senior Management Team to ensure sufficient capacity to manage new service development opportunities which meet the needs of the Charity's beneficiaries.

Fundraising Statement

The Charity is registered with the Fundraising Regulator and undertakes all of its fundraising in accordance with the Code of Fundraising Practice.

Our fundraising policies are signed off annually by the trustees.

We have undertaken the following fundraising campaigns in 2022-23:

- Cake sales and raffles at adopter social events;
- Community fundraising through Churches located in the East Midlands (previously undertaken by Faith in Families).
- Promoting sponsorship of those running on our behalf in the Great Birmingham Run.

All donations which have been received have been made on a voluntary basis. However, we have publicised that we are a charity and that we accept donations. This has been promoted through our social media feeds and our website.

We took the decision that we would not engage in any fundraising activities which required registration with the Gambling Commission. Gambling is an area of concern which requires further investigation in potential adoptive families. We do not believe that we can raise concerns about gambling within families and promote fundraising activities which would be at odds with the messages that we teach.

The Charity has signed up to Run for Charity membership which allows us to include Challenge events on our website at no financial risk to the Charity whilst providing opportunities for people to participate in the events and raise sponsorship on our behalf; and we have joined Remember a Charity with the aim of increasing legacy giving.' There is no other third-party involvement in our fundraising activity.

We use a fundraising database which helps us identify vulnerable supporters and ensure that we work appropriately with all groups.

We have not received any complaints in 2022-23 in respect of our fundraising practices.

As a children's charity we are aware that our supporters are emotionally involved with our work and that asking for money for children in need is generally emotive. We ensure that our staff are trained in understanding that vulnerable people will be among our donors, and we ensure that we do not expressly target elderly people or other vulnerable groups for donations. We ensure that we engage with our supporters to identify their interests.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

Family Society (the Charity) was established in 2009 as a company limited by guarantee, incorporated on 3 April 2009 and registered as a charity on 9 April 2009.

The Charity is governed by its Articles of Association and is registered as a company in England and Wales under company number 06869556. It is also registered with the Charity Commission for England and Wales under charity number 1129095. Adoption Focus is the name of Family Society's adoption agency, which is registered with Ofsted under number SC394569. Triangle Project is the name of Family Society's fostering service, which is registered with Ofsted under number 1258436.

The Charity operates in England and Wales and the Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

The Trustees work with the Chief Executive to agree and monitor the strategic direction of the Charity, and delegate responsibility for its day-to-day operation to the Senior Management Team, comprising the Chief Executive; the Director of Operations; the Director of Business Development; the Director of Resources, the Director of Finance the Director of Collaborations, Performance and Standards and the Head of Family Services, details shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Benjamin James

Mary Jones

(Resigned 3 February 2023)

Janet Forster

Anthony Lawton

Graham Harwood

Mark Tobin

(Appointed 13 June 2022)

Tracey Hartshorn

(Resigned 28 September 2022)

John Bale

Sanjeev Kumar

Helen Child

(Appointed 14 April 2023)

Appointment of Trustees

The Charity looks for Trustees who are committed to children and the adoption and FFA process and have professional, ministerial and/or practical experience which will contribute to the effective management and operation of the Charity.

The Charity would normally seek Trustees by advertising through social media and seeking nominations from the community and people connected to social work and adoption.

In accordance with the Charity's constitution, new Trustees are appointed by the majority of Trustees attending the meeting at which an appointment proposed is affirmed. All Trustees are encouraged to attend courses on Charity Law and management.

The Board of Trustees, which aims to meet six times per year, administers the Charity. Additional meetings may be convened as indicated.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Appointment of Trustees (continued)

In addition, the Director of Finances reports to the Finance Sub-Committee which meets on a 2-monthly basis. This reviews the management accounts, considers cash-flow and any matters arising, and the performance of investments. The Trustees as a whole review the management accounts on a bimonthly or quarterly basis.

Generally, the Charity seeks to maintain Trustees with the following collective experience:

- An adoptive parent;
- An accountant;
- In the management of a charity;
- A solicitor;
- A social worker with experience of working with children and adoption;
- In business.

Some of the current Trustees have experience in more than one of the specified areas and all of our key areas are currently covered.

Trustee induction and training

New Trustees are taken through an induction process by the Chief Executive concerning the operational activities of the Charity and the principles on which the Charity's accounts are based.

The Trustees receive training from the Charity's lawyers and are encouraged to attend training courses and charity related events. The Trustees also receive briefings on legal, accounting and charity issues from a number of sources, including the Charity Commission website.

Remuneration policy for key management personnel

Salaries are benchmarked against similar roles within the public sector, and charitable sector. Independent analysis of pay scales and terms and conditions of employment is sought as required.

The Charity ensures that all employees are paid at a level greater than the national living wage.

Policy for employment of disabled persons

The Charity is an equal opportunity employer. It is committed to ensuring within the framework of the law that our workplace is free from unlawful or unfair discrimination because of Protected Characteristics as defined by the Equality Act 2010.

The Charity aims to ensure that our employees achieve their full potential and that all employment decisions are taken without reference to irrelevant or discriminatory criteria.

The Charity is committed to ensuring that all our employees and applicants for employment are protected from unlawful discrimination in employment.

Employee information

The Charity communicates with all staff members on a regular basis. The staff are kept informed of operational and financial targets; progress made in respect of strategic objectives; and the impact of external factors on Charity performance (e.g., Government Policy).

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Related parties and relationships with other organisations

The Charity is a member of a number of adoption organisations including: the Consortium of Voluntary Adoption Agencies (CVAA); CoramBAAF; the Midlands Family Placement Group (MFPG); Permanence West Midlands (PWM) and the Midlands Together Collaboration (MTC).

The CEO is a CVAA Board Member. The CEO and Chairperson are Directors of FSAF Trading Limited set up to manage the different legal requirements of the Birmingham RAA partnership as we are providing consultation.

The Charity is also a Member of the Birmingham Chamber of Commerce.

The Charity has a Service Level Agreement with Father Hudson's Society (registered charity) to provide adoption support services.

The Charity uses McCarthy Denning as its solicitor and the Chairperson of the Charity is both a solicitor consultant to McCarthy Denning and an employee in the compliance department. The Charity assesses the relationship on a regular basis to ensure value for money is received from McCarthy Denning.

Statement of trustees' responsibilities

The Trustees, who are also the directors of Family Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members Guarantee

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guaranties on 31 March 2023 was 8. The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditor

The Trustees have instructed Humphrey & Co to undertake the audit. This is the second consecutive year in which they have undertaken this role.

FAMILY SOCIETY

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

In so far as the Trustees are aware:

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

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Benjamin James

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Benjamin James

Chairperson

1 December 2023

Date:

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY SOCIETY

Opinion

We have audited the financial statements of Family Society (the parent) and its subsidiary for the year ended 31 March 2023 which comprise the group statement of financial activities, the group balance sheet, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their 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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the Charity and its subsidiary and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the Trustees and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the Charity's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, carrying out detailed substantive testing of a sample of income, wages and expenditure transactions arising in the year and a sample of balance sheet items such as intangible assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been 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.

Mr Craig Manser (Senior Statutory Auditor)
for and on behalf of Humphrey & Co Audit Services Ltd

Chartered Accountants
Statutory Auditor



.....
14/12/2023

7-9 The Avenue
Eastbourne
East Sussex
BN21 3YA

Humphrey & Co Audit Services Ltd is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	89,189	11,905	101,094	11,613	240,209	251,822
Charitable activities	4	3,155,607	-	3,155,607	1,806,729	-	1,806,729
Investments	5	6,824	-	6,824	124	-	124
Material other income	6	-	-	-	294,670	17,664	312,334
Total income		3,251,620	11,905	3,263,525	2,113,136	257,873	2,371,009
<u>Expenditure on:</u>							
Raising funds	7	24,393	-	24,393	32,206	-	32,206
<u>Charitable activities</u>							
Adoption services	8	2,274,514	35,046	2,309,560	1,830,011	205,112	2,035,123
Schools and community	8	147,584	-	147,584	18,554	-	18,554
FFA	8	42,373	-	42,373	25,204	-	25,204
FSAF Trading Ltd	8	49,027	-	49,027	-	-	-
Total charitable expenditure		2,513,498	35,046	2,548,544	1,873,769	205,112	2,078,881
Total expenditure		2,537,891	35,046	2,572,937	1,905,975	205,112	2,111,087
Net gains/(losses) on investments	13	(21,751)	-	(21,751)	36,462	-	36,462

FAMILY SOCIETY

GROUP STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Net incoming/(outgoing) resources before transfers	691,978	(23,141)	668,837	243,623	52,761	296,384
Gross transfers between funds	(1,519)	1,519	-	-	-	-
Net incoming/(outgoing) resources	690,459	(21,622)	668,837	243,623	52,761	296,384
Other recognised gains and losses						
Actuarial gain on defined benefit pension schemes	100,000	-	100,000	19,000	-	19,000
Net movement in funds	790,459	(21,622)	768,837	262,623	52,761	315,384
Fund balances at 1 April 2022	1,502,213	62,710	1,564,923	1,239,590	9,949	1,249,539
Fund balances at 31 March 2023	<u>2,292,672</u>	<u>41,088</u>	<u>2,333,760</u>	<u>1,502,213</u>	<u>62,710</u>	<u>1,564,923</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FAMILY SOCIETY

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	15	23,694		35,550	
Tangible assets	16	7,524		13,313	
Investments	17	494,864		316,615	
			526,082		365,478
Current assets					
Debtors	18	699,056		350,855	
Cash at bank and in hand		1,307,240		1,167,163	
			2,006,296		1,518,018
Creditors: amounts falling due within one year	19	(241,618)		(223,573)	
Net current assets			1,764,678		1,294,445
Total assets less current liabilities			2,290,760		1,659,923
Net assets excluding pension surplus/(deficit)			2,290,760		1,659,923
Defined benefit pension surplus/(deficit)	20	43,000		(95,000)	
Net assets			2,333,760		1,564,923
Income funds					
Restricted funds	21	41,088		62,710	
<u>Unrestricted funds</u>					
Designated funds	22	84,811		33,697	
General unrestricted funds		2,164,861		1,563,516	
Pension reserve		43,000		(95,000)	
			2,292,672		1,502,213
			2,333,760		1,564,923

FAMILY SOCIETY

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £768,837 (2022 - £1,249,539).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

1 December 2023

The financial statements were approved by the Trustees on

Benjamin James
.....
Benjamin James
Trustee

Company registration number 06869556

FAMILY SOCIETY

CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	15	23,694		35,550	
Tangible assets	16	7,524		13,313	
Investments	17	494,865		316,616	
			526,083		365,479
Current assets					
Debtors	18	973,126		350,855	
Cash at bank and in hand		1,014,722		1,167,162	
			1,987,848		1,518,017
Creditors: amounts falling due within one year	19	(223,171)		(223,573)	
Net current assets			1,764,677		1,294,444
Total assets less current liabilities			2,290,760		1,659,923
Net assets excluding pension surplus/(deficit)			2,290,760		1,659,923
Defined benefit pension surplus/(deficit)	20	43,000		(95,000)	
Net assets			2,333,760		1,564,923
Income funds					
Restricted funds	21	41,088		62,710	
<u>Unrestricted funds</u>					
Designated funds	22	84,811		33,697	
General unrestricted funds		2,164,861		1,563,516	
Pension reserve		43,000		(95,000)	
			2,292,672		1,502,213
			2,333,760		1,564,923

FAMILY SOCIETY

CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activities and related notes. The company's net movement in funds for the year was £768,837 (2022 - £1,249,539).

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

.....

Benjamin James

Trustee

Company registration number 06869556

FAMILY SOCIETY

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	25		334,706		63,791
Investing activities					
Purchase of tangible fixed assets		(1,453)		-	
Purchase of investments		(200,000)		-	
Investment income received		6,824		124	
Net cash (used in)/generated from investing activities			(194,629)		124
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			140,077		63,915
Cash and cash equivalents at beginning of year			1,167,163		1,103,248
Cash and cash equivalents at end of year			1,307,240		1,167,163

FAMILY SOCIETY

CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	25		(94,377)		63,791
Investing activities					
Purchase of tangible fixed assets		(1,453)		-	
Purchase of subsidiaries		-		(1)	
Purchase of other investments		(200,000)		-	
Investment income received		143,390		124	
Net cash (used in)/generated from investing activities			(58,063)		123
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(152,440)		63,914
Cash and cash equivalents at beginning of year			1,167,162		1,103,248
Cash and cash equivalents at end of year			1,014,722		1,167,162

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Family Society is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o McCarthy Denning, Suite 102, 70 Mark Lane, London, EC3R 7NQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Basis of consolidation

Group financial statements have been prepared in respect of the Society and its wholly owned subsidiary. The Society's trading subsidiary is FSAF Trading Limited. This subsidiary is consolidated on a line by line basis and has the same accounting date as the Society.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of resources.

Support costs were calculated at 11% of administration costs. These costs were then allocated on the following basis:

- | | |
|--------------------------|-------|
| • Adoption Services | 89.9% |
| • Schools and community | 6.0% |
| • Fostering for adoption | 1.7% |
| • Fundraising | 1.0% |
| • Restricted Funds | 1.4% |

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	25% straight line basis
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FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	100% straight line basis
Computers	33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charitable company is exempt from Corporation Tax on its charitable activities. Provision is made for Corporation Tax at the appropriate rates on the taxable profits (after Gift Aid payments) of the subsidiary company.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

2 Critical accounting estimates and judgements

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

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

The Trustees do not consider there are any significant judgements (other than those including estimates as disclosed) which require disclosure within the accounts.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Key sources of estimation uncertainty

Defined Pension Scheme

The charity operated a defined pension scheme under the provisions described in the Scheme's Trust Deed and Rules dated 30 July 1998 as subsequently amended.

An FRS Report for the year has been undertaken by a Fellow of the Institute and Faculty of Actuaries. This is based on the asset data provided by the charity. The actuarial cost method has been used as required by FRS102. The calculations are based on the values as at 31 March 2023. Subsequent major fluctuations in the markets and sharp rise in inflation will affect the valuation post year end.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations	11,388	-	11,388	11,613	-	11,613
Legacies receivable	74,234	-	74,234	-	-	-
Grants	-	11,905	11,905	-	240,209	240,209
Other fundraising	3,059	-	3,059	-	-	-
Gift Aid recovered	508	-	508	-	-	-
	<u>89,189</u>	<u>11,905</u>	<u>101,094</u>	<u>11,613</u>	<u>240,209</u>	<u>251,822</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Adoption services	Schools & community services	FFA	FSAF Trading Ltd	Total 2023	Adoption services	Schools & community services	FFA	Total 2022
	2023	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£	£
Local Authority	2,555,236	-	-	280,000	2,835,236	1,697,250	-	-	1,697,250
Post placement support	25,762	-	-	-	25,762	-	-	-	-
Adoption Support Fund	58,587	-	-	-	58,587	-	-	-	-
Training	8,143	-	-	-	8,143	-	-	-	-
Foster to Adopt	-	-	95,352	-	95,352	-	-	69,933	69,933
Schools SLAs	-	132,527	-	-	132,527	-	39,546	-	39,546
	<u>2,647,728</u>	<u>132,527</u>	<u>95,352</u>	<u>280,000</u>	<u>3,155,607</u>	<u>1,697,250</u>	<u>39,546</u>	<u>69,933</u>	<u>1,806,729</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Income from listed investments	4,265	-
Interest receivable	2,559	124
	<u>6,824</u>	<u>124</u>

6 Material other income

On 1 January 2022, the charity absorbed Faith in Families into its operation. The net assets were introduced into the accounts as material other income split between unrestricted and restricted income.

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	736	180
Staging fundraising events	445	-
Staff costs	22,950	31,636
Support costs	262	390
	<u>24,393</u>	<u>32,206</u>
Fundraising and publicity	24,393	32,206
	<u>24,393</u>	<u>32,206</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Adoption services	Schools and community	FFA	FSAF Trading Ltd	Total 2023	Adoption services	Schools and community	FFA	Total 2022
	2023	2023	2023	2023		2022	2022	2022	
	£	£	£	£	£	£	£	£	£
Staff costs	1,769,080	144,283	-	43,097	1,956,460	1,502,871	18,225	-	1,521,096
Depreciation and impairment	18,863	-	-	-	18,863	15,277	-	-	15,277
Contract staff	16,853	-	-	-	16,853	20,225	-	-	20,225
Adopter recruitment costs	9,608	-	-	-	9,608	26,174	-	-	26,174
Panel costs	44,855	-	-	-	44,855	44,514	-	-	44,514
Property costs	133,144	-	-	-	133,144	116,653	-	-	116,653
Travel costs	42,361	-	-	50	42,411	55,299	-	-	55,299
Professional fees	59,026	-	-	3,363	62,389	61,416	-	-	61,416
Office costs	34,507	-	-	-	34,507	28,141	-	-	28,141
Computer costs	30,675	-	-	120	30,795	29,981	-	-	29,981
Fostering to adopt fees	86,417	-	-	133	86,550	94,869	-	-	94,869
Charitable expenditure heading 11	-	-	41,425	-	41,425	-	-	25,204	25,204
	<u>2,245,389</u>	<u>144,283</u>	<u>41,425</u>	<u>46,763</u>	<u>2,477,860</u>	<u>1,995,420</u>	<u>18,225</u>	<u>25,204</u>	<u>2,038,849</u>
Share of support costs (see note 9)	24,341	1,586	455	-	26,382	24,920	225	-	25,145
Share of governance costs (see note 9)	39,830	1,715	493	2,264	44,302	14,783	104	-	14,887
	<u>2,309,560</u>	<u>147,584</u>	<u>42,373</u>	<u>49,027</u>	<u>2,548,544</u>	<u>2,035,123</u>	<u>18,554</u>	<u>25,204</u>	<u>2,078,881</u>
Analysis by fund									
Unrestricted funds	2,274,514	147,584	42,373	49,027	2,513,498	1,830,011	18,554	25,204	1,873,769
Restricted funds	35,046	-	-	-	35,046	205,112	-	-	205,112
	<u>2,309,560</u>	<u>147,584</u>	<u>42,373</u>	<u>49,027</u>	<u>2,548,544</u>	<u>2,035,123</u>	<u>18,554</u>	<u>25,204</u>	<u>2,078,881</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	21,144	-	21,144	-	-	-
Depreciation	234	-	234	-	-	-
Other costs	-	-	-	25,535	-	25,535
Contract staff	209	-	209	-	-	-
Adopter recruitment costs	119	-	119	-	-	-
Panel costs	555	-	555	-	-	-
Property costs	1,647	-	1,647	-	-	-
Travel costs	524	-	524	-	-	-
Professional fees	730	-	730	-	-	-
Office costs	695	-	695	-	-	-
Computer costs	787	-	787	-	-	-
Audit and accountancy fees	-	17,915	17,915	-	9,504	9,504
Legal and professional	-	17,138	17,138	-	5,563	5,563
Governance and public affairs	-	2,130	2,130	-	-	-
Registration and compliance	-	4,098	4,098	-	-	-
Bad debt write off	-	3,305	3,305	-	-	-
	<u>26,644</u>	<u>44,586</u>	<u>71,230</u>	<u>25,535</u>	<u>15,067</u>	<u>40,602</u>
Analysed between						
Fundraising	262	284	546	390	180	570
Charitable activities	<u>26,382</u>	<u>44,302</u>	<u>70,684</u>	<u>25,145</u>	<u>14,887</u>	<u>40,032</u>
	<u>26,644</u>	<u>44,586</u>	<u>71,230</u>	<u>25,535</u>	<u>15,067</u>	<u>40,602</u>

10 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2023	2022
	£	£
Audit of the Charity's annual accounts	13,500	12,000
Other services to the group		
- Other assurance services and tax compliance of the Charity's subsidiaries	1,500	-
Total audit fees	<u>15,000</u>	<u>12,000</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

No trustee received payment from the Charity for professional or other services supplied to the Charity other than Mr Benjamin James as stated in note 26.

