

Company number: 01653388

Charity Number: 512992

Father Hudson's Society

Report and financial statements

For the year ended 31 March 2017

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Father Hudson's Society

Reference and administrative information

For the year ended 31 March 2017

Company number 01653388

Charity number 512992

Registered office and operational address St George's House, Gerards Way
Coleshill
BIRMINGHAM
B46 3FG

Country of registration England & Wales

Country of incorporation United Kingdom

President Most Rev. Bernard Longley

Father Hudson's Care is a working name of Father Hudson's Society.

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Mr Kevin Caffrey MBE	Chair	4
Mr Anthony Broom	Vice Chair	1, 4
Mrs Gail Brown		3
Mr Brian Basford		1
Mrs Julia Fitzsimons		2
Rev. Michael Gamble		2
Rev. Kevin Kavanagh		3
Sr. Gillian Murphy		3
Mr Peter Deeley		1
Mrs Anne Plummer		3, 4
Mr John Barley		1
Mr Rodney Kane		2, 4
Ms Jessica Moore		2
Ms Fionnuala Hegarty		3

1. Member of Finance, Land and Support Services sub-committee
2. Member of Adult Care sub-committee
3. Member of Children and Families sub-committee
4. Member of Monitoring and Review sub-committee

Reference and administrative information

For the year ended 31 March 2017

Key management personnel	Mr Andrew Quinn	Company Secretary/Chief Executive
	Mr Noel Stubbs	Financial Controller
	Mr Graeme Riley	Head of Adult Care
	Mr William Coffin	Fundraising, Communications and Marketing Manager
	Mrs Anna Rooney	Fostering Service Manager
	Mrs Donna Lewis	Human Resources Manager
	Mrs Joanne Watters	Head of Community Projects
Bankers	Lloyds Bank plc 121 High Street COLESHILL B46 3BS	
Solicitors	Gateley Plc One Eleven Edmund Street BIRMINGHAM B3 2HJ	
Investment advisors	Smith & Williamson Investment Management LLP 3 rd Floor, 9 Colmore Row BIRMINGHAM B3 2BJ	
Property advisors	Reeves & Partners 2 Euston Place LEAMINGTON SPA CV32 4LE	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108–114 Golden Lane LONDON EC1Y 0TL	

The Trustees present their report and financial statements for the year ended 31 March 2017. The Reference and Administrative details on pages 1 and 2 form part of this report. The statements appear in the format required by the Statement of Recommended Practice, Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with FRS102. The report and statements also comply with the Companies Act 2006 as Father Hudson's was incorporated by guarantee on 22 July 1982, to continue the work started by Father Hudson at the beginning of the 20th Century. It was established under a memorandum of association which established the objects and powers of the organisation and is governed under its articles of association. 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 at 31 March 2017 was 14 (2016 – 12).

Review of planned activities and principal achievements for the year

Objectives and activities

Father Hudson's main objectives include: the relief of financial hardship and suffering, relief of sickness and preservation of health, and the advancement and the promotion of the support, relief and care of children and young people without families able to care for them, or who are in trouble or at risk, elderly people and their carers, people with disabilities, and individuals, families, communities and groups who are in need.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The objects are met through a variety of activities which are summarised below. Each activity, the beneficiaries and the public benefit are discussed in greater detail further in the report.

Adult Care

- St Joseph's Home for older people and those with dementia
- St Catherine's Bungalows for adults with multiple disabilities
- Domiciliary Care Services
- St Catherine's Day Services for Adults with multiple disabilities
- Supported living in Coleshill for adults with learning difficulties

Children and Families

- New Routes – a registered fostering agency
- Family Support projects based in school communities
- Origins – a service to former child residents and adopted adults and birth families (a registered Adoption Support Agency)

Community Projects

Within Father Hudson's Care (FHC)

- Brushstrokes – a collaborative project serving the “hidden poor” in Smethwick
- Young at Heart project ,North Staffordshire– supporting isolated older people

Supporting other Charities & projects

- Anawim – a registered charity serving vulnerable women in Birmingham
- Hope Community Project – a registered charity serving the Heath Town area of Wolverhampton
- Maryvale Community Project –a registered charity providing services to older people and adults who have disabilities
- New Heights ,Warren Farm project –a registered charity with a community café, debt and money advice, and a community centre in which other agencies provide services to the local community
- Assisting other small projects/charities through financial help and/or management support

Objectives and Strategies

Father Hudson's has a three tier format for setting its objectives and devising the strategies and activities to meet those objectives:

- A long term vision document of the future of Father Hudson's “From one millennium to another”
- 3 year development plans, the latest being 2017 to 2020, which are reviewed and updated each year
- Annual budgets

The activities of Father Hudson's are undertaken by dedicated full and part-time staff supported by volunteers who selflessly give their time as committee members, advisors, "panel members", project support and fundraisers. To all the staff and volunteers the trustees express their deep gratitude and acknowledge the importance of such valuable support.

Adult Care

The Adult Care work of Father Hudson's is focussed on three areas of activity; care for people with complex learning and physical disabilities, care for older people with dementia and care for people with learning disabilities and mental health needs. It supports people to lead lives which are fulfilling and meaningful. Last year the Adult Care department had a turnover in excess of £3.8

million. Care is commissioned and funded by several Local and Health Authorities or privately in some instances at St. Joseph's. The work it does is challenging, the needs it meets, diverse.

St. Joseph's

St. Joseph's is a 59 bed care home, caring for older, frail people 70% of whom have varying degrees of dementia. The aim of the home is to provide nurturing, stimulating and compassionate care, through a variety of interventions and activities.

Last year 17 new residents came to St. Joseph's for long term care, its aim is that St. Joseph's will be a home for life and because of this, it strives to be a place of nurturing and compassion. In addition, 18 respite stays were taken, allowing their families time and space to take a break, either at home or on holiday.

The home is rated "good" by the Care Quality Commission.

St Catherine's Bungalows

Sixteen people live in 3 bungalows. They each have complex care requirements demanding a range of specialist interventions. Those living at the bungalows are encouraged and enabled to join in with as many opportunities as possible. Father Hudson's believes strongly, that disability should not prevent a fulfilling life and the staff team have real commitment to the ethos of supporting residents to live life to its fullest.

The Care Quality Commission has rated the care at St Catherine's as "good"

St. Catherine's Day Service

Thirty-one people attend the day service on a daily basis. They travel from Warwickshire, Birmingham and Solihull to take part in activities aimed at maximising their potential to join in with daily living tasks. The wider community too provides opportunities for people to develop their skills for independence.

It is a service that also provides valuable and much needed respite on a day to day basis for the families and carers.

Last year, the Society's trustees approved a capital investment programme to improve both the fabric of the building and to develop some of the services and facilities it has to offer. This year this has enabled the redevelopment of the hydrotherapy pool, some personal care and activity rooms and access to the garden. Work continues to complete the refurbishment.

Domiciliary Care/Supported Living

Twelve tenants are supported by the Society to develop the necessary skills to live as independently as possible. Varying levels of support is given to tenants in their own flats and in

accessing community facilities. This involves managing significant risks for some individuals in order to further their personal ambitions.

The service is rated "good" by the Care Quality Commission

The work of the department is built on the dedication, compassion and loyalty of its many carers and managers. During a year when, on average, 900 care workers a day in Adult Social Care in England left their jobs, the Society is aware of and grateful to its teams of staff who work conscientiously to support the work it does.

Departmental Aims for Adult Care in 2017/18

To be compliant with Care Quality Commission's Standards

To comply with Local Authority Contractual Requirements

To meet budgetary targets and achieve a balanced budget

To develop services in line with the needs and aspirations of service users

To reflect the Catholic ethos of the Society.

To research and develop new areas of activity for the department

To maximise access to the department's services and facilities

Children and Families Services

The Children and families service provides three services: Origins, New Routes Fostering and the Family Support School's project.

The Origins Service (including the Post Adoption Support provides care to adults who were cared for by Father Hudson's in the past (as residents in the children's homes; as adoptees; as birth family members of residents and adoptees); and, in its capacity as a registered Adoption Support Agency, the Origins Service focuses mainly on providing care to families which have adopted through Father Hudson's during the years in which it operated an adoption agency.

