



**FAMILY SOCIETY**

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**



[www.adoption-focus.org.uk](http://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

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# **FAMILY SOCIETY**

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

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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

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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***

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#### **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**

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##### **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**

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### 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

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- **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.

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

#### **FOR THE YEAR ENDED 31 MARCH 2023**

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- 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**

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##### **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***

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#### **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.

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

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 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**

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### 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**

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#### **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**

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#### **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**

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#### 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***

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##### **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

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#### 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***

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##### **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***

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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 (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 guarantees 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***

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**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**

1 December 2023

Date: .....

# FAMILY SOCIETY

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY SOCIETY

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### 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

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### 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**

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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**

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income from:</u></b>							
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
<b>Total income</b>		<b>3,251,620</b>	<b>11,905</b>	<b>3,263,525</b>	<b>2,113,136</b>	<b>257,873</b>	<b>2,371,009</b>
<b><u>Expenditure on:</u></b>							
Raising funds	7	24,393	-	24,393	32,206	-	32,206
<b><u>Charitable activities</u></b>							
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	-	-	-
<b>Total charitable expenditure</b>		<b>2,513,498</b>	<b>35,046</b>	<b>2,548,544</b>	<b>1,873,769</b>	<b>205,112</b>	<b>2,078,881</b>
<b>Total expenditure</b>		<b>2,537,891</b>	<b>35,046</b>	<b>2,572,937</b>	<b>1,905,975</b>	<b>205,112</b>	<b>2,111,087</b>
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 £
<b>Net incoming/(outgoing) resources before transfers</b>	691,978	(23,141)	668,837	243,623	52,761	296,384
Gross transfers between funds	(1,519)	1,519	-	-	-	-
<b>Net incoming/(outgoing) resources</b>	690,459	(21,622)	668,837	243,623	52,761	296,384
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes	100,000	-	100,000	19,000	-	19,000
<b>Net movement in funds</b>	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
<b>Fund balances at 31 March 2023</b>	<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 £	£
<b>Fixed assets</b>					
Intangible assets	15	23,694		35,550	
Tangible assets	16	7,524		13,313	
Investments	17	494,864		316,615	
			526,082		365,478
<b>Current assets</b>					
Debtors	18	699,056		350,855	
Cash at bank and in hand		1,307,240		1,167,163	
			2,006,296		1,518,018
<b>Creditors: amounts falling due within one year</b>	19	(241,618)		(223,573)	
Net current assets			1,764,678		1,294,445
<b>Total assets less current liabilities</b>			2,290,760		1,659,923
<b>Net assets excluding pension surplus/(deficit)</b>			2,290,760		1,659,923
<b>Defined benefit pension surplus/(deficit)</b>	20	43,000		(95,000)	
<b>Net assets</b>			2,333,760		1,564,923
<b>Income funds</b>					
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***

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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 £	£
<b>Fixed assets</b>					
Intangible assets	15	23,694		35,550	
Tangible assets	16	7,524		13,313	
Investments	17	494,865		316,616	
			526,083		365,479
<b>Current assets</b>					
Debtors	18	973,126		350,855	
Cash at bank and in hand		1,014,722		1,167,162	
			1,987,848		1,518,017
<b>Creditors: amounts falling due within one year</b>	19	(223,171)		(223,573)	
Net current assets			1,764,677		1,294,444
<b>Total assets less current liabilities</b>			2,290,760		1,659,923
<b>Net assets excluding pension surplus/(deficit)</b>			2,290,760		1,659,923
<b>Defined benefit pension surplus/(deficit)</b>	20	43,000		(95,000)	
<b>Net assets</b>			2,333,760		1,564,923
<b>Income funds</b>					
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***

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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.

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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 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25		334,706		63,791
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,453)		-	
Purchase of investments		(200,000)		-	
Investment income received		6,824		124	
<b>Net cash (used in)/generated from investing activities</b>			(194,629)		124
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			140,077		63,915
Cash and cash equivalents at beginning of year			1,167,163		1,103,248
<b>Cash and cash equivalents at end of year</b>			1,307,240		1,167,163

# FAMILY SOCIETY

## CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	25		(94,377)		63,791
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,453)		-	
Purchase of subsidiaries		-		(1)	
Purchase of other investments		(200,000)		-	
Investment income received		143,390		124	
<b>Net cash (used in)/generated from investing activities</b>			(58,063)		123
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(152,440)		63,914
Cash and cash equivalents at beginning of year			1,167,162		1,103,248
<b>Cash and cash equivalents at end of year</b>			1,014,722		1,167,162

# FAMILY SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 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 2023 £	Schools and community 2023 £	FFA 2023 £	FSAF Trading Ltd 2023 £	Total 2023 £	Adoption services 2022 £	Schools and community 2022 £	FFA 2022 £	Total 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>
<b>Analysis by fund</b>									
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
<b>Other services to the group</b>		
- Other assurance services and tax compliance of the Charity's subsidiaries	1,500	-
<b>Total audit fees</b>	<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
	£
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	47,400
<b>Amortisation and impairment</b>	
At 1 April 2022	11,850
Amortisation charged for the year	11,856
At 31 March 2023	23,706
<b>Carrying amount</b>	
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
	£	£	£
<b>Cost</b>			
At 1 April 2022	773	55,378	56,151
Additions	-	1,453	1,453
At 31 March 2023	773	56,831	57,604
<b>Depreciation and impairment</b>			
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
<b>Carrying amount</b>			
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
	£	£			£
<b>Cost or valuation</b>					
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
<b>Carrying amount</b>					
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
	£	£			£
<b>Cost or valuation</b>					
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	<b>284,379</b>	<b>204,829</b>	<b>5,656</b>	<b>1</b>	<b>494,865</b>
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
	£	£
<b>Amounts falling due within one year:</b>		
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
	£	£
<b>Amounts falling due within one year:</b>		
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>18,000</u>	<u>16,000</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>(100,000)</u>	<u>(19,000)</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>(43,000)</u>	<u>95,000</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>385,000</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:

	<b>2023</b> <b>£</b>
Fair value of assets at 1 April 2022	443,000
Benefits paid	(16,000)
Contributions by the employer	43,000
Other	(42,000)
	<hr/>
At 31 March 2023	428,000
	<hr/> <hr/>

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

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Equity instruments	227,000	227,000
Property	-	10,000
Bonds	98,000	136,000
Cash	103,000	70,000
	<hr/>	<hr/>
	428,000	443,000
	<hr/> <hr/>	<hr/> <hr/>

## 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
	£	£	£	£	£	£	£
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)	-
Teen Group	-	2,000	(105)	1,895	-	(575)	2,000
Intermediary Services Trust	-	3,822	-	3,822	-	-	(3,822)
School Social Work Grant	-	9,314	-	9,314	-	(172)	-
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
<b>Cash generated from operations</b>	<b>334,706</b>	<b>303,062</b>

## FAMILY SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

<b>25</b>	<b>Cash generated from operations - Charity</b>	<b>2023 £</b>	<b>2022 £</b>
	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
	<b>Cash (absorbed by)/generated from operations</b>	<b>(94,377)</b>	<b>63,791</b>
<b>27</b>	<b>Analysis of changes in net funds</b>		
	The Charity had no debt during the year.		