Trustees expenses represent the payment or reimbursement of travelling expenses and subsistence costs totalling £nil (2022: £nil) incurred by 0 (2022: 0) members relating to attendance at meetings of the trustees.

12 Employees

The employee figures below all relate to the charity as the subsidiary does not directly employ any staff.

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Adoption Services	27	32
Management and Administration	10	12
Fundraising and Marketing	3	5
School Service	4	5
Total	44	54

Employment costs

	2023 £	2022 £
Wages and salaries	1,708,051	1,299,770
Social security costs	165,327	136,961
Other pension costs	96,107	96,052
	1,969,485	1,532,783

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-

The total employee benefits including pension contributions of the key management personnel were £368,500 (2022: £299,192). The key management team were 5 FTE staff (2022: 4).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Revaluation of investments	(21,751)	36,462

14 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

The subsidiary trading company is subject to Corporation Tax on the taxable profits arising during the period.

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Subsidiary taxation for the year	-	-	-	-

15 Intangible fixed assets - Charity & Group

	Charity Website costs
	£
Cost	
At 1 April 2022 and 31 March 2023	47,400
Amortisation and impairment	
At 1 April 2022	11,850
Amortisation charged for the year	11,856
At 31 March 2023	23,706
Carrying amount	
At 31 March 2023	23,694
At 31 March 2022	35,550

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Tangible fixed assets - Charity & Group

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2022	773	55,378	56,151
Additions	-	1,453	1,453
At 31 March 2023	773	56,831	57,604
Depreciation and impairment			
At 1 April 2022	-	42,839	42,839
Depreciation charged in the year	773	6,468	7,241
At 31 March 2023	773	49,307	50,080
Carrying amount			
At 31 March 2023	-	7,524	7,524
At 31 March 2022	773	12,540	13,313

17 Fixed asset investments

Fixed asset investments - Group

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£			£
Cost or valuation					
At 1 April 2022	256,466	56,645	3,504	-	316,615
Additions	50,000	150,000	-	-	200,000
Valuation changes	(22,087)	(1,816)	2,152	-	(21,751)
At 31 March 2023	284,379	204,829	5,656	-	494,864
Carrying amount					
At 31 March 2023	284,379	204,829	5,656	-	494,864
At 31 March 2022	256,466	56,645	3,504	-	316,615

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Fixed asset investments

(Continued)

Fixed asset investments - Charity

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£			£
Cost or valuation					
At 1 April 2022	256,466	56,645	3,504	1	316,616
Additions	50,000	150,000	-	-	200,000
Valuation changes	(22,087)	(1,816)	2,152	-	(21,751)
At 31 March 2023	284,379	204,829	5,656	1	494,865
Carrying amount					
At 31 March 2023	284,379	204,829	5,656	1	494,865
At 31 March 2022	256,466	56,645	3,504	1	316,616

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries		1	1

Fixed asset investments revalued

Revalued investments are calculated by readily available market valuations provided. The historical cost of the listed investments is £275,882 (2022-£225,882). The historical cost of other investments totalled £200,000 (2022- £50,000).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Debtors - Group

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	670,733	320,083
Other debtors	20,000	20,000
Prepayments and accrued income	8,323	10,772
	<u>699,056</u>	<u>350,855</u>

Debtors - Charity

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	771,300	320,083
Amounts owed by subsidiary undertakings	136,566	-
Other debtors	20,000	20,000
Prepayments and accrued income	45,260	10,772
	<u>973,126</u>	<u>350,855</u>

19 Creditors: amounts falling due within one year

Group	2023	2022
	£	£
Other taxation and social security	76,855	46,184
Payments received on account	52,802	34,128
Trade creditors	85,751	91,813
Other creditors	4,888	4,888
Accruals and deferred income	21,322	46,560
	<u>241,618</u>	<u>223,573</u>

Charity	2023	2022
	£	£
Other taxation and social security	62,261	46,184
Payments received on account	52,802	34,128
Trade creditors	83,398	91,813
Other creditors	4,889	4,888
Accruals and deferred income	19,822	46,561
	<u>223,171</u>	<u>223,574</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £96,107 (2022 - £78,592).

Defined benefit schemes

The Charity operates a defined benefit scheme in the UK which closed to future accruals on 31 July 2017. The assets are held separately from those of the Charity. Being invested in managed funds with insurance companies. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The last triennial actuarial valuation was as at 1 August 2022 by a qualified Actuary which indicated the Scheme had a funding shortfall of £73,000. However, an update at 28 February 2023 revealed that the Scheme was in surplus and no further contributions were required.

The employer's contribution for the period was £43,000 including deficit payments of £40,000 (2022: £62,460 including deficit repayments of £45,000).

The employer pays all costs of running the Scheme.

Key assumptions

	2023 %	2022 %
Discount rate	4.75	2.75
Expected rate of increase of pensions in payment	3.35	3.8
Revaluation in deferment	3.25	4.25
	<u> </u>	<u> </u>

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023 Years	2022 Years
Retiring today		
- Males	21.9	21.9
- Females	24.3	24.3
	<u> </u>	<u> </u>
Retiring in 20 years		
- Males	22.9	23.0
- Females	25.4	25.4
	<u> </u>	<u> </u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Retirement benefit schemes

(Continued)

Amounts recognised in the profit and loss account:

	2023 £	2022 £
Net interest on defined benefit liability/(asset)	15,000	11,000
Other costs and income	3,000	5,000
	<u> </u>	<u> </u>
Total costs	<u>18,000</u>	<u>16,000</u>

Amounts taken to other comprehensive income:

	2023 £	2022 £
Other gains and losses	(100,000)	(19,000)
	<u> </u>	<u> </u>

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2023 £	2022 £
Present value of defined benefit obligations	385,000	538,000
Fair value of plan assets	(428,000)	(443,000)
	<u> </u>	<u> </u>
(Surplus)/deficit in scheme	<u>(43,000)</u>	<u>95,000</u>

Movements in the present value of defined benefit obligations:

	2023 £
Liabilities at 1 April 2022	538,000
Benefits paid	(16,000)
Interest cost	15,000
Other	(152,000)
	<u> </u>
At 31 March 2023	<u>385,000</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2023 £
Fair value of assets at 1 April 2022	443,000
Benefits paid	(16,000)
Contributions by the employer	43,000
Other	(42,000)
At 31 March 2023	428,000

The fair value of plan assets at the reporting period end was as follows:

	2023 £	2022 £
Equity instruments	227,000	227,000
Property	-	10,000
Bonds	98,000	136,000
Cash	103,000	70,000
	428,000	443,000

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers Balance at 31 March 2023
	£	£	£	£	£	£	£
National Lottery Community Grant	4,949	-	-	4,949	-	(4,468)	(481)
Edward Cadbury Charitable Trust	5,000	-	-	5,000	-	(5,000)	-
Department for Education Grant Fund	-	176,064	(176,064)	-	-	-	-
Comin Relief - Tech for Good	-	62,145	(28,943)	33,202	6,905	(23,131)	16,976
Teen Group	-	2,000	(105)	1,895	-	(575)	3,320
Intermediary Services Trust	-	3,822	-	3,822	-	-	(3,822)
School Social Work Grant	-	9,314	-	9,314	-	(172)	9,142
Life Story Support	-	503	-	503	-	-	(503)
Hardship Fund	-	4,025	-	4,025	-	(157)	4,325
Star Trust	-	-	-	-	5,000	(1,543)	-
	<u>9,949</u>	<u>257,873</u>	<u>(205,112)</u>	<u>62,710</u>	<u>11,905</u>	<u>(35,046)</u>	<u>1,519</u>
							<u>41,088</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Restricted funds

(Continued)

National Lottery Community Fund

This fund is to provide additional support to adoptive families during the pandemic.

Edward Cadbury Charitable Trust Fund

This fund is to develop and expand post adoption support to adoptive families.

Department for Education Grant Fund

This assisted with cashflow during a period of delays arising with placements because of lock-down, and extended periods of pre-order placement support and supervision because of court delay impacting on the granting of Adoption Orders.

Comic Relief Tech Fund

The Fund was set up to use technology (Adopter Verse – safe, secure online space within the website) to bring outstanding support to an increasing number of adopters and potential adopters, located across a wide geographic area. The Fund aims to significantly increase the choice of adoptive homes for some of the country's most vulnerable children, enabling them to find the best match possible for their unique needs and circumstances.

Teen Group Fund (Love Brum)

The grant was made to support adopted children who have experienced loss and trauma. The Teen Group aims to be a mutually supportive group for young people in the Birmingham area, which will enhance family relationships by enabling young people to develop their personal and social skills.

Intermediary Services Fund

These are accumulated funds received from service users for providing that service and amounts received cover direct costs.

School Social Work Fund

This is a fund for training of staff service and expansion of service into catholic schools.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 April 2022	Incoming resources	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Timerick Development Fund	19,524	19,524	3,515	-	23,039
BM Memorial Fund	4,173	4,173	-	481	4,654
SJP Grant (Covid 19)	10,000	10,000	-	(10,000)	-
Adopter Verse Fund	-	-	-	8,000	8,000
Daniels Legacy Fund	-	-	49,118	-	49,118
	<u>33,697</u>	<u>33,697</u>	<u>52,633</u>	<u>(1,519)</u>	<u>84,811</u>

Timerick Development Fund

This fund is to support the development of the agency into community work based in catholic schools for early intervention and community support to vulnerable children and families. The charity anticipates that the fund will be expended over the next 3 to 5 years as the service develops and they work in new schools, to continue to meet the needs of the students that are supported by the service.

Beverley Morris (BM) Fund

This fund is to support ongoing training for social work staff in their direct work with vulnerable children. The charity anticipates that the fund will be expended over the next 1 to 3 years.

SJP Grant

In 2020/21 the Sisters of Joseph of Peace made a grant in recognition of the difficulties the charity would face throughout the pandemic. The Trustees are looking to allocate this expenditure in the next 1 to 2 years.

23 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:					
Intangible fixed assets	23,694	-	23,694	35,550	35,550
Tangible assets	7,524	-	7,524	13,313	13,313
Investments	494,864	-	494,864	316,615	316,615
Current assets/(liabilities)	1,723,590	41,088	1,764,678	1,231,735	1,294,445
Provisions and pensions	43,000	-	43,000	(95,000)	(95,000)
	<u>2,292,672</u>	<u>41,088</u>	<u>2,333,760</u>	<u>62,710</u>	<u>1,564,923</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

24 Related party transactions

Transactions with related parties

During the year the group engaged McCarthy Denning to provide certain legal and company secretarial services. The chair of trustees - Mr Benjamin James is a solicitor consultant to the firm. The transactions arising during the year were on normal arm's length terms for £18,869 (2022: £74,683).

During the year the charity paid £6,492 (2022: £8,923) to Criminalangel Consulting Ltd for work undertaken. The sole director of the company is the wife of a trustee.

During the year three of the trustees received consultancy fees from the trading company, paid by Adopt Birmingham, for their attendance at meetings relating to the governance of Adopt Birmingham. Mark Tobin received £1,013 (2022 - £nil) and Graham Harwood received £1,200 (2022 - £nil). Benjamin James received fees paid to Dracorex Limited; a company of which he is the sole director and ultimate beneficial owner, totalling £1,440 (2022 - £nil).

25 Cash generated from operations - Group	2023 £	2022 £
Surplus for the year	668,838	296,384
Adjustments for:		
Investment income recognised in statement of financial activities	(6,824)	(124)
Fair value gains and losses on investments	21,751	(36,462)
Depreciation and impairment of tangible fixed assets	19,097	15,277
Difference between pension charge and cash contributions	(38,000)	(42,000)
Movements in working capital:		
(Increase) in debtors	(348,201)	(8,555)
Increase in creditors	18,045	78,542
Cash generated from operations	334,706	303,062

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

25 Cash generated from operations - Charity	2023	2022
	£	£
Surplus for the year	668,838	296,384
Adjustments for:		
Investment income recognised in statement of financial activities	(143,390)	(124)
Fair value gains and losses on investments	21,751	(36,462)
Depreciation and impairment of tangible fixed assets	19,097	15,277
Non-cash transactions on donated operations	-	(239,271)
Difference between pension charge and cash contributions	(38,000)	(42,000)
Movements in working capital:		
(Increase) in debtors	(622,271)	(8,555)
(Decrease)/increase in creditors	(402)	78,542
Cash (absorbed by)/generated from operations	(94,377)	63,791
27 Analysis of changes in net funds		
The Charity had no debt during the year.		

Accounts



FAMILY SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



www.adoption-focus.org.uk

Charity registration number 1129095

Company registration number 06869556 (England and Wales)

OFSTED Number: SC394569 (Adoption Focus)

OFSTED Number: 1258436 (Triangle Project)

FAMILY SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of this report were:

Benjamin James (Chairperson and Responsible Individual)	
Mary Jones (Vice Chairperson)	
Janet Forster	
Anthony Lawton	
Graham Harwood	
Mark Tobin	appointed 13 June 2022
John Bale	appointed 4 February 2022
Sanjeev Kumar	appointed 4 February 2022
Lesley Malley	resigned 11 January 2022
Tracey Hartshorn	appointed 4 February 2022; resigned 28 September 2022

Charity number	1129095
Company number	06869556
Operational address	TS3, Pinewood Business Park, Coleshill Road, Marston Green, Birmingham, B37 7HG
Registered office	Sixth Floor, Minster House, 42 Mincing Lane, London
Operating name	Adoption Focus Triangle Project Family Society Schools Project
Ofsted rating	Outstanding Outstanding Adoption Focus Triangle Project
Key management personnel	Anna Sharkey Howard Parker Jo Lee Beverly Brown Malcolm Dodd Chief Executive & Designated Manager (Adoption) Director of Operations & Designated Manager (Fostering) Director of Business Development Director of Resources Director of Finances
Auditor	Humphrey & Co Audit Services Ltd 7-9 the Avenue, Eastbourne, East Sussex, BN21 3YA
Bankers	Lloyds Bank plc 3 Maple Walk, Chelmsley Wood, Birmingham, B37 5TS Nationwide Nationwide House, Pipers Way, Swindon, SN38 1NW
Solicitors	McCarthy Denning Minster House, 42 Mincing Lane, London, EC3R 7AE
Investment advisors	Brewin Dolphin 12 Smithfield Street, London, EC1A 9BD CCLA Investment Management Limited Senator House, 85 Queen Victoria Street, London, EC4V 4ET

FAMILY SOCIETY

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FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The reference and administrative information set out on the legal and administrative information page forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "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)" (effective 1 January 2019).

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

Purposes and aims

The objects of the Charity are set out in the Articles and are:

- The relief of financial hardship and suffering by the provision of such grants, goods, service or facilities as the Charity shall from time to time determine;
- The relief of sickness and preservation of health;
- The support, relief and care and the promotion thereof, of:
 - Children and young people without families to care for them, including, but not limited to, adoption and fostering services;
 - Individuals and couples seeking to adopt and/or foster children and young people; families comprising adopted and foster children;
 - Children and young people; those in need by reason of age, ill-health, disability or other disadvantage;
 - The carers of those individuals and groups;
 - Individuals, families, communities and groups who are in need;
 - Those in need by reason of financial hardship;
- To provide or assist in the provision of facilities in the interest of social welfare for recreational or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
- Any activity which is charitable under the laws of England, save that if any activity is undertaken in Scotland or Northern Ireland, such activity shall also be charitable under the laws of the jurisdiction in which such activity is undertaken.