The Fostering Service provides placements for children and young people aged between 0 –18 years who are unable to live with their birth families due to a variety of reasons and subsequently are referred to this service by Local Authorities for fostering placements.

The Family Support School Project provides a holistic service to children, the parents and the school in order to improve the child's attendance, educational success and emotional wellbeing. At the end of the year the service was being provided to 25 schools across the Archdiocese reaching out to faith schools and non-faith schools.

New Routes Fostering

New Routes is a small voluntary fostering project which was established in 1992. The fostering service is based in Coleshill. The service is staffed by Fostering/Registered Manager, two team

leaders (job-share), two full-time social workers and one part-time, and two fostering administrators, one of which is the panel administrator.

The service is registered with and inspected by OFSTED. The last Inspection was undertaken in February 2015 and it was marked as 'Outstanding' in all areas under the new framework and thus maintaining its 'Outstanding' from the previous inspection in June 2011. It was described as an 'exceptional service'.

New Routes provides placements for children and young people assessed by Local Authorities as being in need of care, and unable to live with their birth family. The service was originally set up to care for teenagers and provide supported lodgings. Having increased the age range to 6 – 18 years in 2002, it extended the service provision to include 0 – 5 years from April 2011. Following the changes in legislation namely the Children and Families Act 2014 fostered young people are now able to remain with their foster carers up until the age of 21 years and receive the necessary financial and physical support to do so. This is known as the 'staying put' scheme which currently is a private arrangement between the foster carer, the former fostered child and the responsible Local Authority. The project will work and support those carers who wish to offer this arrangement. The service has more recently provided placements for unaccompanied asylum seeking young people from many different countries, for example Afghanistan and Eritrea.

Looked after Children are cared for by foster carers because they cannot live in their family of origin. This may be for a short period (because of e.g. a family crisis); or it may be for a prolonged period extending until the child reaches adulthood, and in some cases continuing into adult life. These children and young people will have experienced difficult, damaging and risky parental care before they became 'looked-after'. This may include drug and alcohol misuse, domestic violence, physical sexual and emotional abuse, and chronic neglect. As a consequence, they often present their foster carers with a number of challenges including behavioural problems, educational underachievement, and poor physical and mental health. They are amongst the most vulnerable and needy in society.

New Routes operates from the Coleshill Office, and actively recruits foster carers who are within a 30 miles radius of this. This ensures regular and positive support and supervision by the New Routes social workers. The service aims to be responsive to the commissioning requirements of Local Authorities and as preferred providers through the West Midlands Regional contract which includes Birmingham, and separately the Coventry, Warwickshire and Solihull Fostering Contract.

The foster carers are trained, and supported (by the fostering team) in providing an experience of family life which aims to give the children and young people a stable base from which to re-establish themselves in education, re-build relationships with their family, and develop their sense of self-worth. Foster carers are trained and assessed before gaining approval to care for children and young people, and must continue with their training throughout the time that they foster. Foster carers are expected to complete their Training, Support and Development Standards within 12 months of their approval. To date all approved carers have completed these or are on target to complete within the timescales.

New Routes is committed to providing continuing training and development opportunities, regular support group meetings, out of hours support and individual supervision, support, guidance and one to one training to enable foster carers to provide a high quality standard of care to children and young people who are the ultimate beneficiaries of the service.

Children and young people are eligible to be considered for service provision if they are accommodated by a Local Authority. The decision about whether or not a placement is suitable will be made on the basis of an assessment of the foster carer's skills, experience and ability to meet the specific assessed needs of the child or young person referred (known as 'matching'). The views of the child or young person regarding their willingness to be placed with a specific family are sought as research indicates that there is more likely to be a positive outcome if children and young people are consulted during this process. The 'matching' of the carers' skills and knowledge and experience to the needs of the child is vital to minimise the potential of disruptions in the future.

Foster carers on the scheme, receive a carers' fee and a fee to cover the cost of caring for the young person or child. New Routes Fostering charges placing Local Authorities a fee for the service it provides.

Many social events for the foster carers and children take place throughout the year and various creative workshops are held for the children and young people. For example, creative workshops, Mad Science workshops and social events Christmas Party, trips to a theme park and a summer barbeque.

The foster carers and children receive a quarterly newsletter which provides useful information and celebrates the achievements of the foster carers and children and young people.

The key objectives for the Fostering Service:

- 1** To recruit, assess and approve foster families. New Routes Fostering offers a high quality service through the level of support and training available to the foster carers which are reflected in good levels of carer retention. It is a small service provider which ensures that foster carers feel connected to and properly involved in the service. Staff are approachable and readily available to support foster carers.

There are twenty approved foster carers in the service. Two new families were approved during the year 2016–17 and five households retired/resigned from fostering and currently we have one family in assessment and two families attending recent preparation training.

- 2** To provide well matched placements. The service currently has twenty five children and young people placed with our carers, ranging in age from six to seventeen years. Of the twenty five children placed we have four sibling groups and twelve single placements. We have had twelve new placements plus a further two from a planned move from one approved family to another within the project.

New Routes seeks the views of the children and young people entrusted to our care throughout the time they are with us to enable us to review and reflect on their feedback to continue to shape the development of the service. For example a Young People's Panel has been set up to interview potential applicants. This includes an adult birth child and four young people who are fostered. The aim is to provide a 'louder' voice for the children and young people who use our service and for them to share their views of how potential foster carers can help children and young people to reach their full potential and how they can work with children and young people in a positive way. Secondly the young people are taught and gain new skills in interviewing which they can use again for the future and furthermore improve their self-esteem and confidence.

- 3 To provide support to foster carers and children and young people. During the year 2016–17, the Project has supported and supervised its' foster carers through the allocation of a qualified social worker to each foster carer, who then provides regular contact through visits and telephone support, out of hours support; the duty system training; support groups; paid respite; and the pairing of newly approved foster carers, with experienced carers. Social workers can also offer individual work to young people (on self-esteem; managing contact etc.) and the team produces a regular newsletter, offers social events and creative workshops.
- 4 To monitor the progress of each child placed to ensure they are supported, guided and encouraged to reach their full potential in all areas of their life.

Developments of the Fostering service

New Routes was inspected by OFSTED in February 2015, and was assessed to be 'outstanding' in all areas. We are now working to the revised inspection framework that comes into effect from the 1st April 2017.

New Routes continues to review, amend and implement changes or developments arising as and when changes are made to the Fostering Service Regulations, National Minimum Standards 2011 and Safeguarding and Child protection legislation.

New Routes has increased its membership to the Independent Fostering Panel. We currently have ten members on the 'central list' The breadth of experience and knowledge includes: experienced care person, foster carers, adopters, chair of child protection conferences, social worker experienced in child care and fostering, teachers (retired and practising), teachers with special educational need expertise, and a medical advisor. Legal advice is also accessed.

The Fostering Panel has provided invaluable feedback to develop the service further for example improving the responses of the children placed through the support of their social workers to ensure the 'voice of the child' is heard. The Panel Chair is also involved in a forum which enables good practice to be discussed and shared with our agency in order to improve our services further.

New Routes is committed to the review and evaluation of our service by consulting the foster carers, staff and children and young people. A staff evaluation and development day is held annually and for the second time we held a Foster carers evaluation and development day which was a success and we plan to repeat this again later on in the year. Children and young people are consulted upon to determine the type of activities we offer and how we can improve our services in general.

New Routes Service is a preferred provider of fostering services for the 'West Midlands regional framework contract' which currently includes Birmingham City Council and thirteen more Local Authority's in the West Midlands. We continue to be contracted with Solihull, Coventry and Warwickshire Local Authorities concurrently at present.

New Routes continues to be registered as a service provider on the West Midlands portal, which aims to identify potential placements for children and young people in need.

New Routes website (www.foster-carers.org.uk) is a necessary recruitment tool. We continue to utilise our social media links (Facebook, twitter and blog) to raise the profile of the project even further.

New Routes has reviewed children's questionnaires as a result of young people's feedback to improve the layout and questions being asked.

New Routes has a secure data-base which increases efficiency of administrative function, statistics collation, and communication (with Local Authority commissioners and social workers; and between the staff members).

Plans for the Fostering service for 2017-18

- New Routes will continue to work to its core objectives of placing children and young people with families.
- New Routes is committed to the protection and safeguarding of all children who receive the service.
- New Routes will work to recruit, assess and retain a range of foster carers suitable to care for the range of children and young people in need.
- New Routes will comply with current legislation, regulations and practice guidance, and ensure regular review of practice, policy and procedures.
- New Routes will continually review service provision to ensure continued provision of high quality and cost efficient services.
- New Routes will continue to work within agreed financial parameters.
- New Routes will ensure staff, and foster carers are offered training opportunities and support, in line with service development requirements.
- New Routes will continue to work in partnership with foster carers to ensure compliance with the training standards.
- New Routes will work in partnership with Local Authorities to ensure that service provision meets the needs of looked after children.

- New Routes is committed to quality assurance and ensuring the consultation and participation of children and young people, foster carers, staff and stakeholders as and when required.
- New Routes will develop workshop opportunities for the children and young people looking at matters such as emotional health and e-safety etc. in addition to those already in place.
- New Routes are committed to recognising the achievements of the children and young people and foster carers.

Origins (Support after adoption and support after care)

The Origins service provides support after adoption and support after care for those affected by a childhood separation from their family of origin. The separation may have been through adoption or through being in care.

Father Hudson's Care recognises the lifelong impact of being separated from one's family of origin, both for the person concerned and for their relatives. It has a long tradition of childcare and preserves over 40,000 records on children going back to 1902. It believes in the value of treasuring personal histories and understands how looking back into one's past can enhance one's personal identity. It focuses on assisting adults to understand their childhood experiences, and the decisions made for them, and to gain knowledge of their origins. Reconnecting people separated from their family of origin can bring healing and can help people in moving forward. Although Father Hudson's no longer provides residential care for children or arranges adoptions, it remains committed to providing quality services for those with a childhood connection to Father Hudson's.

A fee structure (application to some areas of service provision and compliant with regulatory requirements) was implemented with effect from 1 April 2011. This is kept under review. Service users may, in addition, also choose to make a donation.

Origins, in its support after adoption services, recognises there can be a lifelong impact for all those connected to an adoption. Adoption laws have changed over the years to reflect the needs of various people connected to adoption. These laws enable them to apply to be put in touch with the relative separated by adoption. After Father Hudson's ceased involvement in 2009 in arranging adoptions, it registered as an Adoption Support Agency in order to continue to work with adults affected by adoption. Therefore the quality of the work is regularly inspected by Ofsted, who have consistently judged the quality of the adoption support agency to be "outstanding", the highest rating. Through Ofsted inspections, the quality of the "Origins" post adoption work is measured against National Standards.

Support to Father Hudson's adoptive families with adopted children still under 18 is provided under a service level agreement, by another adoption agency that specialises in working with children in adoptive families. This is called Adoption Focus, which formed when Father Hudson's ceased involvement in new adoptions.

The following services are provided for adults:

- Information from the adoption records can be provided to all adults whose adoption was arranged by Father Hudson's. A portfolio is provided of information from the records which is shared by a social worker experienced in adoption.
- Intermediary (tracing & making contact) services provided by the agency are not restricted to adults connected to adoptions arranged by Father Hudson's. Birth relatives as well as adopted adults and their descendants or other relatives can apply for intermediary services under the law in England & Wales.
- If the agency did not arrange the adoption the agency has to try and identify any agency that may still have records of the adoption. However, even if no records are located, relatives can still be successfully traced. Due to the additional work involved in such cases an additional fee is charged.
- Once a relative is traced and contacted advice and support is offered to both parties, as contact is established and progresses.

Origins, in its support after care services understands the importance of being able to find out information about one's origins and about the period of time spent in care, so it provides an Origins Service to those who previously stayed in the various Catholic homes it was connected with, including those connected to former child migration schemes. It also recognises the importance of people's family history and so it can also help with providing family history information from the childcare records when the person formerly in care is deceased.

Sometimes, those formerly in the homes connected with Father Hudson's wish to visit where their former home was, and so those who would like to arrange a visit to our Coleshill base are welcomed. Assistance can also be given in tracing relatives and reconnecting with family members.

The key objectives for Origins

The key objectives for the service are:

1. As an Adoption Support Agency, to provide birth records counselling and access to information from adoption records for adults whose adoptions were arranged by Father Hudson's. Also to provide intermediary services for anyone connected with an adoption who is legally entitled to such a service. In the last year there were a total of 125 new referrals to this service, in addition to ongoing work from the previous year. Of the new referrals, 82 were made by the adopted person, 9 were made by the adopted person's immediate family, 34 were made by birth relatives of the adopted person. Ofsted has rated the adoption support agency as outstanding in its last inspection.
2. To commission the provision of post adoption support to families and young people where the adopted person is under 18 and whose adopted family adopted through Father Hudson's prior to 2009. In the last year there were a total of 5 adopted people from four families for whom we commissioned this support. The service level agreement between both agencies is reviewed annually and Ofsted regulates the agency providing the service, which has also been rated outstanding in its last inspection.

3. To provide services mainly in relation to accessing information from our records of those formerly in children's homes connected to Father Hudson's or those whose migration records we held. In the last year there were a total of 117 new referrals to this service. Of the new referrals, 49 were made by those formerly in the children's homes, 55 made by relatives and 13 made by others.
4. Other achievements during the past year include:
Origins was represented at various national and local forums during the year, such as the
 - Consortium of Adoption Support Agencies (CASA) and
 - Midlands Regional Professional Forum on Birth records counselling.

Plans for Origins in 2017–2018

- The Origins Service will continue to offer a professional service for adults previously in Father Hudson's Children's Homes, and for adults adopted via Father Hudson's Society, their birth families and immediate families.
- The Origins Service will continue to be extended to people without a former connection with Father Hudson's Society, in line with the service's expertise and regulatory remit, and subject to the fee structure.
- The Origins Service will regularly review the Service Level Agreement with Adoption Focus to ensure the continued and appropriate provision of services aimed to support adoptive families with children under the age of 18 years, in cases where Father Hudson's adoption agency had approved and supported the adopters, and Local Authorities arranged the placements.
- The Origins Service will comply with current legislation, regulations and practice guidance, and ensure that amendments and new guidelines are incorporated into practice, policy and procedures.
- The Origins Service will continue to work within agreed financial parameters.
- The Origins Service will continue to monitor and evaluate the service to ensure quality standards are maintained.
- The Origins Service will ensure staff are offered training opportunities and support, in line with Service development requirements.
- The Origins Service will continue to co-operate fully with any safeguarding matters whether recent or non-recent, including co-operating with the Independent Inquiry into Child Sexual Abuse.

Schools Family Support Project

Schools family support service was set up in 2006 to provide early intervention and prevention support to vulnerable children and their families. The service is embedded primarily in Catholic schools in Birmingham Coventry, Newcastle-under-Lyme, Stoke, Banbury and Oxford. The benefits to schools are enormous and the service addresses: wide ranging concerns faced by children such as: challenging behaviour, poor attendance, self-harm, parental neglect and abuse, domestic violence, parental separation, poverty and poor parental health. Schools recognise the importance of addressing such negative factors as they impact on children's emotional well-being and their educational achievement. Bournville Infants in Birmingham is the only non Catholic school that continues to commission the service.

The Family Support Service Team

The team is made up of a full time project manager, senior family support worker, Data and Monitoring officer and family support workers. The senior family support worker line manages two workers.

This year changes to staffing resulted in 5 family support workers leaving: 3 from Birmingham schools, one from Coventry schools and 2 from Stoke schools. One worker left because the high school was not able to renew the contract. The loss of the Coventry contract was significant and resulted in the withdrawal of 7 schools. Nine schools did not renew their contracts in the last financial year. Three primary schools in Birmingham South West did not renew their contract at the end of March 2017. However, we are continuing to provide interim family support to two of these schools. The impact of financial constraints on schools has been felt by the service.

At the start of the year the service was being delivered in 30 primary and secondary schools with 10 workers in post. At the end of the year 25 schools have commissioned the service and 8 workers are in post.

Contract renewals: Banbury schools have renewed their contract from April 2017 – March 2019 and Newcastle-under-Lyme schools have agreed to a 3 year contract renewal from September 2017 – August 2020. Oxford school and Stoke schools contracts end August 2017 and we are hoping these will be renewed.