The principle aim of the Charity is to support children assessed as in need of adoption through the recruitment, preparation and assessment of adoptive families, matching children in need to the approved families, and the continued long-term support of the children and families following the adoption process. Children are either placed with families approved as suitable to adopt by Adoption Focus, or with dual-approved - by Adoption Focus and Triangle Project - families who can provide fostering for adoption (FFA) placements. Triangle Project dual-approved carers enable children to achieve stability and security as soon as possible through the provision of placements which either become permanent adoption placements or support the child's safe return to birth family (pending court process).

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Since its merger with the Charity Faith in Families (Company Number 00461813; Charity Number: 213692) on the 1st January 2022, Family Society is continuing the adoption and adoption support services previously provided by Faith in Families in the East Midlands and is also providing its Schools Social Work service to a number of schools under contract. Faith in Families did not however, transfer its historical adoption records to Family Society; these records have been transferred to the Local Authority.

Activities

The Charity is engaged in 3 core activities:

- The provision of a Voluntary Adoption Agency (VAA), registered with OFSTED (SC394569), under the operating name of Adoption Focus. Adoption Focus became operational on the 1 June 2009. It has been assessed as an 'Outstanding' adoption agency by Ofsted since becoming operational.
- The provision of Fostering for Adoption (FFA) placements through its Independent Fostering Agency (IFA) registered with OFSTED (1258436) under the operating name of Triangle Project.
- The provision of a Schools Social Work service to several schools in the East Midlands, under contract.

The regulator Ofsted conducted a combined inspection of both services in October 2021 and judged Adoption Focus and Triangle Project to be 'outstanding'.

Our vision is to secure a loving and supportive family life for every child by training supporting and empowering families to provide safe, secure homes for children in need.

Our vision is reflected in all 3 services.

In the year 2021-22, the Charity has:

- Continued to manage the multiple challenges arising effectively and efficiently from the Coronavirus Pandemic. The full range of adoption and FFA services has been provided safely (social distancing guidance observed) whilst ensuring support for families at every stage of the adoption process.
- Planned and executed the merger with Faith in Families, this securing continuation of adoption service provision; and the Schools Social Work Service.
- More closely collaborated with Midlands based Regional Adoption Agencies to provide local placements and accessible adoption support services.
- Worked with our Adopter Committee, Teen & Tween Groups, Children's Voice Group, and Dad's Group to further develop services
- Successfully bid to be the VAA partner in the development of the Birmingham based RAA
- Been awarded a Comic Relief funded Tech for Good grant to develop an on-line resource – Adopterverse - to assist adopters in developing their network of adoptive families through sharing their expertise and support to others joining our adopter community. This was launched in April 2022.

The staff group continued to access support, supervision and training throughout the year to ensure the professional delivery of adoption and FFA services for the benefit of our key beneficiaries – the children placed with adopters and FFA carers.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Areas of Operations

The Charity operates adoption and FFA services throughout the Midlands area and extending into Oxfordshire, Staffordshire and neighbouring counties. It trains, assesses and supports adoptive families and FFA carers in this area to provide placements for children referred to the Charity, by Local Authorities throughout England, Wales and Scotland.

The Charity also provides a Schools Social Work Service in the East Midlands through a contractual arrangement agreed with individual schools and those operating under Academies.

Management

Family Society is staffed by qualified and registered (with Social Work England) Social Workers, Social Work Assistants and Adoption Managers. It employs staff to support its business development and administrative processes; and since the merger, brought finance systems in-house. It also commissions external specialists to provide HR and financial support; legal advice; and database and IT function.

The Charity is managed by the Chief Executive Officer with support from the Senior Management Team and the Board of Trustees.

Employees

The staff group has increased during this year as those previously employed by Faith in Families were – following a consultation process – transferred into Family Society.

Trustees are mindful of the impact of the merger on all staff members and commend them on their commitment to ensuring continuity of service provision during significant change whilst still managing the restrictions arising from the pandemic.

Social Workers and Social Work assistants employed to provide adoption and FFA services have achieved loving homes for children in need with adopters and FFA carers who have been prepared and supported to provide secure and stable family life.

The Social Workers involved with children and young people through the Schools Service have provided support and care assisting them with anxiety and worries linked to family, friendships and school concerns, exacerbated by the challenges arising with the pandemic. They have worked in person in schools, supporting students, parents and teachers through this difficult time.

The Business Development and Admin Teams have worked to underpin the Charity's operational, recruitment and communication functions.

Staff have been encouraged to access training opportunities throughout the year. Training providers have delivered content virtually, and this has been extensively utilised to ensure continuing professional development and enhanced service delivery. Trustees agree a budget to support staff training costs aimed to deliver ever improving services.

Volunteers

Much of the work of the Charity is undertaken by paid professionals. This is in accordance with the regulatory requirements relating to the core activity of the Charity which is the operation of an Adoption Agency and Independent Fostering Agency (registered to provide FFA placements only).

The Charity is, however, very fortunate in the benefit it receives from volunteers who significantly support its work.

The Charity would like to thank:

- Those individuals who volunteer to sit on our Permanence Panel. Panel Members perform an important Quality Assurance role regarding the preparation and assessment work undertaken by the social workers.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Those adoptive parents who meet as our Adopter Committee. As recipients of services provided, their input is vital in ensuring the relevance of and demand for services provided. During this year, the Committee has met remotely and is an important connection between the Charity and its beneficiaries. They support the Charity in its development, identifying priorities for growth based on need in the adoption community, and assisting in the delivery of support groups, and social events.
- Those adoptive parents, and members of their families who support our recruitment and training activities. This is through direct (but currently remote) input into training events for prospective and approved adopters, and through active participation in social media campaigns, including blogs which aim to encourage people to consider adoption.
- Those adoptive parents who have volunteered to be Buddies to newly placed adopters. Their commitment to the requisite training and willingness to support new adoptive families enhances the work of the staff group. Connections made by Buddies during the year have been particularly important for newly placed adopters who could not access their anticipated support network because of the Pandemic.
- Other volunteers who have contributed their expertise and assistance to a range of activities, including film content for the website, and participation in fund raising activities.
- Volunteers who having fundraised for Faith in Families for many years, transferred this activity to Family Society following the merger.

The Chairperson and the CEO would like to thank the Trustees for the considerable time commitment they made this year to the Charity. This has included the additional work demanded by the merger and the bid to become Birmingham Childrens Trust RAA partner. The Board has increased to include Board Members from Faith in Families and the combined expertise of both Boards includes law, finance, safeguarding, fundraising and experience of running services and companies in the public, charitable and private sectors.

Strategic report

The Charity's key objective is to achieve positive family life for children in need through the provision of well supported and prepared adoptive parents, some of whom also elect to provide FFA placements.

This work supports Local Authorities in their statutory duty to provide a range of services for children assessed to be 'in need' – including adoption - particularly those considered 'harder to place/priority children'. By meeting the demand (achieved through targeted recruitment activities; and through the provision of a robust and effective adoption support programme) the Charity is achieving family life for children in greatest need, and effectively managing its resources through the provision of placements in greatest demand.

Our strategic plan is based on an informed understanding of anticipated demand for services provided and includes input from our Adopter Committee (comprising a membership of 8 experienced adopters).

Regular meetings with Local Authority colleagues further inform our knowledge of their priority needs and directs our service development.

Our strategic plan is constantly reviewed and scrutinised, and a Risk Register is updated and managed as part of the review process.

A long-standing carefully managed risk is the size, area of operation and influence of the Charity – being relatively small restricted our potential to grow and develop. The merger is an effective and carefully considered response to the risks inherent in being a small adoption service operating in a rapidly changing sector. The merger aims to increase the Charity's potential influence in policy development, extends our area of operation, increases our offer to Local Authority partners and enables opportunities for greater collaboration which improves our accessibility to adopters seeking support in the longer term. The inclusion of the Schools Service as part of the merger provides an opportunity to evaluate a complementary service which falls within our key objectives whilst offering diversification of the Charity's service offer.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

The Charity's main activities and who it tries to help are described below. Until January 2022, all its charitable activities related to the provision of adoption and FFA services for children in need. Since the merger, a Schools Social Work service is also provided. The performance indicators include approvals and placements made with Adoption Focus (and Triangle Project) families until December 2021; and with the addition of Faith in Families adopters from January – March 2022.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The key objectives for the Charity in 2021-22 were to:

- **Actively promote the work of the Charity through its marketing and fundraising activities to encourage more people to consider adopting and/or providing FFA placements for the children who need them; to promote our services to Local Authority commissioners; and in support of the Charity's fundraising activity.**
 - During the year 2021-22 the Charity achieved its target in potential adopters contacting the agency and submitting their Register of Interest with Adoption Focus. Those part-way through the process with Faith in Families transferred their Register of Interest to Adoption Focus.
 - The Charity placed children referred from England and Wales and increased the number of 'local' placements made of children referred through the East and West Midlands Local Authorities.
 - Fundraising had some limited success during this year, but the Charity is grateful for money received through grants used to enhance adopter training and support during the continuing restrictions arising from the pandemic.
- **Work to recruit, assess and approve a wide range of adoptive families and FFA carers for children in need, equipping them with the skills and knowledge required to achieve successful FFA placements and adoptive parenting.**
 - The Charity has particularly focused on the recruitment of adopters who are willing to consider the needs of harder to 'place/priority children' and to provide them with training and support opportunities to prepare them to become effective parents for children who have experienced trauma and disruption.
 - During this year, the Charity approved 64 families as suitable to adopt. This includes 9 families dual-approved to also provide FFA placements.
- **Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year by a minimum of 5% engaging fully in the national campaign to encourage more people to consider adopting, and promoting FFA placements.**
 - The Charity placed 52 children with 40 families. This is fewer than our target and a reduction on the previous year's performance, reflecting the significant reduction in children referred for placement with a plan for adoption.
 - 98% of the children placed fall into one or more categories which would make them 'harder to place/priority children'. They include a sibling group of 3 children and 9 sibling groups of 2; children with significant health or additional developmental needs including autism, cerebral palsy, pre-birth exposure to drugs and alcohol; chromosome depletion; children from different ethnicities; children over the age of 4 years (the oldest was 7 years at the point of placement). Four single children had also started their placement under FFA arrangements.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- **Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.**

The Charity has contributed to the training programme offered to all VAAs through the Consortium of Voluntary Adoption Agencies (CVAA) and is providing training to other charities and RAAs.

Working with the Midlands Together Collaboration, the Charity is involved in work to develop effective Early Permanence provision in the Midlands region drawing on the expertise of all participants, including the Charity's Triangle Project service.

Work on the revised and enhanced Adopter Assessment Report has achieved an effective adoption assessment format supported by exercises designed to provide evidence of adopter capacity to undertake adoptive parenting. Interest in the revised assessment tool continues to build traction across the sector. As a joint initiative with a local RAA and a national Charity, our involvement is an important contribution to initiatives designed to improve the adoption experience for adopters and their children.

Complete due diligence activities regarding potential mergers with care whilst acting proactively and effectively to increase our area of operation, reduce competition and enhance our reputation as a significant provider of adoption and FFA services.

- The merger with Faith in Families has been achieved with relative ease. This has:
 - Enabled the continuation of adoption service provision previously provided by Faith in Families;
 - Expanded the Charity's area of operation into the East Midlands;
 - Increased our status within the region combining the excellent reputation of both agencies (both rated as Outstanding by Ofsted).
- The Board has considered other options and decided to focus on the Midlands region currently.

Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.

- The staff group has consistently demonstrated their capacity to achieve good outcomes for children through the provision of effective adoption (and FFA) services which continue to be predominantly provided virtually – but with in-person meetings with families undertaken as required. This combination of virtual and in-person service delivery, which has also enabled staff members to achieve improved work-life balance will continue, subject to monitoring and review.
- The Schools Social Work service is provided in schools and this will continue.

Develop our fundraising activity in order to diversify income.

- Community fundraising was well established in Faith in Families and has transferred to Family Society. This will continue.
- Fundraising in support of adoption service provision has proved challenging but will be pursued in the coming year.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Social Impact

The Trustees consider the social impact made by the Charity as a key part of the activities which are undertaken. The Charity enables vulnerable, traumatised children to gain secure, stable family life which will enhance their life chances and choices into the years ahead. It has done this by providing prospective adopters with the skills, knowledge and support they need to enable them to be the parents they want and need to be, for their children to thrive. The Charity has also invested in the continuing development of its FFA service – Triangle Project – which provides an additional resource for infants and children enabling security and stability at the earliest opportunity and supporting either the safe return of the child to their birth family, or their adoption by their FFA carers.

The merger has secured the continuation of service provision to families approved and placed through Faith in Families. This provides reassurance to those families who have embarked on family life with children who may need additional support in the years ahead.

Adoption from care provides children with much improved prospects for recovery (from early trauma) which will enable them to transition to adulthood with a secure sense of belonging to a family which cares for them. It reduces the potential for: poor physical and mental health; teenaged pregnancy; drug and alcohol misuse; lower educational attainment; reduced employment levels; and criminality.

The Charity recognises the significant contribution which adopters and FFA carers make to the improved circumstances of the children they care for and/or parent and exercises its duty of care to them through training, preparation and continuing support.

When considering its performance, the Charity seeks evaluation from service users (adopters and their children) and commissioners; and benchmarks against Adoption National Minimum Standards (July 2014), internal response times, and disruption levels.

The Charity is delighted to report that the vast majority of children placed with new families are thriving.

Stability and security for every child are the intended outcomes of the services provided.

The Schools Social Work service aims to support the mental health and emotional well-being of children and young people in schools. This support helps those who may otherwise struggle to do so, make use of the educational opportunities available. There is an increased demand following the impact of the pandemic on every aspect of children and young people's lives – and the adults who care for them/teach them.

Beneficiaries of our services

Through its adopter recruitment, training, and assessment activities, the Charity enables people who want to adopt to gain the skills and knowledge they need to enable them to do so, successfully. The Charity also encourages prospective adopters to consider Fostering for Adoption as an option, whilst acknowledging the additional risks inherent in these placements – the child may return to the birth family; unknown health and development matters only become apparent as the child grows.

Support offered by the Charity through its adoption services; and through the Schools Social Work service aims to enable families to effectively manage challenges arising as their children grow and develop.

Our focus on the welfare of the child also means that everything the Charity does is underpinned by safeguarding considerations, which will mean that:

- in some circumstances people are assessed to be unsuitable to be approved as adopters;
- concerns identified through the Schools Social Work service requires additional input from statutory services.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The approval of suitable adopters supports the work of Local Authorities in meeting their sufficiency requirements. The approval of dual approved carers enables Local Authorities to achieve stability for children whilst decisions about their permanent care are carefully made. Adults caring for children (parents; foster-carers; Special Guardians; teachers) are supported in their responsibilities in respect of the children's emotional development through the Schools Social Workers.

The ultimate beneficiaries of the Charity are the children who achieve secure, nurturing and loving family life through the adoption, FFA and Schools' services provided.

Merger with Faith in Families

On 1 January 2022 Faith in Families transferred to Family Society, its operation undertaking, along with all but two employees. Faith in Families retained all real property, £75,000 in cash and all liabilities including but not limited to its pension liability. Faith in Families then transferred ownership in its real property to the Nottinghamshire County Council Pension Trust along with £50,000 and went into immediate voluntary liquidation.

Family Society received:

- families approved and waiting for an adoption placement;
- families in preparation for adoption placements;
- contracts with schools to provide child support services;
- outstanding debtors;
- post adoption support contracts; and
- the discretionary investment portfolio of stocks and shares.

The charity is not eligible to undertake merger accounting on the transaction. The operational undertakings acquired have a fair value of £312,334 and are treated as donated income under material other income as detailed within note 6.

Three trustees from Faith in Families joined Family Society on 4 February 2022. John Bale for a fixed term of one year and Sanjeev Kumar and Tracey Hartshorn on a three year renewable basis. Tracey stepped down in late 2022 after ensuring a bedding in process.

Two employees decided not to join Family Society, one due to retirement and one choose not to accept a TUPE Transfer. Two employees resigned prior to the completion of the merger and left on the day before the merger. The remaining employees transferred although 25% subsequently decided to seek opportunities elsewhere.

Faith in Families was operating at a significant loss at the point of the merger. Income from the Schools work was approximately £22,500 in this period and income from two adoptions, approximately £70,000.

Financial review

The Trustees are delighted with the performance of the Charity during 2021-22, particularly as Covid has continued to impact.

Income for the year was £2,371,008 (2020/21: £2,346,178) and expenditure increased to £2,111,086 (2020/12: £1,769,487). Unlike in previous years the increase in expenditure was not proportionate to the increase in income. The main reason for the increase in expenditure was the increase in support to families and the delay in placement meaning that the number of approvals for new adopters was happening at a faster rate than placement of adopted children. This was generally a matter of cashflow and it is hoped that the approved adopters will have children placed with them in the next year. There were also exceptional merger costs included within the expenditure. The surplus for the year was £315,384 (2020/21: £517,993).

The year end fund position totalled £1,564,923 (2020/21: £1,249,539).

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The Charity has carefully managed its finances to ensure the most efficient use of its resources. This is both in respect of expenditure to support the Charity's activities; and investment to build reserves.

The costs of adoption service provision are high. It is a highly regulated activity which demands professional levels of staff qualifications and experience, which in turn attract commensurate remuneration. Income is predominantly sourced from the inter-agency fee payable at the point of placement, by the Local Authority or RAA which has statutory responsibility for the child.

The Charity qualified for further Covid grant support from the Department for Education. This assisted cash-flow in a year which witnessed continuing delays and reduced demand for placements for a raft of reasons linked to the impact of lock-down. The Charity is also supporting a high number of adoptive families through an extended period of pre-order placement support and supervision because of court delay impacting on the granting of Adoption Orders. The demand for Schools Social Work provision has increased, but school budgets are stretched and replacing teaching staff is a higher priority.

The continuing careful financial management by the Senior Management Team and Trustees, has maintained a strong financial basis for the Charity. The carefully considered and executed merger; and the Charity's successful bid to become the VAA partner for the Birmingham RAA are both intended to strengthen the position of the Charity as a significant provider of adoption services, well-placed to support increased demand for services as the current delays in the system for children, dissipate as the impact of Covid reduces.

This careful scrutiny and monitoring will inform decisions relating to all areas of service provision.

The final financial outcome for the period, reflects the careful monitoring of Charity expenditure enabling continuing service development and delivery, the retention of highly motivated and experienced staff, and positive outcomes for children in need. The Trustees are committed to ensuring that any surplus made is re-invested in service growth and continuing improvement, whilst adhering to the reserves policy.

The Trustees are confident that the financial viability of the Charity is assured as it moves into 2023. This is because:

- The performance of the Charity during this (continuing) Covid year has exceeded expectations achieving steady assessment and placement productivity, training delivery and support provision whilst also managing the bringing together of two organisations.
- Collaborative working with other agencies in the sector (both RAAs and other VAAs) lay the foundation for increased use of services provided.
- Recruitment of adopters and dual-approved carers has focussed on the harder to place/priority children – because these are the 'in-demand' placements – and the Charity has maintained a good level of enquiries from potentially suitable prospective adopters.
- Adopterverse – the web-based provision which will support adopters in making connections with each other – has been launched. This was supported through the award of a Tech for Good grant and further enhances our reputation as an innovator and effective recipient of grant funding.
- The Schools Social Work service offers potential diversification opportunities and will be carefully evaluated and costed to ensure effective use of Charitable funds.

Trading Company

In December 2021 the Charity formed a trading company, FSAF Trading Limited. All future trading will operate through the trading company, although it only became operational on 1 April 2022. The Charity has entered into a consultancy agreement with Birmingham Children's Trust and all income from this new operation will be put through the trading company.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reserves Policy and Going Concern

The nature of the adoption work requires a long-term commitment to the adoption process. It takes approximately twelve months from the first point of contact with the Charity for a family seeking approval to be in a position to have a child placed with them. The length of time they then wait before a placement is achieved (the first point at which the Charity receives a fee) will depend on the level of demand for the placement type they are offering.

Once placed, the adoptive family will need continuing support from the Charity. The support may be required for several years into the future, as they help their children recover from their early trauma. Therefore, it is important for the Charity to be able to show that it will be in a position to support such families throughout the process and into the years ahead.

Family Society seeks to hold reserves of between three- and twelve-months' expenditure. The Trustees estimate that the operating expenditure of the Charity's continuing activities over a six-month period is £1,000,000. Therefore, the Trustees consider that it is appropriate for the Charity to maintain a reserve of no less than £750,000 in order to meet effectively the needs designated by its trusts.

The Trustees are confident that the Charity is and will be a going concern going into the future and specifically over the next 12 months. The Trustees' basis for this is:

- An effective and robust response to the Covid-19 crisis
- Strong demand for the adoptive parents approved by the Charity at a national level
- Increased demand for the adoptive parents approved by the Charity at a local level
- Continuing achievement of recruitment targets of prospective adopters who are progressing through to approval status
- Triangle Project operates on a cost recovery model, and provides an additional resource to Local Authorities seeking earlier stability for children – Government Policy is promoting the greater use of FFA placements
- An increase in the level of reserves held by the Charity
- Effective resolution of the pension liability
- Careful control over expenditure and investment

Pension Fund Deficit

Due to historic low interest rates the defined benefit pension scheme shows a liability in some years. The Charity has an arrangement with the pension scheme trustees to reduce the pension liability of approximately £180,000 by making annual payments into the scheme; in this financial year the payment was £40,000. While the Charity has the cashflow to reduce the liability from free reserves, the annual changes to value mean that this is not in the interests of the Charity. The changes to interest rates and yields post year end removed the pension liability meaning that future payments will not be required saving the Charity over £140,000.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Investment Policy

Due to a donation of investments from Faith in Families, the investment policy for the charity is under review. The policy of the Charity is:

- to ensure that only funds not required for current expenditure or the reserves policy are invested, where this is in the best financial interests of the Charity;
- to obtain capital growth rather than income;
- to take a long-term investment view of ten to twenty years;
- to seek annual reports from the investment managers;
- to delegate investment decisions to the Finance Committee;
- for trustees to review the investment management on annual basis.

This will be expanded once the current review is complete.

Principal risks and uncertainties

The Trustees have identified the major risks which the Charity faces, maintaining and monitoring a full risk register, and consider that all necessary action has been taken to manage those risks.

The principal risks to the Charity, and actions taken to minimise them are:

1. Covid-19 Pandemic

The continuing difficulties and uncertainties arising from the COVID-19 pandemic are continually reviewed and considered.

Regular effective communication with all staff members ensures consistency and connection with the Charity, but there are limitations to what can be achieved through virtual means. It is our intention to move towards a hybrid working model in which employees have opportunities to work together but can continue to work remotely.

This provides the Charity with an opportunity to review office-based costs and effectively use Charity resources.

In-person service provision for adopters has continued throughout the pandemic, but aspects of the service transferred effectively to remote delivery. In the coming year, some of the training provision will revert to in-person events and support group meetings will be convened in locations across our area of operation to enable accessible service provision and the development of local connections. This is being developed in consultation with adopters and their children.

The Charity continues to carefully monitor the reduction in adoption placement demand. The successful recruitment and approval of adopters and FFA carers for harder to place children means that the Charity is well-placed to respond to any increased demand for placements as the reasons for delays in decisions regarding children's plans are addressed

The Schools Social Work Service is provided in school locations and this will continue.

2. Regional Adoption Agencies

This significant policy development in the way in which adoption services are provided by Local Authorities has significantly impacted on the sector – both Statutory and Voluntary.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

As the RAAs have embedded across the country, they have sought new relationships with the Voluntary sector. The Charity is well-placed to respond to new working relationships and is involved in the Midlands Together Collaboration of five Midlands based RAAs and one other VAA. This aims to make greater use of locally based approved families for Midlands children and to achieve better 'joined-up' support services across the region for adoptive families.

As the VAA partner involved in the delivery of the Birmingham RAA, we are well-placed to develop services in support of this RAA development.

3. Continued economic pressure and competition

Economic pressure continues and the key issues for the Charity are:

- increases in costs
- potentially less families feeling that they are financial stable enough to start the adoption process
- reduced budgets in Local Authorities impacting on their ability to purchase services – including adoption placements; and Schools Social Work services

Our monthly management accounts track performance and allow the Trustees to make appropriate decisions.

Our reserves are sufficient to allow us to manage the current economic pressures.

All services are carefully monitored in respect of costs and income generated.

4. Events that could impact on the reputation of the Charity – e.g., significant data breach, failure to comply with regulatory requirements i.e., operational, fundraising or health & safety incident

The Charity actively manages its risk register responding to changing circumstances to ensure that any new or enhanced risks are mitigated. Training is undertaken to ensure that risks are understood and minimised.

The Charity's adoption and FFA services were inspected by Ofsted in October 2021 and judged to be outstanding.

5. Impact of Change in Government Policy

Changes in policies and activities relating to adoption service provision are kept under constant review to mitigate against impact of change.

The Charity engages fully in Government Consultations regarding policy direction.

The Trustees are kept fully informed of changes arising, developing the Charity's strategic plan as indicated.

6. Pension Liability

Historically the Charity offered a defined benefits pension scheme. This was closed to new entrants in 2012. Following staff consultation undertaken in the year ending 31 March 2017, the decision to close the pension scheme was agreed and it closed on the 31 July 2017. The pension liabilities are within reasonable parameters. The Pension Trustees are actively seeking ways to reduce the liabilities.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

The Trustees develop an annual plan for the Charity and the key aims for 2022-23 are to:

- Actively promote the work of the Charity through its marketing and fundraising activities to encourage more people to consider adopting and/or providing FFA placements for the children who need them; to promote our services to Local Authority commissioners; and in support of the Charity's fundraising activity.
- Work to recruit, assess and approve a wide range of adoptive families and FFA carers for children in need, equipping them with the skills and knowledge required to achieve successful FFA placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year engaging fully in the national campaign to encourage more people to consider adopting, and promoting FFA placements.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Maximise the opportunities presented in the Birmingham RAA work to:
 - Increase placements (adoption and FFA) made with Birmingham RAA;
 - Reduce waiting times for children in Birmingham with an adoption plan;
 - Develop and enhance adoption support provision
- Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.
- Review and plan for future Schools Social Work Service delivery through the development of a properly costed model.
- Develop our fundraising activity in order to diversify income.

Fundraising Statement

The Charity is registered with the Fundraising Regulator and undertakes all of its fundraising in accordance with the Code of Fundraising Practice.

We have undertaken the following fundraising campaigns in 2021-22:

- A cake sale and raffle at an adopter social event;
- Community fundraising through Churches located in the East Midlands (previously undertaken by Faith in Families).

All donations which have been received have been made on a voluntary basis. However, we have publicised that we are a charity and that we accept donations. This has been promoted through our social media feeds and our website. Regular donors to Faith in Families were written to, inviting them to transfer their regular giving to Family Society.

Our fundraising policies are signed off annually by the trustees. We have not engaged with any third parties to undertake fundraising on our behalf. A small number of donations have been received from supporters taking part in third party events and raising sponsorship.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

We use a fundraising database which helps us identify vulnerable supporters and ensure that we work appropriately with all groups.

We have not received any complaints in 2021-22 in respect of our fundraising practices.

As a children's charity we are aware that our supporters are emotionally involved with our work and that asking for money for children in need is generally emotive. We ensure that our staff are trained in understanding that vulnerable people will be among our donors, and we ensure that we do not expressly target elderly people or other vulnerable groups for donations. We ensure that we engage with our supporters to identify their interests.

Structure, governance and management

Family Society (the Charity) was established in 2009 as a company limited by guarantee, incorporated on 3 April 2009 and registered as a charity on 9 April 2009.

The Charity is governed by its Articles of Association and is registered as a company in England and Wales under company number 06869556. It is also registered with the Charity Commission for England and Wales under charity number 1129095. Adoption Focus is the name of Family Society's adoption agency, which is registered with Ofsted under number SC394569. Triangle Project is the name of Family Society's fostering service, which is registered with Ofsted under number 1258436.

The Charity operates in England and Wales and the Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

The Trustees work with the Chief Executive to agree and monitor the strategic direction of the Charity, and delegate responsibility for its day-to-day operation to the Senior Management Team, comprising the Chief Executive; the Director of Operations; the Director of Business Development; the Director of Resources and the Director of Finance, details shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Benjamin James

Mary Jones

Janet Forster

Anthony Lawton

Lesley Malley

(Resigned 11 January 2022)

Graham Harwood

Mark Tobin

(Appointed 13 June 2022)

Tracey Hartshorn

(Appointed 4 February 2022 and resigned 28 September 2022)

John Bale

(Appointed 4 February 2022)

Sanjeev Kumar

(Appointed 4 February 2022)

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Appointment of Trustees

The Charity looks for Trustees who are committed to children and the adoption and FFA process and have professional, ministerial and/or practical experience which will contribute to the effective management and operation of the Charity.

The Charity would normally seek Trustees by advertising through social media and seeking nominations from the community and people connected to social work and adoption.

In accordance with the Charity's constitution, new Trustees are appointed by the majority of Trustees attending the meeting at which an appointment proposed is affirmed. All Trustees are encouraged to attend courses on Charity Law and management.

The Board of Family Society increased by 3 with the appointment of Trustees who were formerly on the Faith in Families Board.

The Board of Trustees, which aims to meet six times per year, administers the Charity. Additional meetings may be convened as indicated.

During the year 2021/22 monthly management accounts were prepared by the accountants acting for the Charity for review by the executive and Chairperson. The Trustees as a whole review the management accounts on a bi-monthly or quarterly basis. Regular cash flow statements are also available for Trustee scrutiny.

A Finance Sub-Committee has recently been established following the merger. The financial function of the Charity has been brought in-house with the arrival of the Finance Director from Faith in Families and further scrutiny and reporting to the Board has been instigated.

Generally, the Charity seeks to maintain Trustees with the following collective experience:

- An adoptive parent
- An accountant
- In the management of a charity
- A solicitor
- A social worker with experience of working with children and adoption
- In business

Some of the current Trustees have experience in more than one of the specified areas.

Trustee induction and training

New Trustees are taken through an induction process by the Chief Executive concerning the operational activities of the Charity and the principles on which the Charity's accounts are based.

The Trustees receive training from the Charity's lawyers and are encouraged to attend training courses and charity related events. The Trustees also receive briefings on legal, accounting and charity issues from a number of sources, including the Charity Commission website.

Remuneration policy for key management personnel

Salaries are benchmarked against similar roles within the public sector, and charitable sector. Independent analysis of pay scales and terms and conditions of employment is sought as required.

The Charity ensures that all employees are paid at a level greater than the national living wage.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Policy for employment of disabled persons

The Charity is an equal opportunity employer. It is committed to ensuring within the framework of the law that our workplace is free from unlawful or unfair discrimination because of Protected Characteristics as defined by the Equality Act 2010.

The Charity aims to ensure that our employees achieve their full potential and that all employment decisions are taken without reference to irrelevant or discriminatory criteria.

The Charity is committed to ensuring that all our employees and applicants for employment are protected from unlawful discrimination in employment.

Employee information

The Charity communicates with all staff members on a regular basis. The staff are kept informed of operational and financial targets; progress made in respect of strategic objectives; and the impact of external factors on Charity performance (e.g., Government Policy).

Related parties and relationships with other organisations

The Charity is a member of a number of adoption organisations including: the Consortium of Voluntary Adoption Agencies (CVAA); CoramBAAF; the Midlands Family Placement Group (MFPG); Permanence West Midlands; West Midlands Adoption & Special Guardianship Leadership Board.; and the Midlands Together Collaboration.

The CEO is a CVAA Board Member. The CEO and Chairperson are Directors of FSAF Trading Limited set up to manage the different legal requirements of the Birmingham RAA partnership as we are providing consultation.

The Charity is also a Member of the Birmingham Chamber of Commerce.

The Charity has a Service Level Agreement with Father Hudson's Society (registered charity) to provide adoption support services.

The Charity commissioned Father Hudson's Society to provide finance support. This function has now moved in-house.

The Charity uses McCarthy Denning as its solicitor and the Chairperson of the Charity is both a solicitor consultant to McCarthy Denning and an employee in the compliance department. The Charity assesses the relationship on a regular basis to ensure value for money is received from McCarthy Denning.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Statement of trustees' responsibilities

The Trustees, who are also the directors of Family Society for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members Guarantee

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees on 31 March 2022 was 9. The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditor

Having previously extended the tenure of the previous auditors, the trustees decided to go to tender for the 2022 Audit. The existing auditors decided not to retender. Three firms tendered and all were appointable.

The Trustees have instructed Humphrey & Co to undertake the audit.

FAMILY SOCIETY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Disclosure of information to auditor

In so far as the Trustees are aware:

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

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Benjamin James

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Benjamin James

Chairperson

21 December 2022

Date:

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY SOCIETY

Opinion

We have audited the financial statements of Family Society (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We obtained an understanding of the Charity and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the Trustees and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the Charity's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, carrying out detailed substantive testing of a sample of income, wages and expenditure transactions arising in the year and a sample of balance sheet items such as intangible assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements as we will be less likely to become aware of instances of non-compliance. The risk is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

FAMILY SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY SOCIETY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been 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.

Humphrey & Co Audit Services Ltd

Humphrey & Co Audit Services Ltd

21 December 2022

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**Chartered Accountants
Statutory Auditor**

7-9 The Avenue
Eastbourne
East Sussex
BN21 3YA

Humphrey & Co Audit Services Ltd is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FAMILY SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and grants	3	11,613	240,209	251,822	188,086	15,000	203,086
Charitable activities	4	1,806,728	-	1,806,728	2,143,006	-	2,143,006
Investments	5	124	-	124	86	-	86
Material other income	6	294,670	17,664	312,334	-	-	-
Total income		2,113,135	257,873	2,371,008	2,331,178	15,000	2,346,178
Expenditure on:							
Raising funds	7	32,206	-	32,206	-	-	-
Charitable activities							
Adoption Services	8	1,855,214	205,112	2,060,326	1,764,436	5,051	1,769,487
Schools and community	8	18,554	-	18,554	-	-	-
Total charitable expenditure		1,873,768	205,112	2,078,880	1,764,436	5,051	1,769,487
Total expenditure		1,905,974	205,112	2,111,086	1,764,436	5,051	1,769,487
Net gains/(losses) on investments	13	36,462	-	36,462	2,302	-	2,302
Net incoming resources		243,623	52,761	296,384	569,044	9,949	578,993
Other recognised gains and losses							
Actuarial gain/(loss) on defined benefit pension schemes	21	19,000	-	19,000	(61,000)	-	(61,000)
Net movement in funds		262,623	52,761	315,384	508,044	9,949	517,993
Fund balances at 1 April 2021		1,239,590	9,949	1,249,539	731,546	-	731,546
Fund balances at 31 March 2022		1,502,213	62,710	1,564,923	1,239,590	9,949	1,249,539

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FAMILY SOCIETY

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Intangible assets	15	35,550		47,400	
Tangible assets	16	13,313		6,855	
Investments	17	316,616		50,767	
			365,479		105,022
Current assets					
Debtors	19	350,855		342,300	
Cash at bank and in hand		1,167,162		1,103,248	
			1,518,017		1,445,548
Creditors: amounts falling due within one year	20	(223,573)		(145,031)	
Net current assets			1,294,444		1,300,517
Total assets less current liabilities			1,659,923		1,405,539
Provisions for liabilities					
Defined benefit pension liability	21	95,000		156,000	
			(95,000)		(156,000)
Net assets			1,564,923		1,249,539
Income funds					
Restricted funds	22		62,710		9,949
<u>Unrestricted funds - general</u>					
Designated funds	23	33,697		-	
General unrestricted funds		1,563,516		1,395,590	
Pension reserve		(95,000)		(156,000)	
			1,502,213		1,239,590
			1,564,923		1,249,539

FAMILY SOCIETY

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

16 December 2022

The financial statements were approved by the Trustees on

Benjamin James

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Benjamin James

Trustee

Company registration number 06869556

FAMILY SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	28		63,791		627,295
Investing activities					
Purchase of intangible assets		-		(47,400)	
Purchase of subsidiaries		(1)		-	
Purchase of other investments		-		(40,000)	
Investment income received		124		86	
Net cash generated from/(used in) investing activities			123		(87,314)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			63,914		539,981
Cash and cash equivalents at beginning of year			1,103,248		563,267
Cash and cash equivalents at end of year			1,167,162		1,103,248

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Family Society is a private company limited by guarantee incorporated in England and Wales. The registered office is Sixth Floor, Minster House, 42 Mincing Lane, London, EC3R 7AE.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Articles, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives and which have not been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are funds which are used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a particular purpose. The cost of raising and administering such funds are charged against the specific fund. The aim and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants are recognised as fair value when the Charity has entitlement after any performance conditions have been met. It is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Investment income is earned through holding assets for investment purposes such as shares. Where it is not practical to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the Charity's right to receive payment is established.