Intervention and Support April 2016 –March 2017

Some features of our work this year have included:

- 293 children and families supported through casework (100 less cases compared to previous year because of loss of contracts)
- 75% casework with children/families in primary schools (219) and 25% in secondary schools (74)
- Almost 45% of children (131) had complex issues which required support from a team of professionals.

- Average length of intervention is 10.6 months. 70% of cases are open less than a year and 30% over a year.
- 32% (nearly 1/3) of parents we worked with were single parents
- 39 children were experiencing parental separation
- 108 (over 1/3) children needed support to manage their behaviour
- 73 (1/4) children were supported with child-parent relationship
- Just under a quarter of families were currently experiencing domestic abuse or had experienced it in the past
- Over a quarter of parents were experiencing depression or had another mental health concern
- 1 in 5 children were showing signs of anxiety (59) and a similar amount (58) had low self esteem

In one High School the service was tailored to address attendance issues which highlighted significant welfare concerns. The worker provided significant work:

- 361 sessions with 86 students between April and August 2016
- Contact reasons for 116 sessions include safeguarding and Child Protection, family issues, mental and physical health and transition from primary to secondary school.

Group work delivered over the year:

- 6 Super Skills programs – to reduce anxiety
- 4 Protective Behaviour programs – to address keeping safe
- 1 Parenting course
- 1 Transition group
- 1 Values vs Violence group for primary age children to target Radicalization
- Stay and Play sessions

Non casework:

- Family support workers have held 810 sessions with 364 families, totalling 548 hours.

Family support workers support schools, children and families (not on their caseload) with a wide range of issues that include: safeguarding, advice, information, signposting These are usually unpredicted and usually require immediate attention.

Report on Plans for the Schools Family Support Project in 2016 –2017

1. Networking to raise the profile of the service

Work undertaken to raise the profile and promote the service has included: contacting and sending information to schools in deprived areas in Stoke, involving schools who have commissioned the service to raise the profile of the service through their networks, networking with local and community voluntary sector organisations, presentations to Catholic Heads and Senior Leaders in May 2016 and January 2017, exhibiting at the Education Show, NEC16 –18 March 2017. In progress is follow up of schools met at the Education Show. At the Catholic Heads meeting in May,

a short survey was undertaken to identify support needs for schools and enable the targeting of schools.

2. Develop new family support projects and infrastructure to support growth

8 new contracts have been commissioned and one school has requested additional hours till the end of the summer term. The family support service was piloted in a primary Stoke school in May but this did not lead to a contract. The current infrastructure has been sufficient to meet the new contracts and service requirements.

3. Develop and pilot new areas of the service

A draft menu of services for spot purchasing was circulated to schools receiving the service and those considering provision. There has not been take up of spot purchase. Due to changes in staff, recruitment and retention of schools it has not been possible to pilot new work. We have been exploring the possibility of counselling in schools but have not been able to progress this year because of other work demands.

4. Improve on Outcome measures and reporting

There have been significant improvements in reporting to schools and providing them with detailed statistics on outputs. We are using Star outcome measures and providing case studies and qualitative information that can be used for their Ofsted reporting. Overall through the work of the Data and Monitoring officer, the improvement in the quality of the data and its analysis has been possible.

5. Delivery of Super Skills programme as part of evidence based practice

A steady start has been made with 6 Super skills groups delivered. The benefits to children have been positive: raised self esteem, confidence, managing anxiety and problem solving. There plans are for continuing delivery of the programmes with majority of these contributing to Roehampton University research programme.

6. Ensure staff are trained and developed to meet good practice and service requirements

Adult attachment training was delivered to the team and individual staff have received training in: Attendance, Child Protection, Early Help Assessment, Prevent, Autism awareness. The senior Family support worker has completed Management training in recruitment and disciplinary and grievance.

Plans for the Schools Family Support Project in 2017 –2018

1. Promote growth of service, 1–2 new projects
2. Explore new areas of the service, e.g. Counselling, spot purchasing.
3. Staff training to enhance skills, knowledge and practice
4. Promote the use of outcome based practice through use of systemic solution focused practice and Star.
5. Review length of retention of children's records in line with data protection requirements and best practice.

Father Hudson's Care – Community Projects

Father Hudson's Care works with communities to meet the local need. Each community project has its own focus and identity, with all reaching out to people who need support. In every one of the following projects Father Hudson's has worked closely with other agencies to establish and support the projects. Four of these are now Charities in their own right and we continue to provide substantial support. Projects have core teams of staff and depend upon a wider team of volunteers and supporters. Individuals can make self-referrals to access services, referrals from other agencies and professionals are also welcomed. Each one continues to adjust and develop in response to an increase in the demand for services, whilst at the same time there is a reduction in funding opportunities in an increasingly competitive funding environment.

Anawim (Registered Charity No.1159706)

Father Hudson's Care is involved in Anawim in several ways, as one of its two Foundation partners, in order to support the staff, volunteers and service users.

Objectives and Activities

Anawim exists to support women and their children, especially women who have multiple and complex needs, the majority of whom are vulnerable due to exploitation, prostitution, crime or violence, partner violence and rape.

It seeks to provide wider positive choices to help them achieve their goals and reach their full potential as part of a wider community.

Anawim seeks to work with partners and other agencies to challenge that which degrades and diminishes.

Anawim leases a main Centre with a training room, a main drop in area for relaxing and eating, two large offices, a hall and small one to one advice rooms. Over 500 women attend the Centre each year. It also leases a smaller Centre on the same site, which has a large training room and two small counselling rooms. During 2016 – 17 a new facility was built, Dawn House, with the aid of a very large grant from a private family Trust, as well as grants from several major Trusts. Anawim's facility for offering contact sessions for women separated from their children is now provided through Dawn House, which also offers a drop in service for women not yet ready to use groups, classes or activities in the main Centre. The Outreach and Prison team is based there. The primary focus of Dawn House is its residential facility for women leaving prison, whilst more permanent accommodation is secured.

Alongside the work on its main campus Anawim has a team which undertakes prison in-reach to three women's prisons: Foston Hall, Drake Hall and Eastwood Park and community and street outreach to women living in hostels and working the streets at night. In Foston Hall it has several workers who are part of the Cameo project team.

The Family support worker and other case workers undertake extensive safeguarding and support, advocating at case conferences for the welfare of the children.

During the year ended 31 March 2017

Father Hudson's Care continued to offer substantial HR support to a very large paid staff team and group of volunteers through its HR manager and HR staff.

Father Hudson's chairs the Board and was part of the new Building subcommittee. Its representatives were involved in the detailed process of choosing the construction company for Dawn House.

Father Hudson's finance department prepares the salary schedule each month for Fairlight.

FHC plans for supporting Anawim during 2017–2018

- to develop the governance of the Charity by establishing a Finance subcommittee
- to continue to support the HR subcommittee by providing the expertise of the FHC HR manager
- to continue to chair the Board through this period of change
- to support the extension of Board membership, recruiting new Board members with particular areas of expertise
- to provide all necessary HR backup for the large team of paid staff and volunteers, including all recruitment, policies and procedures, and advice and support with personnel matters
- to continue to provide all necessary payroll information to Fairlight to ensure efficient salary payment

Brushstrokes Community Project

Brushstrokes is a partnership project between Father Hudson's Care, the Infant Jesus Sisters and the parish of St Philip Neri. It is part of the Father Hudson's Care charity and has its own local constitution and management committee.

Brushstrokes is based in Smethwick and provides a range of services targeted at vulnerable people living in Sandwell and West Birmingham. Our focus is on supporting newcomers, particularly refugees and asylum seekers, needing support through key transition stages in their lives. Support provision includes:

- Resources – food, clothing, household equipment, baby and maternal equipment
- ESOL – specialist English support delivered by trained tutors and volunteers
- Outreach – at home case work in key areas such as benefits & housing
- Refugee Pathway – supporting refugees during the transition from asylum to refugee status
- Befriending – at home, telephone and in the centre

- Information, signposting and support
- Immigration advice, debt, counselling and employment support
- Support Groups
- Community Cohesion activities – days out, community cafe and social opportunities

2016/17 achievements for Brushstrokes:

The project continues to be very busy during 16/17. The centre remains a busy hub most days of the week and our staff and volunteers continue to struggle to try to meet this high demand. Over 2000 refugees, asylum seekers and migrants have been supported over the last year.