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.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of resources.

The following basis is used:

- | | |
|-------------------------|-------|
| • Adoption Services | 97.6% |
| • Schools and community | 0.9% |
| • Fundraising | 1.5% |

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website costs	25% straight line basis
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FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	100% straight line basis
Computers	33% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. Investments in subsidiary investments are carried at cost.

1.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which it arises, unused holiday may be carried forward for three months into the following holiday year.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

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

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

The Trustees do not consider there are any significant judgements (other than those including estimates as disclosed) which require disclosure within the accounts.

Key sources of estimation uncertainty

Defined Pension Scheme

The charity operated a defined pension scheme under the provisions described in the Scheme's Trust Deed and Rules dated 30 July 1998 as subsequently amended.

An FRS Report for the year has been undertaken by a Fellow of the Institute and Faculty of Actuaries. This is based on the asset data provided by the charity. The actuarial cost method has been used as required by FRS102. The calculations are based on the values as at 31 March 2022. Subsequent major fluctuations in the markets and sharp rise in inflation will affect the valuation post year end.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and grants

	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £
Donations	11,613	-	11,613	7,837	-	7,837
Grants	-	240,209	240,209	132,048	15,000	147,048
Transferred from Triangle Project	-	-	-	48,201	-	48,201
	<u>11,613</u>	<u>240,209</u>	<u>251,822</u>	<u>188,086</u>	<u>15,000</u>	<u>203,086</u>

4 Charitable activities

	Adoption services 2022 £	Schools & community services 2022 £	Total 2022 £	Adoption services 2021 £
Local Authority	1,767,182	-	1,767,182	2,142,430
Other agencies and charities	-	39,546	39,546	576
	<u>1,767,182</u>	<u>39,546</u>	<u>1,806,728</u>	<u>2,143,006</u>

5 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	<u>124</u>	<u>86</u>

6 Material other income

On 1 January 2022, the charity absorbed Faith in Families into its operation. The net assets were introduced into the accounts as material other income split between unrestricted and restricted income.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Raising funds

	Unrestricted funds general 2022 £	Total 2021 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	180	-
Staff costs	31,636	-
Support costs	390	-
Fundraising and publicity	32,206	-
	<u>32,206</u>	<u>-</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	Adoption Schools and Services	community	Total 2022	Adoption Services
	2022 £	2022 £	£	2021 £
Staff costs	1,502,871	18,225	1,521,096	1,291,322
Depreciation and impairment	15,277	-	15,277	3,427
Contract staff	20,224	-	20,224	1,723
Adopter recruitment costs	26,174	-	26,174	15,429
Panel costs	44,514	-	44,514	30,319
Property costs	116,653	-	116,653	120,177
Travel costs	55,299	-	55,299	75,458
Professional fees	61,416	-	61,416	14,781
Office costs	28,141	-	28,141	24,497
Other costs	29,981	-	29,981	55,769
Computer costs	94,869	-	94,869	38,404
Fostering to adopt fees	25,204	-	25,204	14,273
	<u>2,020,623</u>	<u>18,225</u>	<u>2,038,848</u>	<u>1,685,579</u>
Share of support costs (see note 9)	24,920	225	25,145	24,000
Share of governance costs (see note 9)	14,783	104	14,887	59,908
	<u>2,060,326</u>	<u>18,554</u>	<u>2,078,880</u>	<u>1,769,487</u>
Analysis by fund				
Unrestricted funds - general	1,855,214	18,554	1,873,768	1,764,436
Restricted funds	205,112	-	205,112	5,051
	<u>2,060,326</u>	<u>18,554</u>	<u>2,078,880</u>	<u>1,769,487</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Other costs	25,535	-	25,535	24,000	-	24,000
Audit fees	-	9,504	9,504	-	9,540	9,540
Legal and professional	-	5,563	5,563	-	50,368	50,368
	<u>25,535</u>	<u>15,067</u>	<u>40,602</u>	<u>24,000</u>	<u>59,908</u>	<u>83,908</u>
Analysed between						
Fundraising	390	180	570	-	-	-
Charitable activities	<u>25,145</u>	<u>14,887</u>	<u>40,032</u>	<u>24,000</u>	<u>59,908</u>	<u>83,908</u>
	<u>25,535</u>	<u>15,067</u>	<u>40,602</u>	<u>24,000</u>	<u>59,908</u>	<u>83,908</u>

Governance costs includes payments to the auditors of £9,504 (2021- £9,540) for audit fees.

10 Auditor's remuneration

Fees payable to the Charity's auditor and associates:	2022 £	2021 £
Audit of the Charity's annual accounts	<u>12,000</u>	<u>9,540</u>

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year.

No trustee received payment from the Charity for professional or other services supplied to the Charity other than Mr Benjamin James as stated in note 26 (2021: £nil).

Trustees expenses represent the payment or reimbursement of travelling expenses and subsistence costs totalling £nil (2021: £nil) incurred by 0 (2021: 0) members relating to attendance at meeting of the trustees.

12 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Adoption Services	32	19
Management and Administration	12	15
Fundraising and Marketing	5	-
School Service	5	-
Total	<u>54</u>	<u>34</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	1,299,770	1,102,753
Social security costs	136,961	113,966
Other pension costs	96,052	74,603
	<u>1,532,783</u>	<u>1,291,322</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £299,192 (2021: £287,051). The key management team were 4 FTE staff (2021: 4).

13 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Revaluation of investments	<u>36,462</u>	<u>2,302</u>

14 Taxation

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Intangible fixed assets

	Website costs £
Cost	
At 1 April 2021 and 31 March 2022	47,400
Amortisation and impairment	
At 1 April 2021	-
Amortisation charged for the year	11,850
At 31 March 2022	11,850
Carrying amount	
At 31 March 2022	35,550
At 31 March 2021	47,400

16 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2021	-	46,266	46,266
Additions	773	9,112	9,885
At 31 March 2022	773	55,378	56,151
Depreciation and impairment			
At 1 April 2021	-	39,411	39,411
Depreciation charged in the year	-	3,427	3,427
At 31 March 2022	-	42,838	42,838
Carrying amount			
At 31 March 2022	773	12,540	13,313
At 31 March 2021	-	6,855	6,855

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Fixed asset investments

	Listed investments	CCLA Charities Ethical Investment Fund	Cash in portfolio	Other investments	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2021	-	50,767	-	-	50,767
Additions	225,882	-	3,504	1	229,387
Valuation changes	30,584	5,878	-	-	36,462
At 31 March 2022	256,466	56,645	3,504	1	316,616
Carrying amount					
At 31 March 2022	256,466	56,645	3,504	1	316,616
At 31 March 2021	-	50,767	-	-	50,767

The listed investments portfolio is managed by Brewin Dolphin.

The investment in CCLA Charities Ethical Investment Fund comprises of 11,958.13 accumulation units.

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	27	1	-
		2022 £	2021 £
Investments at fair value comprise:			
Listed investments		256,466	-
Other investments		56,644	-
		313,110	-

Fixed asset investments revalued

Revalued investments are calculated by readily available market valuations provided. The historical cost of the listed investments equals the donated value provided of £225,882 (2021-£nil). The historical cost of other investments totalled £50,000 (2021- £50,000).

18 Financial instruments	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	313,111	50,767

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	320,083	297,406
Other debtors	20,000	20,000
Prepayments and accrued income	10,772	24,894
	<u>350,855</u>	<u>342,300</u>

20 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	46,184	32,943
Trade creditors	125,941	80,404
Other creditors	4,888	12,018
Accruals and deferred income	46,560	19,666
	<u>223,573</u>	<u>145,031</u>

21 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £78,592 (2021 - £66,458).

Defined benefit schemes

The Charity operates a defined benefit scheme in the UK which closed to future accruals on 31 July 2017. The assets are held separately from those of the Charity. Being invested in managed funds with insurance companies. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The last triennial actuarial valuation was as at 1 August 2020 by a qualified Actuary which indicated the Scheme had a shortfall. To eliminate the shortfall the Society agreed to pay contributions as follows: £40,000 by 30 November 2021, £40,000 by 1 March 2023, £40,000 by 1 March 2024, and £37,000 by 1 March 2025. The next full valuation is due as at 1 August 2023.

The employer pays all costs of running the Scheme.

The employer's contribution for the period was £62,460 including deficit payments of £45,000 (2021: £20,145 including deficit repayments of £12,000). Based on the existing schedule of contributions the Society is expected to contribute £40,000 to the Scheme over the year to 31 March 2023, in addition to the Society reimbursing the Scheme for any expenses incurred over this period.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 Retirement benefit schemes

(Continued)

Key assumptions

	2022 %	2021 %
Discount rate	2.75	2
Expected rate of increase of pensions in payment	3.8	3.4
Expected rate of salary increases	0	0
Expected return on plan assets at the year end	3.0	3.0

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2022 Years	2021 Years
Retiring today		
- Males	21.9	21.9
- Females	24.3	24.2
Retiring in 20 years		
- Males	23	22.9
- Females	25.4	25.4

Amounts recognised in the profit and loss account:

	2022 £	2021 £
Net interest on defined benefit liability/(asset)	11,000	10,000
Other costs and income	5,000	6,000
Total costs	16,000	16,000

Amounts taken to other comprehensive income:

	2022 £	2021 £
Other gains and losses	(19,000)	61,000

The amounts included in the balance sheet arising from the Charity's obligations in respect of defined benefit plans are as follows:

	2022 £	2021 £
Present value of defined benefit obligations	538,000	533,000
Fair value of plan assets	(443,000)	(377,000)
Deficit in scheme	95,000	156,000

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21 Retirement benefit schemes

(Continued)

Movements in the present value of defined benefit obligations:

	2022 £
Liabilities at 1 April 2021	533,000
Benefits paid	(1,000)
Interest cost	11,000
Other	(5,000)
At 31 March 2022	538,000

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2022 £
Fair value of assets at 1 April 2021	377,000
Benefits paid	(1,000)
Contributions by the employer	50,000
Other	17,000
At 31 March 2022	443,000

Actual return on plan assets was £22,000 (2021 - £59,000).

The fair value of plan assets at the reporting period end was as follows:

	2022 £	2021 £
Equity instruments	227,000	213,000
Property	10,000	8,000
Bonds	136,000	130,000
Cash	70,000	26,000
	443,000	377,000

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources £	Resources expended £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
National Lottery Community Grant	10,000	(5,051)	4,949	-	-	4,949
Edward Cadbury Charitable Trust	5,000	-	5,000	-	-	5,000
Dfe Grant	-	-	-	176,064	(176,064)	-
Comic Relief Tech Fund	-	-	-	62,145	(28,943)	33,202
Teen Group	-	-	-	2,000	(105)	1,895
Intermediary Services Trust	-	-	-	3,822	-	3,822
School Social Work Grant	-	-	-	9,314	-	9,314
Life Story Support	-	-	-	503	-	503
Hardship Fund	-	-	-	4,025	-	4,025
	<u>15,000</u>	<u>(5,051)</u>	<u>9,949</u>	<u>257,873</u>	<u>(205,112)</u>	<u>62,710</u>

National Lottery Community Fund

This fund is to provide additional support to adoptive families during the pandemic.

Edward Cadbury Charitable Trust Fund

This fund is to develop and expand post adoption support to adoptive families.

Department for Education Grant Fund

This assisted with cashflow during a period of delays arising with placements because of lock-down, and extended periods of pre-order placement support and supervision because of court delay impacting on the granting of Adoption Orders.

Comic Relief Tech Fund

The Fund was set up to use technology (Adopter Verse – safe, secure online space within the website) to bring outstanding support to an increasing number of adopters and potential adopters, located across a wide geographic area. The Fund aims to significantly increase the choice of adoptive homes for some of the country's most vulnerable children, enabling them to find the best match possible for their unique needs and circumstances.

Teen Group Fund (Love Brum)

The grant was made to support adopted children who have experienced loss and trauma. The Teen Group aims to be a mutually supportive group for young people in the Birmingham area, which will enhance family relationships by enabling young people to develop their personal and social skills.

Intermediary Services Fund

These are accumulated funds received from service users for providing that service and amounts received cover direct costs.

School Social Work Fund

This is a fund for training of staff service and expansion of service into catholic schools.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

22 Restricted funds

(Continued)

Life Story Fund

This is the remaining balance of a one-off grant received by Faith in Families in 2015/16.

Hardship Fund

This fund is for the support of families and children who, in the Trustees' opinion, need extra financial support.

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds	
	Incoming resources	Balance at 1 April 2021	Incoming resources	Balance at 31 March 2022
	£	£	£	£
Timerick Development Fund	-	-	19,524	19,524
BM Memorial Fund	-	-	4,173	4,173
SJP Grant (Covid 19)	-	-	10,000	10,000
	<u>-</u>	<u>-</u>	<u>33,697</u>	<u>33,697</u>
	<u>-</u>	<u>-</u>	<u>33,697</u>	<u>33,697</u>

Timerick Development Fund

This fund is to support the development of the agency into community work based in catholic schools for early intervention and community support to vulnerable children and families. The charity anticipates that the fund will be expended over the next 3 to 5 years as the service develops and they work in new schools, to continue to meet the needs of the students that are supported by the service.

Beverley Morris (BM) Fund

This fund is to support ongoing training for social work staff in their direct work with vulnerable children. The charity anticipates that the fund will be expended over the next 1 to 3 years.

SJP Grant

In 2020/21 the Sisters of Joseph of Peace made a grant in recognition of the difficulties the charity would face throughout the pandemic. The Trustees are looking to allocate this expenditure in the next 1 to 2 years.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Intangible fixed assets	35,550	-	35,550	47,400	-	47,400
Tangible assets	13,313	-	13,313	6,855	-	6,855
Investments	316,616	-	316,616	50,767	-	50,767
Current assets/(liabilities)	1,231,734	62,710	1,294,444	1,290,568	9,949	1,300,517
Provisions and pensions	(95,000)	-	(95,000)	-	-	(156,000)
	<u>1,502,213</u>	<u>62,710</u>	<u>1,564,923</u>	<u>1,395,590</u>	<u>9,949</u>	<u>1,249,539</u>

25 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	124,976	143,749
Between two and five years	9,635	25,554
	<u>134,611</u>	<u>169,303</u>

The operating leases represent property and equipment leases to third parties. The leases are negotiated over terms of 1 - 5 years and rentals are fixed for 1 - 5 years. The property leases include a provision for five-yearly upward rent reviews according to prevailing market conditions.

26 Related party transactions

Transactions with related parties

During the year the charity engaged McCarthy Denning to provide certain legal and company secretarial services. The chair of trustees - Mr Benjamin James is a solicitor consultant to the firm. The transactions arising during the year were on normal arm's length terms for £74,683 (2021: £50,368).

During the year the charity paid £8,923 to Criminalangel Consulting Ltd for work undertaken. The sole director of the company is the wife of a trustee.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

27 Subsidiaries

These financial statements are separate Charity financial statements for 31 March 2022.

Details of the Charity's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
FSAF Trading Ltd	6th Floor Minster Dormant House, 42 Mincing Lane, London, England, EC3R 7AE		Ordinary Shares	100.00	
Triangle Project	6th Floor Minster Charity House, 42 Mincing Lane, London, England, EC3R 7AE		Company limited by guarantee		100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
FSAF Trading Ltd	-	1
Triangle Project	(700)	2,035

Investments in subsidiaries are stated at cost within the charity accounts in line with the accounting policies. During the year to 31 March 2022 the charity acquired a 100% holding in FSAF Trading Ltd. The company was dormant during the period and as such consolidated accounts have not been undertaken for the year.

Family Society is the sole member of Triangle Project, a charity and company limited by guarantee. Triangle Project ceased operations on 30 September 2020 and transferred all free reserves to Family Society during the year ended 31 March 2021. The charity is in the process of finalising administration to be able to close. As the charity was not operational during the year to 31 March 2022 and reserves are minimal consolidated accounts have not been undertaken in the current or preceding year.

In aggregate, it is considered that the two subsidiaries are not material to the true and fair view of the 31 March 2022 accounts for Family Society and have therefore been excluded from consolidation.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

28	Cash generated from operations	2022 £	2021 £
	Surplus for the year	296,384	578,993
	Adjustments for:		
	Investment income recognised in statement of financial activities	(124)	(86)
	Fair value gains and losses on investments	(36,462)	(2,302)
	Depreciation and impairment of tangible fixed assets	15,277	3,427
	Non-cash transactions on donated operations	(239,271)	-
	Difference between pension charge and cash contributions	(42,000)	(9,000)
	Movements in working capital:		
	(Increase) in debtors	(8,555)	(17,104)
	Increase in creditors	78,542	73,367
	Cash generated from operations	63,791	627,295
29	Analysis of changes in net funds		
	The Charity had no debt during the year.		

Accounts



FAMILY SOCIETY

ANNUAL REPORT & ACCOUNTS

31 MARCH 2021

www.adoption-focus.org.uk

Company No: 6869556

Registered Charity No: 1129095

OFSTED No: SC394569 (Adoption Focus)

OFSTED No: 1258436 (Triangle Project)

FAMILY SOCIETY

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Company number	06869556	
Charity number	1129095	
Registered office address	Kemp House 152 City Road London EC1V 2NX	
Operational address	TS3 Pinewood Business Park Coleshill Road Marston Green Birmingham B37 7HG	
Operating name	Adoption Focus Triangle Project	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Benjamin James	Chairperson and Responsible Individual
	Mary Jones	Vice Chairperson
	Janet Forster	
	Anthony Lawton	
	David Lewis	(deceased – February 2021)
	Lesley Malley	(resigned – 11 January 2022)
	Graham Harwood	(appointed 1 October 2020)
Ofsted Rating	Outstanding Good	Adoption Focus Triangle Project
Key management personnel	Anna Sharkey Howard Parker Jo Lee Beverly Brown	Chief Executive & Designated Manager (Adoption) Director of Operations & Designated Manager (Fostering) Director of Business Development Director of Resources
Bankers	Lloyds Bank plc 3 Maple Walk, Chelmsley Wood, Birmingham, B37 5TS	
Solicitors	McCarthy Denning, Minster House, 42 Mincing Lane, London, EC3R 7AE	
Auditors	Cooper Parry Group Limited Park View, One Central Boulevard Blythe Valley Business Park, Solihull, B90 8BG	

FAMILY SOCIETY
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with current statutory requirements, the Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Until 26 September 2020, Triangle Project operated as a separate charity, when the undertaking operated by Family Society was merged into Family Society. Family Society operates its adoption activities under the name Adoption Focus and elected to continue to offer the specialist fostering for adoption (**FFA**) services it now provides under the name Triangle Project.

Objectives and activities

Purposes and aims

The objects of the Charity are set out in the Articles and are:

- The relief of financial hardship and suffering by the provision of such grants, goods, service or facilities as the Charity shall from time to time determine;
- The relief of sickness and preservation of health;
- The support, relief and care and, the promotion thereof, of:
 - Children and young people without families to care for them, including, but not limited to, adoption and fostering services;
 - Individuals and couples seeking to adopt and/or foster children and young people; families comprising adopted and foster children;
 - Children and young people; those in need by reason of age, ill-health, disability or other disadvantage;
 - The carers of those individuals and groups;
 - Individuals, families, communities and groups who are in need;
 - Those in need by reason of financial hardship;
 - To provide or assist in the provision of facilities in the interest of social welfare for recreational or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, ill-health, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life;
- Any activity which is charitable under the laws of England, save that if any activity is undertaken in Scotland or Northern Ireland, such activity shall also be charitable under the laws of the jurisdiction in which such activity is undertaken.

The principle aim of the Charity is to support children assessed as in need of adoption through the recruitment, preparation and assessment of adoptive families, matching children in need to the approved families, and the

FAMILY SOCIETY
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

continued long-term support of the children and families following the adoption process. Children are either placed with families approved as suitable to adopt by Adoption Focus, or with dual-approved – by Adoption Focus and Triangle Project - families who can provide FFA placements.

Triangle Project dual-approved carers enable children to achieve stability and security as soon as possible through the provision of placements which either become permanent adoption placements or support the child's safe return to birth family (pending court process).

Activities

The Charity's principal activity is that of a Voluntary Adoption Agency (**VAA**), registered with OFSTED (SC394569), under the operating name of Adoption Focus. Adoption Focus became operational on the 1 June 2009 and has been assessed as an 'Outstanding' adoption agency by Ofsted since becoming operational. This was confirmed by the most recent Ofsted Inspection undertaken in February 2018.

The Charity also provides Fostering for Adoption placements through its Independent Fostering Agency (**IFA**) registered with OFSTED (1258436) under the operating name of Triangle Project. Triangle Project was assessed as 'Good' by Ofsted following its first Inspection in November 2018 – Good is the highest a new agency can achieve.

Our vision is to secure a loving and supportive family life for every child by training supporting and empowering families to provide safe, secure homes for children in need.

Since becoming operational in 2009, the Charity has placed 505 children with 353 families.

9 of these families achieved their placements through FFA placements. To date, every child placed through FFA has remained in the care of the dual-approved carers. While an excellent result for the children and our families, we would generally expect some children placed under FFA arrangements to return to their birth families.

For those children who cannot safely remain in the care of their birth families, adoption offers the best long-term opportunity for them to flourish and grow. The Charity supports their adopters into adoptive parenting, and continues to provide support, guidance and advice for as long as the family needs it. For those who provide FFA placements, the Charity provides continuing care through the legal process and either into adoptive parenting or the child's return to birth family.

In the year 2020-21, the Charity effectively and efficiently managed the multiple challenges arising from the COVID-19 Pandemic. The offices closed on the 23 March 2020 and all staff moved to home working, but with in-person risk-assessed contact with adopters and FFA carers as required. This enabled the continuing provision of the full range of adoption and FFA services.

The Charity has also:

- Contributed to Regional Adoption Agency (**RAA**) developments in the West Midlands Region
- Worked with our Adopter Committee, Teen & Tween Groups, Children's Voice Group, and Dad's Group to further develop services
 - Taken on sole responsibility for the continuing provision of the Triangle Project (previously delivered with another VAA) with effect from the 1 April 2020.

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The staff group continued to access support, supervision and training throughout the year to ensure the professional delivery of adoption and FFA services for the benefit of our key beneficiaries – the children placed with adopters and FFA carers.

Post Balance Sheet Event

On 1 January 2022 the Charity merged with Faith in Families, a charity undertaking similar work with similar objectives, in the East Midlands. Under the terms of the merger, the undertaking operated by Faith in Families transferred to the Charity. This included the majority of the employees, all operating contracts, the prospective adopters and a limited amount of the assets and liabilities. The remaining assets were used to meet the pension liabilities of Faith in Families.

Following the merger, Faith in Families was placed into voluntary administration by the trustees and is in the process of being wound up. The pension liabilities of Faith in Families were not transferred to the Charity and were settled by Faith in Families. The Charity limited its liability in respect of the merger to the net asset value of the assets transferring to the Charity.

Area of Operations

The Charity operates adoption and FFA services throughout the West Midlands, Oxfordshire, Staffordshire and neighbouring counties. It trains, assesses and supports adoptive families and FFA carers in this area to provide placements for children referred to the Charity, by Local Authorities throughout England, Wales and Scotland. As a result of the merger the area of operations of the Charity will increase to cover the East Midlands.

Management

Family Society is staffed by qualified and registered (with Social Work England) Social Workers, Social Work Assistants and Adoption Managers. It employs staff to support its Business Development and administrative processes; and also, commissions external specialists to provide financial systems support; HR support; and database and IT function.

The Charity is managed by the Chief Executive Officer with support from the Senior Management Team and the Board of Trustees.

Core Activities

The provision of adoption and FFA services to:

- people seeking approval as adopters;
- people seeking dual approval as adopters and FFA carers;
- Local Authorities (**LAs**) seeking adoption and FFA placements for children in need;
- children in need; and
- adopters with children already placed.

Eligibility to seek an assessment as an adopter is restricted by regulatory requirements and each person approaching us is assessed against the specified criteria. The Charity does not make any charge to adopters utilising the service at any stage in the process. The Charity does not recoup any money for work undertaken with prospective adopters which does not result in a placement.

FAMILY SOCIETY
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Similarly, those considering FFA placements may do so in the knowledge that they can (following additional training provision) decide that they do not wish to provide such placements, with no financial penalty. Making the right decisions for the children who ultimately need the placements is the key consideration.

The majority of children referred for adoptive placements have experienced early life trauma and originate from families where a range of factors have impacted on their development and life chances. The Charity specialises in providing placements for 'harder to place' children:

- children over the age of 4 years;
- sibling groups;
- children with disabilities;
- black minority ethnic children.

The Charity also finds placements for younger children, who despite their young age, have difficult histories, including parental substance misuse (drugs and alcohol), parental physical or mental ill-health, and experience of domestic violence and neglect.

Placements made through FFA predominantly comprise infants who are placed from hospital - often following care for substance withdrawal. FFA carers are though prepared and are available to provide placements for older children and siblings groups. Whilst the carers manage the uncertainty of placement outcome (i.e., it is possible that a child may return to birth family) the child benefits from the security and stability of a placement which provides the care they need and avoids further change and disruption.

Local Authorities (who have statutory responsibility for all children assessed to be 'in need') pay an inter-agency fee to the Charity for any adoptive placements made. The fee aims to reflect the cost of recruiting, preparing and assessing adopters; and supporting them into their adoptive parenting.

Local Authorities pay the Charity a fostering fee for placements made under FFA arrangements. This continues for as long as the placement is made under Fostering Regulations. The fee covers payments made by the Charity to the dual-approved carers to care for the child and includes a Management fee to the Charity to cover its costs (supervision of the placement; training; registration; insurance etc).

Knowing that the children placed will have experienced trauma, the Charity aims to support adopters and their children throughout the adoption process and continuing into the years ahead. Therefore, it also provides adoption support services in its role as an Adoption Support Agency. This service is provided to:

- adopters who have achieved adoption placements with Adoption Focus;
- adopters who had children placed with them by Father Hudson's Society if those children are still under the age of 18 years via a Service Level Agreement;
- adopters approved by other agencies where their assessed need for adoption support services can be met by the Charity;
- kinship carers referred by Local Authorities for support with the care of the children placed with them under Special Guardianship Orders; and
- adopted children seeking support and guidance

FAMILY SOCIETY
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021

In some cases the Charity is funded via an application made by the child's Local Authority to the Adoption Support Fund, to provide case specific adoption support services, and subject to the fund's eligibility criteria. This relates to both adopters and Kinship Carers.

The continuing development of adoption support services is assisted by input from our Adopter Committee, comprising a group of experienced adopters; and by input from adopted children and young people. The views of all adopters connected to the Agency are regularly sought. This input helps to inform the development of suitable and effective support services.

The children who achieve stability and permanence either through the Fostering for Adoption route back to birth family or maintained in their adoptive home, or directly through placement in their adoptive homes are the ultimate beneficiaries of the service.

The Charity's adoption service was last inspected by Ofsted in February 2018 and was rated 'outstanding'; its fostering service was inspected by Ofsted in November 2018 and was rated 'good'. As the fostering service was new at the time and previously uninspected, a Good rating was the highest that could be achieved.

Employees

The Trustees are mindful of the dedication, commitment and professionalism of the whole staff group, which works together to achieve significant and positive change for the FFA and adoptive families with whom they work.

During this past year their capacity and ability to effectively adapt service delivery to enable continuity of care at every stage of the FFA and adoption process is particularly notable. They responded quickly and effectively to the national lockdown, ensuring a swift transfer to remote working practices whilst also undertaking risk assessed face-to-face meetings with families as required.

Their commitment to ensuring the best possible outcomes for children placed through FFA and adoption is clearly evidenced by the number of placements achieved, and the range of support services provided.

The Business Development and Admin Teams have worked to underpin the Charity's operational, recruitment and communication functions. Their work has included the commissioning and launch of a new website designed to better engage with these target audiences: as well as encouraging potential funders to support the work of the Charity.

The full complement of staff was required throughout the year to ensure service delivery, and this meant that no staff members were furloughed. Flexible working arrangements have enabled staff members to effectively provide the service in full.

Staff have been encouraged to access training opportunities throughout the year. Training providers have delivered content virtually, and this has been extensively utilised to ensure continuing professional development and enhanced service delivery. Trustees agree a budget to support staff training costs aimed to deliver ever improving services.

Volunteers

Much of the work of the Charity is undertaken by paid professionals. This is in accordance with the regulatory requirements relating to the core activity of the Charity which is the operation of an Adoption Agency and Independent Fostering Agency registered to provide FFA placements only.

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The Charity is, however, very fortunate in the benefit it receives from Volunteers who significantly support its work.

The Charity would like to thank:

- Those individuals who volunteer to sit on our Permanence Panel. Panel Members perform an important Quality Assurance role regarding the preparation and assessment work undertaken by the social workers. During this year, Panel Members adapted quickly and assuredly to remote Panel Meetings; to the convening of Panel as a Permanence Panel (to consider both adoption and dual-approval applications); and to a revised assessment template. Their huge commitment, acceptance of change and flexible response is impressive and highly commendable.
- Those adoptive parents who meet as our Adopter Committee. As recipients of services provided, their input is vital in ensuring the relevance of and demand for services provided. During this year, the Committee has met remotely and is an important connection between the Charity and its beneficiaries. They support the Charity in its development, identifying priorities for growth based on need in the adoption community, and assisting in the delivery of support groups, and social events.
- Those adoptive parents, and members of their families who support our recruitment and training activities. This is through direct (but currently remote) input into training events for prospective and approved adopters, and through active participation in social media campaigns, including blogs which aim to encourage people to consider adoption.
- Those adoptive parents who have volunteered to be Buddies to newly placed adopters. Their commitment to the requisite training and willingness to support new adoptive families enhances the work of the staff group. Connections made by Buddies during this year have been particularly important for newly placed adopters who could not access their anticipated support network because of the Pandemic.
- Other volunteers who have contributed their expertise and assistance to a range of activities, including film content for the website, and participation in fund raising activities.

The Chairperson and the CEO would like to thank the Trustees for the considerable time commitment they made this year to the Charity. The Trustees have responded quickly to requests for additional staff to support the different functions within the organisation and maintained regular contact with the whole staff group. They have met with the Senior Management Team more regularly than the scheduled 2-monthly meetings, and contributed their vast experience and expertise to the continuing success of the Charity during this challenging, but ultimately very successful year. Their expertise includes law, finance, safeguarding, fundraising and experience of running services and companies in the public, charitable and private sectors.

During the year, David Lewis, one of our trustees died suddenly after a short illness. David's extensive career meant that he was very well placed to assist our work with local government and our strategic decision making. He made an enormous contribution to the Charity and we will miss his involvement.

Strategic report

The Charity's key objective is to achieve positive family life for children in need through the provision of well supported and prepared adoptive parents, some of whom also elect to provide FFA placements.

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This work supports Local Authorities in their statutory duty to provide a range of services for children assessed to be 'in need' – including adoption - particularly those considered 'harder to place'. By meeting the demand (achieved through targeted recruitment activities; and through the provision of a robust and effective adoption support programme), the Charity is achieving family life for children in greatest need, and effectively managing its resources through the provision of placements in greatest demand.

Our strategic plan is based on an informed understanding of anticipated demand for services provided and includes input from our Adopter Committee (comprising a membership of 8 experienced adopters).

Regular meetings with Local Authority colleagues further inform our knowledge of their priority needs and directs our service development.

Our strategic plan is constantly reviewed and scrutinised, and a Risk Register is updated and managed as part of the review process.

Achievements and performance

The Charity's main activities and who it tries to help are described below. All its charitable activities relate to the provision of adoption and FFA services for children in need and are undertaken to further the Charity's charitable purposes for the public benefit.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2).'

The key objectives for the Charity in 2020-21 were to:

- **Actively promote the work of the Charity through its adopter recruitment, marketing and fundraising activities to encourage more people to consider adopting the children who wait; to promote our services to Local Authority commissioners; and in support of the Charity's fundraising activity.**
 - During the year 2020-21 the Charity achieved a 44% increase in the number of potential adopters contacting the agency and attending Information Events to access the information which will help them to make an informed decision about adopting.
 - The Charity placed children referred by 39 Local Authorities and RAAs. Developing relationships with Midlands based RAAs is reflected in the increased proportion of placements made locally (57%). 100% of FFA placements were made through Midlands based RAAs.
 - Fundraising has proved difficult during this year, but the Charity achieved the Solihull Chamber of Commerce Charity of the Year Award and continues to build on these connections.
- **Work to recruit, assess and approve a wide range of adoptive families for children in need, equipping them with the skills and knowledge required to achieve successful adoptive parenting.**
 - The Charity achieved the following:
 - 264 enquiries from people interested in adoption (couples and single people – each household counting as one), arising from the recruitment activity;

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- 116 Initial Visits were undertaken;
- 93 prospective adopter households attended Preparation Training in Stage1; and 54 attended Stage 2 Training;
- 29 adopter households attended Fostering for Adoption training to decide whether they could consider dual approval through the Triangle Project;
- 53 prospective adopter households attended additional training concerning sibling placements, and adopting a second time;
- 347 family & friends of adopters attended workshops held throughout the year designed to enhance the support they can provide to their adopting and dual-approved friends and relations;
- 64 families were approved (12% more than in 2019-20) including 13 who have been dual approved;
- Achieved successful adoption placements for 74 children – 31% more than in 2019-20, and 98% of whom were 'harder to place';
- Celebrated the granting of 35 Adoption Orders.
- On the 31 March 2021, 66 households were in assessment
- **Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year by a minimum of 5% engaging fully in the national campaign to encourage more people to consider adopting.**

74 children were successfully placed with 53 families during the year 2020-21. This is an increase of 31% (children) and 28% (families) compared with last year.

The number placed through FFA is much lower but provided a useful resource particularly for Local Authorities planning for infants born during the first lockdown.

- 4 of the children included in the placement number above, were initially placed through FFA;
- 1 of the children was placed by the Local Authority with adopters temporarily approved for the specific child;
- 2 additional children remain with their carers under FFA arrangements pending completion of court process.

Placements provided through FFA avoid unnecessary change and placement moves for children.

- **Merge the Triangle Project into Family Society in line with the change in regulations announced by Ofsted to enable a more streamlined approach to dual approval which maintains high standards of carer preparation and support and enables children to achieve earlier placement security.**

Following the decision of St Francis Children's Society to withdraw from the joint venture Triangle Project, the Charity has undertaken the work required to merge the Triangle Project into Family Society as a specific FFA service.