Objective: To sustain the current staffing levels and secure Big Lottery funding

Big Lottery funding secured for 4 years, funding core posts includes the ESOL Coordinator, Outreach Coordinator, Administrator and Volunteer Coordinator. These are vital posts for our key services which have successfully continued during 16/17. In addition the lottery are funding two new posts of Centre Coordinator and Resources Coordinator.

Objective: To increase the space available for the project to provide quality advice, counselling and resources to meet the growing need for these services.

With the support of a local builder, a new room has been created within the old crèche area for freelance staff to be based. The old crèche area is now also being used for counselling and advice surgeries.

Objective: To meet funding targets and seek other funding sources to continue the projects in 2017/18.

All existing funding targets have been met and reported on. New funding applications have been made to a number of new funders including The Barring's Foundation, WA Cadbury and to the Department for Culture, Media and Sport.

Objective: To promote the project both regionally and nationally as a model of good practice and expertise in working with newcomers.

The new Caritas project was piloted this year, reaching out to parishes across the archdiocese providing workshops on newcomers and supporting parishioners to support asylum seekers and refugees in their local area. This successful new project will continue in 17/18.

Objective: Network with a range of agencies working with refugees and asylum seekers.

Brushstrokes will develop a strong partnership with Fatima House and continue joint work with Caritas AOB.

As mentioned above, the new caritas Aob project has been a success. Brushstrokes is also now working closely with Fatima house, providing cross-referrals, carrying out joint talks and providing a counselling training session.

Objective: To work with local partners to improve the employability prospects of refugees linked to the hospital development in Smethwick.

Brushstrokes have been part of a successful European funding bid, 'Use It'. We will be consulting with refugees on their work skills and experience compared to the needs in the local labour market. We are also part of a successful Sandwell Consortium bid for a new employment project; the employment worker is now based part-time at Brushstrokes.

Action Plan for Brushstrokes in 2017/18

- To secure funding for the Brushstrokes Project Manager post.
- To develop the weekly Community Café to be volunteer-led.
- To continue to develop and deliver health-focused projects including the baby packs and ESOL for health.
- To work with the local parish to ensure that the current Brushstrokes building is fit for purpose.
- To develop the befriending service, urgently recruiting more volunteers to free the Outreach Coordinator to carry out more specialist casework.

Hope Community Project (a registered charity supported by Father Hudson's Care)

Hope Community Project in Wolverhampton celebrated 30 years since it was set up by the Infant Jesus Sisters in October 1985, it then became a partnership project with the Sisters and Father Hudson's in 1994 and registered as an independent Charity in December 2010. Father Hudson's provide the project with management support, HR, training, financial and general guidance.

Hope Community Project aims to seek out, reach and support the most isolated, vulnerable and disadvantaged people in the community, particularly those on the margins who struggle with day to day living and to be accepted by society as a whole. All activities and services delivered at Hope are as a direct response from listening to the needs of the community through Hope's door-knocking and outreach service.

The weekly programme of activities includes:

- **For older people** – a visiting and befriending service (including telephone support), support to attend medical appointments, a friendship group and a lunch club
- **For young people** – focussed work to prevent them becoming involved with gangs and the criminal justice system; of being excluded, exploited, abused and groomed. We also offer weekly groups, workshops, trips and information sessions for all children and young people
- **For women and families** Support for families experiencing difficulties and 1:1 and group support for women.
- **Weekly job club** for people seeking work
- **English for Speakers of Other Languages** – Individual and group sessions
- Volunteering opportunities

Key achievements for the Hope Community Project in 2016/2017:

Objective: Continue to work with Wolverhampton City Council and other partners on the regeneration plans for the estate.

Two Consultation days held for residents to find out more about the plans for the area. Hope manager and staff continued to network with Wolverhampton City Council and other partners in identifying and feeding back residents' opinions and wishes.

Objective: Re-locate to new premises and continue to promote services.

Hope Community successfully moved to new premises in November 2016 with great support from Wolverhampton City Council, Wolverhampton Homes and Wates building contractors.

Objective: Continue with the work funded by BIG Lottery to strengthen the capabilities of the organisation through increasing skills, knowledge and confidence, to deliver more effective and sustainable services to beneficiaries.

The Hope Trustees and manager are developing the 3 year organisational strategic plan, using knowledge and skills strengthened through work carried out with the BIG Lottery Building Capabilities fund. The plan will inform and direct the delivery of services and enhance the sustainability of Hope Community in the coming years.

Objective: Secure shortfall in funds for Hope's service to support women and families.

There remains a need to support women and families in the area but at present the funds end in July 2017. Applications have been submitted to Pathways 2 Support and the Government Tampon Tax Fund.

Other achievements of the Hope Community Project:

- Hope Community is a partner in a 3 year successful bid from Wolverhampton City to Comic Relief Girls in Gangs Programme and will be employing a part-time worker in 2017.
- Comic Relief Core Strength funding secured for two years.
- 41 active volunteers.
- Since moving to new premises we monitor the total number of visitors each month to the new centre. For January 166 and February 314 and we expect the numbers to grow.

Action Plan for the Hope Community Project for 2017/18:

- Recruit and appoint new Project Manager due to current post holder's retirement. Ensure the ethos, mission and uniqueness of the Hope Community is retained during this transition.
- Produce a 3 year Strategic Plan, building in a strategy for Hope's future sustainability. Include a detailed 12 month action plan.
- Secure funding for the continuation of the core areas of work with women and families, children and young people and older people.

Maryvale Community Project (a registered charity supported by Father Hudson's Care)

Maryvale is a charity deeply embedded in the local community, serving some of the most vulnerable groups in Kingstanding, Great Barr and the Pheasey Estate. The principal charitable aims are to build community cohesion and overcome barriers caused by poverty, ageing and disability. Father Hudson's provides the project with management, HR, training and general guidance.

Maryvale delivers services for the elderly through a weekly lunch club, outreach and telephone befriending. They also run a social group for adults with learning disabilities.

Key achievements for Maryvale in 2016/17:

Objective: Create a funding strategy and secure funding for the sustainability of core services.

A Funding Strategy is now in place. Various charitable trusts and grant making bodies have been applied to, to date securing 11k. Local fundraising events have also been a success, including a Curry Night and Bacon and Cabbage Evening. All key services continue to be delivered.

Objective: Recruit Sunshine Club Co-ordinator

At present club is being co-ordinated by Project Manager and volunteers due to experiencing difficulty in recruiting to post.

Objective: Secure funding for the development of Sunshine Club.

Funding is being sought to increase sessions, continuing to develop the involvement of users in preparation. Programme is now determined and planned by users with new activities including healthy eating sessions.

Objective: Develop the range of activities/services offered at the community centre to meet the needs of service users.

Delivered monthly dance sessions 'Strictly for fun' in response to service users. Working in partnership with Active Parks, delivering walking football sessions once per week. Increased the participation of service users to develop a knit and knatter group and deliver monthly line dancing sessions.

Objective: Raise the profile of MCP by networking, advertising and developing new website.

Website has been developed and is updated on a regular basis. Introduced quarterly newsletter. Project manager is networking with key local agencies and attending key meetings.

Action Plan for Maryvale in 2017/18:

- Secure funding for development and continuation of the three key services.
- Recruit Sunshine Club Coordinator – increase Sunshine Club Sessions weekly and increase participation of service users in Sunshine Club in preparation of activities
- Develop additional range of services/activities at Community Centre, based on community need and focusing on social inclusion and healthy living.

New Heights Warren Farm Community Project (a registered charity supported by Father Hudson's Care)

New Heights is based on the Warren Farm Road in Kingstanding, Birmingham, at the heart of the Kingstanding Community. They operate from two locations: St. Johns Community Centre and the New Heights Community Café. Father Hudson's provide the project with management, HR, financial guidance, training and support with funding applications and general guidance.

Services are provided by a small staff team and larger volunteer team and currently include – Specialist Domestic Abuse Counselling Service; Legal Advice Service; Older People's Befriending Service; Volunteer Community Café; Supporting and facilitating local groups including a Lunch Club and a Silver Surfers Group.

Key achievements for New Heights in 2016/17:

Objective: Seek new partnerships and opportunities for new activities and support services.