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- **Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.**

The Charity has continued to build on its relationships with RAAs, Local Authorities and other VAAs.

The Charity is involved in:

- the local Regional Adoption and Special Guardianship Leadership Board;
 - the National Adoption Recruitment Campaign, including a Department for Education funded Birmingham based project focusing on the recruitment of black adopters;
 - a collaborative development of a revised Adopter Assessment training and report process; and
 - developing a new collaborative approach with Midlands based RAAs and VAAs aimed at achieving local placements for Midlands children, to include the shared and accessible adopter support services.
- **Achieve funding for an additional trainer in support of the accreditation of the training provided by the adoption support service, and to further develop the training and support offer.**

Trustees agreed to the funding of an additional trainer as a timely response to the challenges arising from the remote delivery of all training with effect from the end of March 2020. Training content has been adapted to ensure that it properly prepares prospective adopters and FFA carers. This has included the development and extension of the accredited Safebase programme to prepare adopters for the teenaged years.

In addition to the training provided for adopters and Fostering for Adoption we have provided bespoke training on behalf of other agencies and providers.

- **Develop our fundraising skills in order to diversify income.**

Fundraising has proved difficult during this year, but the Charity has increased individual giving, and was able to access grants provided by the National Lottery (Covid 19) and the Edward Cadbury Charitable Trust. These have been used to provide additional training and support activities for adopters.

The Charity was also granted Department for Education funding to cover a proportion of operational staff costs to support the Charity when placement activity (and therefore income) ceased at the start of lockdown when children were not moved.

Social Impact

The Trustees consider the social impact made by the Charity as a key part of the activities which are undertaken. The Charity enables vulnerable, traumatised children to gain secure, stable family life which will enhance their life chances and choices into the years ahead. It has done this by providing prospective adopters with the skills, knowledge and support they need to enable them to be the parents they want and need to be, for their children to thrive. The Charity has also invested in the continuing development of its FFA service – Triangle Project – which provides an additional resource for infants and children enabling security and stability

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at the earliest opportunity and supporting either the safe return of the child to their birth family, or their adoption by their FFA carers.

Adoption from care provides children with much improved prospects for recovery (from early trauma) which will enable them to transition to adulthood with a secure sense of belonging to a family which cares for them. It reduces the potential for: poor physical and mental health; teenaged pregnancy; drug and alcohol misuse; lower educational attainment; reduced employment levels; and criminality.

The Charity recognises the significant contribution which adopters and FFA carers make to the improved circumstances of the children they care for and/or parent and exercises its duty of care to them through training, preparation and continuing support.

When considering its performance, the Charity seeks evaluation from service users (adopters and their children) and commissioners; and benchmarks against Adoption National Minimum Standards (July 2014), internal response times, and disruption levels.

The Charity is delighted to report that the vast majority of children placed with new families are thriving.

Stability and security for every child are the intended outcomes of the services provided.

Beneficiaries of our services

Through its recruitment, training, and assessment activities, the Charity enables people who want to adopt to gain the skills and knowledge they need to enable them to do so, successfully. The Charity also encourages prospective adopters to consider Fostering for Adoption as an option, whilst acknowledging the additional risks inherent in these placements – the child may return to the birth family; unknown health and development matters only become apparent as the child grows.

Our focus on the welfare of the child also means that everything the Charity does is underpinned by safeguarding considerations, which will mean that in some circumstances people are assessed to be unsuitable to be approved as adopters.

The approval of suitable adopters supports the work of Local Authorities in meeting their sufficiency requirements. The approval of dual approved carers enables Local Authorities to achieve stability for children whilst decisions about their permanent care are carefully made.

The ultimate beneficiaries of the Charity are the children who achieve secure, nurturing and loving family life through the services provided.

Financial Review

The Trustees are delighted with the performance of the Charity during 2020-21, particularly because of the additional challenges arising from Covid.

Income for the year was £2,346,178 (2019/20: £1,689,697) and expenditure increased to £1,769,487 (2019/20: £1,647,965) but proportionately against the increase in income. The surplus for the year was £576,691 (2019/20: £41,732). Income was substantially more during the year as a result of the increased number of

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adoption placements. However, it is likely that this will drop significantly during the first half of 2021/22 due to the delay in care plans meaning less children will be available for adoption. The surpluses achieved will allow for the smooth running of the charity until children become available in the second half of 2021/22. Income is predominantly received from the inter-agency fee payable at the point of placement, by the Local Authority or RAA which has statutory responsibility for the child, which does mean that income is completely reliant on outside factors.

The transfer of the undertaking and assets of Triangle Project to Family Society in September 2020 has also slightly increased income. The income generated from Triangle Project was able to cover the costs incurred in delivering the service directly for the first time. Up to September 2020, Family Society was providing donations of employee time and services to Triangle Project, now that the services are operated together within the same organisation, the services are at direct cost in return for a direct income.

The Charity has carefully managed its finances to ensure the most efficient use of its resources. This is both in respect of expenditure to support the Charity's activities; and investment to build reserves.

The costs of adoption service provision are high. It is a highly regulated activity which demands professional levels of staff qualifications and experience, which in turn attract commensurate remuneration. However, the costs of delivering the service decreased in this year for the first time as travel costs reduced significantly as did room hire and office costs. We gave up the leases of our properties in Oxfordshire and Staffordshire, retaining access to the offices on an as needed basis going forward as more people wish to work from home. This does not decrease our commitment to both areas – which increased as a result of social worker recruitment – but allows us to use our resources more effectively.

The Charity qualified for Covid grant support from the Department for Education. This assisted cash-flow during a period of delays arising with placements because of lock-down, and extended periods of pre-order placement support and supervision because of court delay impacting on the granting of Adoption Orders.

The continuing careful financial management by the Senior Management Team and Trustees, has maintained a strong financial basis for the Charity. This has enabled carefully considered decisions regarding strategic development which increased recruitment and placement activities, enhanced adoption support provision and enabled continued consideration of possible growth through merger and collaboration.

The final financial outcome for the period, reflects the careful monitoring of Charity expenditure enabling continuing service development and delivery, the retention of highly motivated and experienced staff, and positive outcomes for children in need. The Trustees are committed to ensuring that any surplus made is re-invested in service growth and continuing improvement, whilst adhering to the reserves policy.

The Trustees are confident that the financial viability of the Charity is assured as it moves into 2021-22. This is because:

- The performance of the Charity during this Covid year has exceeded expectations and witnessed increased assessment and placement productivity, training delivery and support provision.
- Collaborative initiatives with other agencies in the sector (both RAAs and other VAAs) lay the foundation for increased use of services provided.

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- Recruitment of adopters and dual-approved carers has continued during this year, aided by investment in a new website which was launched in March 2021.
- A successful grant application (Tech for Good) further enhances the support offer to adopters and their children.

Principal risks and uncertainties

The Trustees have identified the major risks which the Charity faces, maintaining and monitoring a full risk register, and consider that all necessary action has been taken to manage those risks.

The principal risks to the Charity, and actions taken to minimise them are:

1. Covid-19 Pandemic

The continuing difficulties and uncertainties arising from the COVID-19 pandemic are continually reviewed and considered.

The processes implemented in response to the first lock-down (23 March 2020) ensure continuing compliance with regulations, safe and secure exchange and storage of documents, and the provision of equipment to support staff whilst working from home.

Employees are in regular contact with their Line Managers (including for formal supervision) and colleagues and attend clinical supervision sessions. These are all provided remotely.

Employees have been consulted regularly regarding office use. It is our intention to continue remote working currently and to plan for restricted office-based work when safe to do so, in order that professional development and staff cohesion can be supported.

Adopters and FFA carers have provided regular feedback regarding their experience of e.g., remote training provision; remote Panel attendance etc, with amendments made as indicated. Their views about utilising Covid-19 grant money have informed decisions about its use.

The Charity is carefully monitoring the current reduction in adoption placement demand which reflects court delay arising from Covid-19. The successful recruitment and approval of adopters and FFA carers for harder to place children means that the Charity is well-placed to respond to the anticipated increased demand for placements as the country re-opens.

2. Regional Adoption Agencies

We have considered RAAs a risk since their inception, due to their aim of increasing their own sufficiency so that VAAs are not required to recruit and train prospective adopters. Sufficiency by RAAs has not yet been achieved and is a long way off, reducing the risks of the RAAs.

Further, RAAs are seeking new relationships with the Voluntary sector and the Charity is well-placed to respond to new opportunities. The Charity is actively involved in the establishment of a collaborative working arrangement with the RAAs and VAAs operating in the Midlands region which aims to make greater use of locally based approved families for children in the Midlands.

3. Continued economic pressure and competition

Economic pressure continues and the key issues for the Charity are:

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- increases in costs ;
- potentially less families feeling that they are financial stable enough to start the adoption process;
- reduced budgets in Local Authorities impacting on their ability to purchase services – including adoption placements.

Our monthly management accounts track performance and allow the Trustees to make appropriate decisions.

Our reserves are sufficient to allow us to manage the current economic pressures.

4. Events that could impact on the reputation of the Charity – e.g., significant data breach, failure to comply with regulatory requirements i.e., operational, fundraising or health & safety incident

The Charity actively manages its risk register responding to changing circumstances to ensure that any new or enhanced risks are mitigated. Training is undertaken to ensure that risks are understood and minimised.

5. Impact of Change in Government Policy

Changes in policies and activities relating to adoption service provision are kept under constant review to mitigate against impact of change.

The Charity engages fully in Government Consultations regarding policy direction.

The Trustees are kept fully informed of changes arising, developing the Charity's strategic plan as indicated.

6. Pension Liability

Historically the Charity offered a defined benefits pension scheme. This was closed to new entrants in 2012. Following staff consultation undertaken in the year ending 31 March 2017, the decision to close the pension scheme was agreed and it closed on the 31 July 2017. The pension liabilities are within reasonable parameters. The Pension Trustees are actively seeking ways to reduce the liabilities.

Reserves Policy and going concern

The nature of adoption work requires a long-term commitment to the adoption process. It takes approximately twelve months from the first point of contact with the Charity for a family seeking approval to be in a position to have a child placed with them. The length of time they then wait before a placement is achieved (the first point at which the Charity receives a fee) will depend on the level of demand for the placement type they are offering.

Once placed, the adoptive family will need continuing support from the Charity. This support may be required for several years into the future, as they help their children recover from their early trauma. Therefore, it is

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important for the Charity to be able to show that it will be in a position to support such families throughout the process and into the years ahead.

Family Society seeks to hold reserves of between three- and twelve-months' expenditure. The Trustees estimate that the operating expenditure of the Charity's continuing activities over a six-month period is *£1,000,000*. Therefore, the Trustees consider that it is appropriate for the Charity to maintain a reserve of no less than *£750,000* in order to meet effectively the needs designated by its trusts.

The Trustees are confident that the Charity is and will be a going concern going into the future and specifically over the next 12 months. The Trustees' basis for this is:

- an effective and robust response to the Covid-19 crisis;
- strong demand for the adoptive parents approved by the Charity at a national level;
- increased demand for the adoptive parents approved by the Charity at a local level;
- continuing achievement of recruitment targets of prospective adopters who are progressing through to approval status;
- Triangle Project operates on a cost recovery model, and provides an additional resource to Local Authorities seeking earlier stability for children;
- an increase in the level of reserves held by the Charity;
- effective resolution of the pension liability; and
- careful control over expenditure and investment.

Plans for the future

The Trustees develop an annual plan for the Charity and the key aims for 2021-22 are to:

- Actively promote the work of the Charity through its marketing and fundraising activities to encourage more people to consider adopting and/or providing FFA placements for the children who need them; to promote our services to Local Authority commissioners; and in support of the Charity's fundraising activity.
- Work to recruit, assess and approve a wide range of adoptive families and FFA carers for children in need, equipping them with the skills and knowledge required to achieve successful FFA placements and adoptive parenting.
- Minimise the delay for children assessed as in need of adoption and increase the number of children placed during the year by a minimum of 5% engaging fully in the national campaign to encourage more people to consider adopting, and promoting FFA placements.
- Work collaboratively with RAAs, Local Authorities and other VAAs to deliver services needed by adoptive families and children in need.
- Actively seek merger opportunities to increase our area of operation, reduce competition and enhance our reputation as a significant provider of adoption and FFA services.

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- Embed flexible working practices in the staff group whilst continuing to utilise new ways of working which have enhanced service delivery.
- Develop our fundraising activity and other income streams in order to diversify income.

Fundraising Statement

The Charity is registered with the Fundraising Regulator and undertakes all of its fundraising in accordance with the Code of Fundraising Practice.

We have undertaken the following fundraising campaigns in 2020-21:

- A virtual balloon race which invited participants to purchase a balloon, the proceeds from which were for the benefit of the Charity;
- An 'in memory' fundraising campaign following the death (from Covid) of a prospective adopter, which was initiated by her bereaved husband.

All donations which have been received have been made on a voluntary basis. However, we have publicised that we are a charity and that we accept donations. This has been promoted through our social media feeds and our website. Our fundraising policies are signed off annually by the trustees. We have not engaged with any third parties to undertake fundraising on our behalf. A small number of donations have been received from supporters taking part in third party events and raising sponsorship.

We have introduced a fundraising database which helps us identify vulnerable supporters and ensure that we work appropriately with all groups.

Our fundraising lead is responsible for managing fundraising campaigns.

We have not received any complaints in 2020-21 in respect of our fundraising practices.

As a children's charity we are aware that our supporters are emotionally involved with our work and that asking for money for children in need is generally emotive. We ensure that our staff are trained in understanding that vulnerable people will be among our donors, and we ensure that we do not expressly target elderly people or other vulnerable groups for donations. We ensure that we engage with our supporters to identify their interests.

Structure, governance and management

Family Society (the Charity) was established in 2009 as a company limited by guarantee, incorporated on 3 April 2009 and registered as a charity on 9 April 2009.

The Charity is governed by its Articles of Association and is registered as a company in England and Wales under Company number 06869556. It is also registered with the Charity Commission for England and Wales under charity number 1129095. Adoption Focus is the name of Family Society's adoption agency, which is registered with Ofsted under number SC394569. Triangle Project is the name of Family Society's fostering service, which is registered with Ofsted under number 1258436.

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The Charity operates in England and Wales and the Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The Trustees work with the Chief Executive to agree and monitor the strategic direction of the Charity, and delegate responsibility for its day-to-day operation to the Senior Management Team, comprising the Chief Executive; The Director of Operations; The Director of Business Development; and The Director of Resources, details shown on the Legal and Administrative Details at the front of the Annual Report and Financial Statements.

Appointment of Trustees

The Charity looks for Trustees who are committed to children and the adoption and FFA process and have professional, ministerial and/or practical experience which will contribute to the effective management and operation of the Charity.

The Charity would normally seek Trustees by advertising through social media and seeking nominations from the community and people connected to social work and adoption.

In accordance with the Charity's constitution, new Trustees are appointed by the majority of Trustees attending the meeting at which an appointment proposed is affirmed. All Trustees are encouraged to attend courses on Charity law and management.

The Board of Trustees, which aims to meet six times per year, administers the Charity. Additional meetings may be convened as indicated and have been held more regularly during the year 2020-21 because of Covid-19. Monthly management accounts are prepared by the accountants acting for the Charity and these are reviewed by the executive and Chairperson. The Trustees as a whole review the management accounts on a bi-monthly or quarterly basis. Regular cash flow statements are also available for Trustee scrutiny.

Generally, the Charity seeks to maintain Trustees with the following collective experience:

- an adoptive parent;
- an accountant;
- in the management of a charity;
- a solicitor;
- a social worker with experience of working with children and adoption; and
- in business.

Some of the current Trustees have experience in more than one of the specified areas.

Trustee induction and training

New Trustees are taken through an induction process by the Chief Executive concerning the operational activities of the Charity and the principles on which the Charity's accounts are based.

The Trustees receive training from the Charity's lawyers and are encouraged to attend training courses and charity related events. The Trustees also receive briefings on legal, accounting and charity issues from a number of sources, including the Charity Commission website.

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Related parties and relationships with other organisations

The Charity is a member of a number of adoption organisations including: the Consortium of Voluntary Adoption Agencies (CVAA); CoramBAAF; the Midlands Family Placement Group (MFPG); Permanence West Midlands; and the West Midlands Adoption & Special Guardianship Leadership Board.

The Charity is also a Member of the Birmingham Chamber of Commerce.

The Charity has a Service Level Agreement with Father Hudson's Society (registered charity) to provide adoption support services.

The Charity commissions Father Hudson's Society to provide finance support.

The Charity uses McCarthy Denning as its solicitor and the Chairperson of the Charity is both a solicitor consultant to McCarthy Denning and an employee in the compliance department. The Charity assesses the relationship on a regular basis to ensure value for money is received from McCarthy Denning.

Remuneration policy for key management personnel

Salaries are benchmarked against similar roles within the public sector, and charitable sector. Independent analysis of pay scales and terms and conditions of employment is sought as required.

The Charity ensures that all employees are paid at a level greater than the national living wage.

Policy for employment of disabled persons

The Charity is an equal opportunity employer. It is committed to ensuring within the framework of the law that our workplace is free from unlawful or unfair discrimination because of Protected Characteristics as defined by the Equality Act 2010.

The Charity aims to ensure that our employees achieve their full potential and that all employment decisions are taken without reference to irrelevant or discriminatory criteria.

The Charity is committed to ensuring that all our employees and applicants for employment are protected from unlawful discrimination in employment.

Employee information

The Charity communicates with all staff members on a regular basis. The staff are kept informed of operational and financial targets; progress made in respect of strategic objectives; and the impact of external factors on Charity performance (e.g., Government Policy).

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Family Society for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and 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 keeping adequate accounting records that 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.