Christ the King School hired out St Johns over a twelve month period to develop their status in the community as a teaching school. In addition; Slimming World have been running free Healthy eating groups, MP Jack Dromey holds a monthly surgery at the Community café, New craft sessions have been delivered, the café has been set-up as a Credit Union Collection point, a weekly volunteer-led Knit and chat group has been launched for adults with learning difficulties, and Imagine Group, a self-help group for people with mental health issues and depression now meet twice a week.

Objective: Commission an independent evaluation for the Legal Advice Project. Identify appropriate streams for the continuation of this service.

An external independent evaluation was completed between April and June 2016.. It captured incredibly powerful accounts of impact by numerous individuals who accessed the service and was positive about the support they had received. A steering committee has been created for this project to plan its future and a lottery funding application is planned.

Objective: Apply for Big Lottery 'Reaching Communities' funding to fund the Domestic Abuse Service for the next five years.

Big Lotteries Reaching Communities Bid for 5 year sustainable funding was successful and £311,415 funding over 5 years will commence May 2017 and includes £15,000 to build the organisational capabilities of New Heights. 2 Part time counsellors and a counselling co-ordinator have been recruited to run the project. An interim grant from the Victims Fund enabled us to maintain delivery of Domestic Abuse Counselling while awaiting the outcome of the Lottery Reaching Communities application.

Objective: Secure core funding for key paid staff posts

Funding has been secured for the Project Manager and Administration posts through the Comic Relief Core Strength fund, a contribution from Big Lottery Reaching Communities grant and a grant

from the W.A. Adlington Trust. Funding for the Volunteer Coordinator has been secured through a contribution from Big Lottery Reaching Communities, Trusthouse Charitable Foundation and Victims Fund grants.

Objective: Prepare business plan to explore the options of the Community Café becoming a social enterprise

Funding was secured from Awards for All, Clothmakers Foundation and Asda's to refurbishment the Community Café which was relaunched in January 2017. A Community Café Committee has now been established to take on the role of managing the café as a Community enterprise going forward.

Objective: Revise and embed volunteer policies and procedures, including a recruitment campaign and thank you events.

Volunteer Co-ordinator recruited in March 2016 – guidelines for Volunteer Support and Management and the Volunteer handbook have been re-written and embedded in practice. In June 2016, funding from Spirit of Kingstanding enabled New Heights to facilitate a Volunteer Celebration event attended by 102 volunteers and Jack Dromey MP.

Complete a community consultation to identify gaps in local services and create a local directory of services.

The Community Consultation identified the needs of local people, resources currently available to meet identified need, unmet needs of local residents and how the community might respond to meet identified unmet needs. In December The Kingstanding Resource Directory was printed and has been widely circulated across the area, receiving good feedback.

Objective: Explore more effective use of social media.

New website launched and a new Facebook page created. A New heights film has also been produced and can be viewed from the website page or via You Tube

Other achievements of the New Heights project:

- Recruitment of a student through University of Birmingham to support with Legal Advice project evaluation.
- We were awarded runner up in the BVCS Volunteer team of the year award.
- Recruitment of 28 new volunteers, training provided includes safeguarding, health and safety, first aid and food hygiene
- All charity projects are now fully funded through rental income, grants & fundraising

Action Plan for New Heights in 2017/18:

- Deliver funding outcomes and targets including for the strategic Comic Relief funding and the Big Lottery Domestic Abuse Project.
- Focus on identifying funding streams for the Legal Advice Project from summer 2017.
- Commission a web version of Kingstanding Resource Directory
- Map out and initiate actions highlighted in the Organisational Strengths Review, currently being completed for the Board Away day in June 2017

- Promote and strengthen Silver Surfers IT support group
- Further Volunteer event during Volunteer week with the aim of recruiting additional volunteers,

Stoke and North Staffordshire Young at Heart Project

A partnership project between Father Hudson's Care and the three local parishes of Hanley, Meir and Kidsgrove; North Staffordshire Young at Heart has delivered a Community Coordinator who supports older people across Stoke and North Staffordshire who are socially isolated and lonely. The project aims to reduce the social isolation of vulnerable and isolated older people through a variety of volunteer-supported activities including social groups and befriending.

Key achievements for the Young at Heart Project in 2016/2017

Objective: To secure funding for continuation of services for older people in North Staffordshire and Stoke.

Funds secured through Trusts and grants including Police and Crime Commissioner grant, Garfield Weston and Newcastle under Lyme Borough Council. A Methodist Homes partnership Big Lottery Reaching Communities funding bid to expand both organisations work in the area with older people has been successful at stage 1, with the final stage 2 application planned for 17/18.

Objective: If funding secured, to focus on reaching and supporting the most isolated and vulnerable people through outreach and befriending.

Through funding secured from Garfield Weston, a home visiting befriending service has begun to be piloted in 2017. This will continue to be developed throughout the year.

Objective: If funding secured to set-up additional Young at Heart Groups and to continue to support existing groups to be able to operate in the future more independently and sustainably.

4 regular social and lunch groups now meet, including a new lunch club we are now supporting, Congelton Rd. All groups are supported by a team of volunteers whom we have worked with throughout the year to be more independent.

Objective: Apply for funding to continue the volunteer gardening scheme.

The pilot project in Stoke during 2016 was successful with 6 volunteers supporting 20 older people in their gardens. We have now also secured Police and Crime Commissioner funding to expand the scheme to Newcastle under Lyme working in partnership with North Staffs Linkline and Newcastle Borough Council. This new project is currently being initiated.

Objective: Work with local organisations and groups to highlight gaps in service for the most vulnerable older people in the area.

A new partnership with the Methodist Homes Association has been established. The Project Coordinators from both our projects are already working together sharing referrals, information and learning.

Other achievements of the Young at Heart project:

- 54 active volunteers.
- 250 older people supported at social and lunch groups.
- 5 trips and outings organised.

Plan for Young at Heart in 2017/18:

- To secure funding for continuation of services for older people in North Staffordshire and Stoke.
- If funding secured to grow our support for isolated and vulnerable older people in North Staffordshire and Stoke including additional Young at Heart Groups and befriending.
- To continue to increase the team of volunteers, training and coaching them to increase their skills, confidence and independence.

Embrace Worcester

Part of a new national pathfinder initiative led by Caritas Social Action Network, Embrace aims to develop parish and community based responses to address and reduce social isolation and loneliness amongst older people. Worcestershire is one of 4 pilot areas nationally and was launched in January 2017. Learning from this 2 year pilot will be used to create a toolkit to enable the work to be replicated and multiplied to build a national network of Caritas caring parishes that can grow services for vulnerable people and share good practice.

2016/17 achievements for Embrace Worcester:

The new Development Worker has now been recruited in Jan 2017 and the 4 parishes in Worcestershire have been highlighted and are beginning to be engaged with.

Action Plan for Embrace Worcester in 2017/18:

- Create and grow Father Hudson's Care networks and connections in the Worcester Deanery including engaging with parishioners and the clergy, building links with other Christian churches, faith-based organisations and with the local voluntary and statutory sector.
- Strengthening of national links with CSAN and other Caritas regional organisations, including attending funding meetings and sharing reports, sharing information, best practice and ideas.
- 25 new trained parish community volunteers engaging with projects.
- Prototype and enable 4 new support initiatives across the Worcester Deanery, with continued parish sustainability.
- Collect initial service user distance travelled and feedback; case studies and outcomes examples demonstrate improvements in reducing social isolation, emotional well-being, improved independence, confidence and improved social networks.

Fatima House

Fatima House, set-up in July 2016, provides hospitality and welcome for vulnerable female asylum seekers who have no recourse to public funds, through the provision of short-term accommodation and meeting basic needs. Fatima House is a new collaborative project between a local parish, Father Hudson's Care, the Columban Missionaries and the Archdiocese of Birmingham. The local parish and Archdiocese have provided the building, as well as local and financial support. The Columban Missionaries undertake the day-to-day running of Fatima House. Father Hudson's Care are responsible for the governance and management of the project. The project is led by a committee and steering group made up of representatives from the founding partners, volunteers, parishioners and other agencies specialising in supporting asylum seekers.

Fatima House has been developed in response to the ongoing refugee crisis. The project offers sanctuary to women who are extremely vulnerable, having been forced to flee from their country of origin. The project provides short-term accommodation specifically to female asylum seekers who are destitute and are in the process of a renewed asylum claim.

2016/17 achievements at Fatima House:

- Project planned and initiated ready for July 2016.
- 11 female asylum seekers have so far been provided with accommodation since July 2016.
- Volunteers are on site each weekday for at least 8 hours and 2 hours at weekends.
- Volunteers provide activities for the residents including gentle exercise, weaving, massages, table games, arts and crafts etc.

Action Plan for Fatima House in 2017/18:

- To house up to 11 residents, reviewing cases at months 6, 9 and 12.
- To recruit additional volunteers to have a presence at the house, supporting the ladies as required.
- To continue to work with the SVP to provide the residents with a weekly destitution fund.
- Working with the management committee and steering group, to review the constitution and budget for year 2, planning ahead to year 3.
- To continue to promote the work of the project with the aim of receiving practical and monetary donations.

Fundraising, Communications and Marketing

The fundraising landscape changed during the year, with the introduction of the new Fundraising Regulator. Father Hudson's Society joined the Regulator and promised to raise funds in a way that is legal, open, honest and respectful. Total voluntary income was £691,294 (2015/16 : £719,153). Most voluntary income comes from five sources: individuals, parishes, Catholic schools, companies and trusts. We are extremely grateful for this support.

Individuals

Legacies make up a substantial proportion of Father Hudson's voluntary income. Legacies are hard to predict, but not accidental, being the result of good service and good publicity from the charity.

General donations, made up of unsolicited gifts and standing orders, held steady. The response to the quarterly appeal mailings was positive, with the pre-Christmas mailing raising the most. Gift Aid receipts were substantially up on last year, thanks to a concerted campaign to collect Gift Aid declarations from individuals through mailings and parish envelopes.

Parishes

For one year only, the annual collection by parishes moved from September to December. This gave churches less time to submit their collections before the end of the financial year. Despite this, income from the collection was up. A pastoral letter from the Archbishop of Birmingham, the timing of the collection, gift envelopes and publicity may all have contributed to this change. Other income from parishes was also up, with the crib collection earmarked to benefit the Origins service and the Lent collection contributing toward general funds.

Catholic Schools

Once again we held seven Good Shepherd Masses for schools in churches around the Archdiocese during the 2016 summer term, attracting around 3,000 pupils and students. We are grateful to teachers, parish volunteers and priests for making this possible, and particularly indebted to the principal celebrants: Archbishop Bernard Longley, Bishop Robert Byrne, Bishop David McGough and Canon Tom Farrell. Our School and Parish Fundraisers visited nearly 100 schools during Lent 2017, talking about the work of New Routes Fostering and Young at Heart, and raising awareness of our caring vocation among young people.

Income from primary schools generated by our Good Shepherd Appeal was £58,449, which is 5% more than the previous year. Income from senior schools generated by our Walk a Mile in their Shoes appeal rose 25% to £15,829. The focus of Walk a Mile from summer 2015 to summer 2017 is disability, with the funds hypothecated for the refurbishment of St Catherine's Day Service.

Companies

Many companies support Father Hudson's Care through the volunteer-run Annual Ball. Direct donations from companies fell slightly in 2016-17. Of the five main sources of income, this is the smallest. In 2016-17 we recruited an extra member of staff who, starting in 2017-18, will give us extra capacity to raise funds from companies, major donors and trusts.

Trust and statutory fundraising

Working with colleagues in the Community Projects, we achieved significant successes in trust and statutory fundraising during 2016–17. This included a multi-year Big Lottery grant for Brushstrokes. Trusts and statutory funders giving £1,000 or more in 2016–17 included:

- Birmingham Roman Catholic Diocesan Trustees
- The Bisgood Charitable Trust
- The Charlotte Marshall Trust
- The W E Dunn Trust
- The WG Edwards Charitable Foundation
- The Cole Charitable Trust
- The Garfield Weston Foundation
- The Greggs Foundation
- The Grimmitt Trust
- CHK Charities Limited
- Newcastle-under-Lyme Borough Council
- The Park House Charitable Trust
- The Brian Shaw Memorial Trust
- Staffordshire County Councillors' Fund
- Staffordshire Police and Crime Commissioner

This income will benefit Brushstrokes, Tabor House, Young at Heart and the general fund. We expect bids made in 2016–17 to bear fruit in 2017–18 with further grants.

Events

The team contributed toward a successful fête in June 2016, by providing publicity and fundraising activities. The 113th Annual Father Hudson's Ball took place on 18 February 2017 at the National Conference Centre, the new name for the National Motorcycle Museum. We worked with the Ball Committee to sell tickets, find raffle prizes and secure corporate sponsorship. The event was a success, with £14,451 raised for New Routes Fostering and Young at Heart.

Communications and Marketing work

The team worked closely with others – especially Young at Heart, St Catherine's Day Service and St Joseph's Residential Care Home – to market services. This included an advertorial in the new Coleshill Town Guide and positive reviews for St Joseph's on www.carehome.co.uk.

We managed to reach out to more people through Father Hudson's social media accounts in 2016–17. On 1 April 2016, the combined followers of our Twitter, Facebook and LinkedIn accounts totalled 499; on 4 April 2017 this number stood at 920.

Strategic Report

Financial review

Financial Results for the year are shown in the Statement of Financial Activities (SoFA).

The SOFA shows that a high proportion of the Society's income is in the form of fees towards the cost of services. Such fees are charged for provision of residential and day care, and fostering services. They are paid by local and health authorities and in the case of residential care may be partially or fully paid by private individuals. The fees received for such services do not cover the full cost of provision of the services. The shortfall is met from voluntary income and reserves.

Projects (Origins service and Community based projects) which attract no fee income are supported from the Society's fundraising efforts and investment income.

Staff costs are by far the biggest item of expenditure for the Society. Father Hudson's strives to give residents, clients and service users the highest standard of service and care and relies on the hard work and dedication of its staff for that. It operates in a very competitive environment for staff and therefore offers staff competitive rates of pay and fair leave and sickness benefits. Father Hudson's also offers all staff membership of a pension scheme. All staff undergo a formal induction programme, have regular supervision and staff meetings, and receive staff newsletters.

Inflation is an issue for Father Hudson's with major costs on gas, electricity, water and food continuing to increase. Local Authorities which are under financial constraints are not generally offering increases in fees in line with headline inflation, and certainly not in line with the specific inflation incurred with social care projects. Whilst Father Hudson's has made some considerable progress in reducing operating deficits, the present economic climate makes further progress difficult without impacting quality of service which is not acceptable to Father Hudson's.

Father Hudson's has centralised administration functions covering accounting and cash and investments, personnel management, fundraising and estates management.

The SOFA shows a net decrease in funds of £583,710 before net gains on investments of £552,120. The Society's quoted investments are shown at their market value on 31 March 2017 and are held for the long term to generate income to support the mission of the Society and it is not the intention of Father Hudson's to liquidate them to any significant extent in the short term. Note 19 gives full details of the movements in the assets and liabilities of the Society's pension scheme, in accordance with the disclosure requirements of FRS102. The nature of the assets held by the scheme and the liabilities of the scheme can lead to volatile results. Following a consultation with the 29 active members of the Pension Scheme, the trustees resolved to close the Scheme to future accrual with effect from 31 July 2017.

F.H.S. Projects Ltd, a wholly owned subsidiary company, formed to undertake building development and trading activities, was dormant throughout the year. It has no employees and the directors receive no remuneration. Its existence continues to be kept under review.

Reserves and Reserves Policy

The trustees of Father Hudson's have established a reserves policy which reflects the long term nature of much of the work of the Society. Father Hudson's provides residential care to vulnerable adults, most of whom would expect to stay in the Society's care for the rest of their lives. Additionally Father Hudson's has a long history of residential care to children and young adults, and of adoption services. This history carries with it an obligation, both legal and moral, to assist those who were in our care, or were adopted, their birth families and adopters to explore their past, learn reasons why decisions were made and increasingly bring parted relatives together. Adoption records must now be kept for a minimum of 100 years and there is an obligation on Father Hudson's to offer a post adoption service to those involved in the adoption process throughout their lives.

The reserves of Father Hudson's are made up of five types of funds:

- Expendable endowment funds.
- Restricted funds.
- Designated funds.
- Free reserves.
- Pension Reserve/(Deficit).