In so far as the Trustees are aware:

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

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

Members Guarantee

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees on 31 March 2021 was 6. The Trustees are members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Auditors

The Trustees have instructed Cooper Parry Group Limited to undertake the audit, having first appointed them after a tendering process for the 2016-17 audit.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 27 January 2022 and signed on their behalf by

Benjamin James

Benjamin James

Chairperson

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FAMILY SOCIETY**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAMILY SOCIETY****Opinion**

We have audited the financial statements of Family Society (the 'charitable company') for the year ended 31 March 2021 which comprise of 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 FRS 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 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

FAMILY SOCIETY**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAMILY SOCIETY****Opinions on 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 report of the trustees (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Report of the Trustees and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the Charitable Company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, Charities (Protection and Social Investment) Act 2016, taxation legislation, data protection, anti-bribery and employment legislation.

FAMILY SOCIETY INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAMILY SOCIETY

Auditor's responsibilities for the audit of the financial statements (continued)

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Charitable Company and how the Charitable Company is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Charitable Company's control environment and how the Charitable Company has applied relevant control procedures, through discussions with Trustees and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the Charitable Company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Glen Bott

Glen Bott FCA
Senior Statutory Auditor
for and on behalf of:
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditor
One Central Boulevard
Solihull
B90 8BG

Date: 27 January 2022

FAMILY SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations and Grants	3	15,000	188,086	203,086	3,356
Charitable Activities					
Adoption Agencies	4	-	2,143,006	2,143,006	1,685,843
Other Income	5	-	86	86	498
Total income		15,000	2,331,178	2,346,178	1,689,697
Expenditure on:					
Charitable Activities					
Adoption Services	6	5,051	1,764,436	1,769,487	1,647,965
Total expenditure		5,051	1,764,436	1,769,487	1,647,965
Net income before net gains on investments		9,949	566,742	576,691	41,732
Net gain (loss) on investments	14	-	2,302	2,302	(1,535)
		9,949	569,044	578,993	40,197
Net income/expenditure					
Actuarial (losses) on defined benefit pension scheme	17	-	(61,000)	(61,000)	(1,000)
Net movement in funds		9,949	508,044	517,993	39,197
Reconciliation of funds:					
Total funds brought forward		-	731,546	731,546	692,349
Total funds carried forward		9,949	1,239,590	1,249,539	731,546

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

The notes on pages 28 to 46 form part of these financial statements.

FAMILY SOCIETY

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Intangible Assets	12		47,400		-
Tangible assets	13		6,855		10,282
Investments	14		50,767		8,465
			<u>105,022</u>		<u>18,747</u>
Current assets:					
Debtors	15	342,300		325,196	
Cash at bank and in hand		1,103,248		563,267	
		<u>1,445,548</u>		<u>888,463</u>	
Liabilities					
Creditors: amounts falling due within one year	16	(145,031)		(71,664)	
		<u></u>		<u></u>	
Net current assets			1,300,517		816,799
			<u></u>		<u></u>
Net assets excluding pension liability			1,405,539		835,546
Defined benefit pension scheme liability	17		(156,000)		(104,000)
			<u></u>		<u></u>
Total net assets			<u>1,249,539</u>		<u>731,546</u>
The funds of the Charity:	19				
Restricted income funds			9,949		-
Unrestricted funds:					
General funds		1,395,590		835,546	
Pension reserve		(156,000)		(104,000)	
		<u></u>		<u></u>	
Total unrestricted funds			1,239,590		731,546
			<u></u>		<u></u>
Total charity funds			<u>1,249,539</u>		<u>731,546</u>

Approved by the trustees on 27 January 2022 and signed on their behalf by

Benjamin James *Benjamin James*
Trustee

Company number 06869556

The notes on pages 28 to 46 form part of these financial statements.

FAMILY SOCIETY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021	2020
		£	
Cash flows from operating activities			
Net cash provided by operating activities	20	627,381	72,275
Cash flows from investing activities			
Purchase of fixed assets		(47,400)	(13,710)
Purchase of investments		(40,000)	(10,000)
		<u>87,400</u>	<u>(23,710)</u>
Change in cash and cash equivalents in the year		539,981	48,565
Cash and cash equivalents at the beginning of the year		<u>563,267</u>	<u>514,702</u>
Cash and cash equivalents at the end of the year	21	<u>1,103,248</u>	<u>563,267</u>

FAMILY SOCIETY**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****1. Accounting policies****1.1 Basis of preparation**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity and rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

1.2 Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

1.3 Going concern

Despite the considerable challenges arising from the Covid-19 pandemic, the Trustees have confidence that the financial viability of the Charity is assured as it moved into 2021-22. The careful application of the reserves policy throughout this and previous years, places the Charity in a position which will support it through the current, unprecedented difficulties arising from the lock-down and any future lockdowns which may happen.

After making appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. For this reason, the Charity has adopted the going concern basis in preparing the financial statements.

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Income from government and other grants are recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

FAMILY SOCIETY**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****1.5 Interest receivable**

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

1.6 Fund accounting

Unrestricted funds 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.

1.7 Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the Charity and their associated support costs
- other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

1.8 Allocation of support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of resources. The following basis are used:

- Adoption Services 100%

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

FAMILY SOCIETY**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021****1.9 Operating leases**

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight-line basis over the minimum lease term.

1.10 Intangible fixed assets

Intangible assets are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

- Website costs 20%

1.11 Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as revaluation reserve in the balance sheet.

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

- Computer equipment 33%

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.13 Cash at bank and in hand

Cash at bank and cash in hand include cash.

1.14 Creditors and provisions

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

1.14 Creditors and provisions continued

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

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.15 Pensions

The society operates a defined benefit pension scheme. The cost of provision pension and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. Any difference between the charge to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the balance sheet.

Contributions payable on behalf of employees to money purchase pension schemes are charged to the Statement of Financial Activities as they become payable.

2. Detailed comparatives for the statement of financial activities

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations & Grants	-	3,356	3,356
Charitable Activities			
Adoption Agencies	-	1,685,843	1,685,843
Other income	-	498	498
Total income	-	1,689,697	1,689,697
Expenditure on:			
Charitable activities			
Adoption Services	-	1,647,965	1,647,965
Total expenditure	-	1,647,965	1,647,965
Net income/(expenditure) before other recognised gains and losses	-	41,732	41,732
Actuarial (losses) on defined benefit pension schemes	-	(1,000)	(1,000)
Net movement in funds	-	39,197	39,197
Total funds brought forward	-	692,349	692,349
Total funds carried forward	-	731,546	731,546

3. Income from Grants and donations

	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Grants	15,000	132,048	147,048	-
Donations	-	7,837	7,837	3,356
Transferred from Triangle Project	-	48,201	48,201	-

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

	15,000	188,086	203,086	3,356
As at 30 September 2020, Triangle Project (Registered Charity Number 1156842) ceased operations and covenanted to transfer all net assets to Family Society.				
4. Income from charitable activities				
	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Fees in respect of Adoption Agency Services				
Local Authority	-	2,142,430	2,142,430	1,664,523
Other Agencies and charities	-	576	576	21,320
Total income from charitable activities	-	2,143,006	2,143,006	1,685,843
5. Other Income				
	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Bank interest	-	86	86	498
Total income	-	86	86	498

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Analysis of expenditure

	Charitable Activities				
	Adoption Services	Governance Costs £	Support Costs £	2021 Total £	2020 Total £
Staff costs (Note 8)	1,291,322	-	-	1,291,322	1,152,664
Depreciation	3,427	-	-	3,427	3,428
Contract Staff	1,723	-	-	1,723	5,795
Adopter recruitment costs	15,429	-	-	15,429	70,475
Panel Costs	30,319	-	-	30,319	26,881
Property Costs	120,177	-	-	120,177	131,405
Travel Costs	75,458	-	-	75,458	102,770
Professional Fees	29,054	50,368	-	79,422	37,222
Office Costs	38,082	-	-	38,082	49,863
Audit Fee	-	9,540	-	9,540	9,500
Other Costs	80,588	-	24,000	104,588	57,962
Total expenditure 2021	1,655,260	59,908	24,000	1,769,487	1,647,965
Total expenditure 2020	1,599,914	18,051	30,000	1,647,965	

Of the total expenditure, £1,764,436 was unrestricted (2020: £1,647,965) and £5,051 was restricted (2020: £nil)

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**7. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation	3,427	3,428
Operating lease rentals:		
Property	116,138	120,992
Other	51,730	46,856
Auditors' remuneration (excluding VAT):		
Audit	7,950	7,725

8. Analysis of staff costs, trustee remuneration and expenses, and the current key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	1,102,753	989,057
Social security costs	113,966	102,641
Employer's contribution to defined benefit pension scheme	-	-
Employer's contribution to defined contribution pension scheme	66,458	54,887
Operating costs of defined benefit pension scheme	8,145	6,079
	<u>1,291,322</u>	<u>1,152,664</u>

The Charity donated time to the Triangle Project in the year totalling £21,557 (2020: £28,000). This time was donated from existing staff resources and no additional staff were employed in order to provide this time.

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1

The total employee benefits include pension contributions of the key management personnel were £287,051 (2020: £271,531). The key management team were 4 FTE staff (2020: 4).

The trustees of the Charity were not paid and did not receive any other benefits from employment with the Charity in the year (2020: £nil). No trustee of the Charity received payment for professional or other services supplied to the Charity other than Mr Benjamin James as stated in note 10 (2020: £nil).

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £246) incurred by 0 (2020: 3) members relating to attendance at meetings of the trustees.

9. Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

FAMILY SOCIETY**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
Adoption Services	19	18
Management and Administration	15	15
	34	33

10. Related party transactions

During the year the Charity has engaged McCarthy Denning (Limited) to provide certain legal and company secretarial services. The chair of trustees – Mr Benjamin James is a solicitor consultant to this firm. The transactions arising during the year were on normal arm's length terms for £50,368 (2020: £8,551).

11. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

12. Intangible fixed assets

	Website £	Total £
Cost		
Additions in year	47,400	47,400
Disposals in year	-	-
At the end of the year	47,400	47,400
Depreciation		
Charge for the year	-	-
Eliminated on disposal	-	-
At the end of the year	-	-
Net book value		
At the end of the year	47,400	47,400

All of the above assets are used for charitable purposes.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Tangible fixed assets

	Computer equipment £	Total £
Cost		
At the start of the year	46,266	46,266
Additions in year	-	-
Disposals in year	-	-
At the end of the year	46,266	46,266
Depreciation		
At the start of the year	35,984	35,984
Charge for the year	3,427	3,427
Eliminated on disposal	-	-
At the end of the year	39,411	39,411
Net book value		
At the end of the year	6,855	6,855
At the start of the year	10,282	10,282
All of the above assets are used for charitable purposes.		

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**14. Investments**

	2021	2020
	£	£
Fair value at the start of the year	8,465	-
Additions at cost	40,000	10,000
Net gain (loss) on change of the year	2,302	(1,535)
	<u>50,767</u>	<u>8,465</u>

The investment comprises 2,470.91 accumulation units in the CCLA Charites Ethical Investment Fund.

15. Debtors

	2021	2020
	£	£
Trade debtors	297,406	288,064
Other debtors	20,000	20,000
Prepayments	24,894	17,132
	<u>342,300</u>	<u>325,196</u>

16. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	80,404	19,871
Taxation and social security	32,943	29,678
Other creditors	12,018	-
Accruals	19,666	22,115
	<u>145,031</u>	<u>71,664</u>

17. Pension Scheme

The Charity operates a defined benefit scheme in the UK which closed to future accrual on 31st July 2017. The assets are held separately from those of the Charity. Being invested in managed funds with insurance companies. Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees' working lives with the Charity. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The most recent triennial actuarial valuation by a qualified actuary was on 1 August 2020 which indicated the Scheme had a shortfall. The next full valuation is due as at 1 August 2023.

The employer pays all costs of running the scheme.

The employer's contribution for the period was £20,145, including deficit payments of £12,000 (2020: £18,079 including deficit repayments of £12,000).

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**17. Pension Scheme (continued)**

The employee benefit obligations recognised in the balance sheet are as follows:

	2021 £'000	2020 £'000
Present value of funded obligations	(533)	(410)
Fair value of plan assets	377	306
	<u>(156)</u>	<u>(104)</u>

Amounts recognised in net incoming resources as follows:

	2021 £'000	2020 £'000
Current service cost	-	-
Expenses	-	-
Interest on obligation	(10)	(11)
Expected return on plan assets	7	8
Curtailments/settlements	-	-
Total	<u>(3)</u>	<u>(3)</u>
Actual return on plan assets	<u>59</u>	<u>(33)</u>

Changes in the present value of the defined benefit obligation are as follows:

	2021 £'000	2020 £'000
Opening defined benefit obligation	410	439
Service cost	-	-
Interest cost	10	11
Actuarial losses/(gains)	113	(40)
Benefits paid	-	-
Closing defined benefit obligation	<u>533</u>	<u>410</u>

Changes in the fair value of plan assets are as follows:

	2021 £'000	2020 £'000
Opening fair value of plan assets	306	327
Expected return	7	8
Actuarial (losses)/gains	52	(41)
Contributions by employer	12	12
Benefits paid	-	-
	<u>377</u>	<u>306</u>

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. Pension Scheme (continued)

The major categories of plan assets as a percentage of total plan are as follows:

	2021 %	2020 %
Equities and property	59	54
Bonds	3	4
Gilts	31	37
Cash	7	5
	<u>100</u>	<u>100</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021 %	2020 %
Discount rate at the end of the year	2.0	2.4%
Expected return on plan assets at the end of the year	3.0	3.0%
Future salary increases	N/A	N/A
Future pension increases	3.4	2.80%

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Defined benefit obligation	(533)	(410)	(439)	(483)	(472)
Plan assets	377	306	327	382	366
Deficit	<u>156</u>	<u>(104)</u>	<u>(112)</u>	<u>(101)</u>	<u>(106)</u>
Experience adjustments on plan liabilities	(23)	4	(1)	2	63
Experience adjustments on plan assets	52	(41)	1	(1)	43

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
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18.	Analysis of net assets between fund	Restricted funds £	Unrestricted funds £	Total funds £
	Intangible fixed assets		47,400	47,400
	Tangible fixed assets		6,855	6,855
	Investments	-	50,767	50,767
	Current assets	9,949	1,435,599	1,445,548
	Current liabilities	-	(145,031)	(145,031)
	Defined benefit pension scheme liability	-	(156,000)	(156,000)
	Net assets at the end of the year	9,949	1,239,590	1,249,539
	Analysis of net assets between fund – prior year	Restricted funds £	Unrestricted funds £	Total funds £
	Tangible fixed assets		10,282	10,282
	Investments	-	8,465	8,465
	Current assets	-	888,463	888,463
	Current liabilities	-	(71,664)	(71,664)
	Defined benefit pension scheme liability	-	(104,000)	(104,000)
	Net assets at the end of the year	-	731,546	731,546

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Movement in funds

	At the start of the year £	Income £	Expenditure £	Transfers £	Other gains/(losse s) £	At the end of the year £
Restricted Funds	-	15,000	(5,051)	-	-	9,949
Unrestricted funds::	-					
General funds	835,546	2,331,178	(1,761,436)	(12,000)	2,302	1,395,590
Pension reserve	(104,000)	-	(3,000)	12,000	(61,000)	(156,000)
Total funds including pension fund	731,546	2,346,178	1,769,487	-	(58,698)	1,249,539

Restricted Funds

Restricted funds comprise a National Lottery Community Fund grant of £10,000 to provide additional support to adoptive families during the Covid 19 pandemic of which £5,051 was spent during the year, together with a grant of £5,000 from the Edward Cadbury Charitable Trust which is to develop and expand post adoption support for adoptive families.

Pension Reserve

The pension reserve represents the deficit as calculated under FRS 102.

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Movement in funds (continued)

Movement in funds – Prior year

	At the start of the year £	Income £	Expenditure £	Transfers £	Actuarial loss £	At the end of the year £
Unrestricted funds:						
General funds	804,349	1,689,697	(1,644,965)	(12,000)	(1,535)	835,546
Pension reserve	(112,000)	-	(3,000)	12,000	(1,000)	(104,000)
Total funds including pension fund	692,349	1,689,697	(1,647,965)	-	(2,535)	731,546

FAMILY SOCIETY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. Reconciliation of net income/to net cash flow from operating activities

	2021 £	2020
Net movement in funds	517,993	39,197
Depreciation charges	3,427	3,428
(Gains)Losses on investments	(2,302)	1,535
Decrease/ (Increase) in debtors	(17,104)	50,211
FRS 102 Pension adjustments (non-cash)	3,000	3,000
Actuarial (gains)/losses on pension liability	61,000	1,000
Pension scheme deficit payments	(12,000)	(12,000)
(Decrease)/Increase in creditors	73,367	(14,096)
Net cash provided by operating activities	627,381	72,275

21. Analysis of the changes in net debt

	At 1 April 2020 £	Cash flows £	Other changes £	At 31 March 2021 £
Cash at bank and in hand	563,267	539,981	-	1,103,248
Total cash and cash equivalents	563,267	539,981	-	1,103,248

22. Operating lease commitments

The Charity has total future minimum lease payments under non-cancellable operating leases as follows:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	117,311	113,344	26,438	38,148
One to five years	20,236	19,552	5,318	15,738
	137,547	132,896	31,756	53,886

23. Capital commitments

At the balance sheet date, the Charity had committed to £ nil (2020: £nil).

24. Legal status of the Charity

FAMILY SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
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The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

25. Events subsequent to the year end

On 1 January 2022 the Charity merged with Faith in Families, a charity undertaking similar work with similar objectives, in the East Midlands. Under the terms of the merger, the undertaking operated by Faith in Families transferred to the Charity. This included the majority of the employees, all operating contracts, the prospective adopters and a limited amount of the assets and liabilities. The remaining assets were used to meet the pension liabilities of Faith in Families.