Expendable Endowment

Expendable endowment funds comprise the value of lands in Birmingham and Coleshill purchased by Father Hudson for the charitable objects of the Society. When such lands are disposed of, the net proceeds are also held in expendable endowment. Expendable endowment funds are held as capital funds but may be expended at the discretion of the trustees. The income from the endowments is used to support and develop the activities of the Society.

Restricted Funds

Restricted funds comprise grants or donations made to Father Hudson's for specific purposes. Such funds usually have to be accounted for in detail to the funder and are not available to be spent on anything other than the donor's intention. Restricted funds include donations towards the capital cost of certain assets purchased by the Society. Such funds are transferred to free funds at the same rate as the depreciation on the associated asset.

Designated Funds

Designated funds are funds set aside by the trustees for specific purposes, or because such funds are unrealised or not capable of being realised in the short term. The property fund is the capital value of property and fixtures held for charitable use by Father Hudson's outside of the endowment fund, and as such is not available for general use. The fair value reserve represents the unrealised revaluation gains on the Society's investments, and being unrealised is unavailable for general use.

Free Reserves

Free Reserves are those funds available to meet the day to day needs of the Society's work. The trustees have decided that given the long-term commitments in the Society's work, the fragility of external funding for some of its projects and the uncertainty of voluntary income and legacies, free reserves should be held for not less than 3 and not more than 6 months expenditure. At the balance sheet date free reserves amounted to £556,053 equivalent to 5 weeks unrestricted expenditure. However unencumbered reserves, for this purpose defined as the sum of the expendable endowment and free reserves amount to £6,302,140, which equates to 12 months unrestricted expenditure.

Pension Reserve

The pension reserve/(deficit) represents the surplus/(shortfall) in funding of the Society's Pension Scheme as calculated annually by the scheme actuary in line with the requirements of Reporting Standard FRS102. The valuation is a snapshot on a particular day and can vary significantly from year to year, and is sensitive to relatively small changes in interest and discount rates.

Investments

Father Hudson's has an investment portfolio, the income from which is used to support the work and the administration of the Society. The fund is invested in quoted shares, fixed interest gilts and bonds rated A or higher, property funds and cash. The investment objectives are for a secure level of income together with some capital appreciation in order to maintain the real value of the fund. Smith Williamson Investment Management LLP manage the portfolio on a discretionary basis. The trustees have developed a social, environmental and ethical policy for the portfolio. Any investments which do not comply with the policy are divested as market conditions allow. The portfolio is held for the long term, and the trustees believe that the structure of the portfolio is broadly in balance with its objectives for the long term.

Investment objectives 2017/18

- To work with investment managers to minimise the capital risk within the investment portfolio, whilst maximising the income potential.
- To continue the review of internal controls and governance to ensure application of best practice.
- To review the cost base of Father Hudson's to ensure optimum efficiency in the use of Society funds.

Structure, Governance and Management

Constitution & Governing Document

Father Hudson's is a charitable company limited by guarantee, incorporated on 22 July 1982 and registered as a charity on 15 September 1982, to continue the work started by Father Hudson at the beginning of the 20th Century. It was established under a memorandum of association which established the objects and powers of the organisation and is governed under its articles of association. 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 at 31 March 2017 was 14 (2016 – 12).

Recruitment, Appointment and Training of Trustees

Nominations for trustees have been made by existing trustees and other supporters of the Society. Father Hudson's has also successfully advertised for trustees to replace retiring trustees. Appointments are made by the board with the approval of the President in line with identified skills gaps in the existing board or through retirement. New trustees undergo a formal induction, managed by the Chief Executive, into their responsibilities, the varied activities and the ethos of the Society. Professional advice is made available to the trustees at all times and appropriate trustee training is provided.

Organisational Structure

The board of trustees has established sub-committees to examine areas of work in more detail and to advise the executive and report to the full board. Occasionally the board delegates specific issues and decisions to sub-committees when deemed appropriate. The board of trustees sets the strategic direction of Father Hudson's and approves annual budgets. Implementation and day to day management is delegated to the Chief Executive and through him to the senior management team. The board constantly reviews its governance structure to ensure that it complies with best practice and is committed to achieving compliance with the Good Governance Code.

Relationships with related parties and other charities

Father Hudson's owns 100% of the issued share capital of F.H.S. Projects Ltd, a company registered in England and Wales no. 3720516, whose main activity is the development of property for use by the Society. All profits within F.H.S. Projects Ltd are donated to Father Hudson's under Gift Aid. The company is currently dormant and so consolidated financial statements have not been prepared.

In 2009 the trustees transferred adoption work to a new independent non-denominational Charity, Family Society – Adoption Focus. This is a completely independent and separate charity. Two trustees of Father Hudson's are also trustees of Family Society. Family Society – Adoption Focus undertakes some adoption support work on behalf of Father Hudson's Society. Father Hudson's provides certain administrative support to Family Society. All such arrangements are undertaken for fees agreed on an arm's length basis.

Father Hudson's has employed the services of Wentworth Employee Benefits Ltd (Wentworth) in the design and implementation of a Group Personal Pension Scheme. Three of the directors of Wentworth are related to a trustee of the Society. Fees to Wentworth have been agreed on an arm's length basis and the trustee took no part in the decision to use Wentworth nor in the fee negotiations. At 31 March 2017 fees amounting to £3,600 had been paid or accrued to Wentworth. Wentworth also act as advisors to the Trustees of the FHS Pension Scheme.

Father Hudson's has close relationships with a number of other religious charities with whom it collaborates in the delivery of services in Community based projects. In each case there is a written collaboration agreement.

Governance and Internal Controls

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of Father Hudson's and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Father Hudson's and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan and an annual budget approved by the trustees.
- Regular consideration by the trustees of the financial results, variances from budgets, non-financial performance indicators and benchmarking reviews.
- Delegation of authority, segregation of duties and formal supervision structures.

Review of Strategic Management 2016/17

Risk	Risk at the start of year	Risk at the end of year
Reputation for safeguarding children, young people and vulnerable adults		
Non inspected services	Low	Low
1. Financial management –income generation and expenditure control–this needs to be considered project by project		
St Joseph's–risk of new fee structure leading to more vacant places	Low	Low
Adult care –impact of national living wage	Low	Low
Day service– risk of investment not leading to new placements	Moderate /high	Moderate
Domiciliary care – low fees and use of agency staff leading to overspend	Moderate /high	Low
Community projects– decision on North Staffs project if Lottery bid unsuccessful	Medium	Low
FHC providing additional funding for the Embrace project if the Porticus grant funding bid is successful	Medium	Low
Risk of not selling St Andrews, whilst incurring more costs	Moderate	Low
Risk of losses on St Anne's, if sale or new usage takes too long	Moderate	Low/moderate
Risk of continuing small losses on 44 Coventry Road	Moderate	Low
Pension Fund liability	Moderate/high	Moderate
Governance		
Recruitment of new Trustees with appropriate expertise	Moderate	Low
Strategic vision and new three year business plan	Moderate	Low
Service growth		

Risk	Risk at the start of year	Risk at the end of year
Service growth , stretching staff and financial resources – Community projects	Moderate/high	Low
Service growth , stretching staff and financial resources – Domiciliary care	Moderate/high	Low
Stretching staff and financial resources – Caritas projects	Moderate	Low/ moderate
Breach of Data protection act	Moderate /Low	Low/ moderate

Strategic Risk Management 2017/18

The CEO and the three Trustee subcommittees considered the strategic risks facing the organisation. As a result of this deliberation certain strategic risks were identified where different or additional management actions could be put in place. Following on the subcommittees the CEO was tasked with producing a more detailed set of actions to respond to and manage these risks. Some of the strategic risks from the previous year have been removed, due to the management actions taken in 2016–17. The following were agreed for 2017–18:

Reputation for safeguarding children, young people and vulnerable adults

It had been agreed in the previous year that non-inspected services and projects presented greater risk than those inspected by CQC and Ofsted. It was acknowledged that a robust process had been put in place to review non-inspected services using an external experienced consultant during 2016–17. However since this process has just begun this will remain a highlighted risk.

Safeguarding –non recent allegations

During 2016–17 FHC cooperated fully with the IICSA Inquiry –this required significant staff and financial resourcing. During 2017–18 a similar or greater level of involvement may be required which again will present capacity issues for senior staff and possibly financial resourcing.

Financial management –it was agreed that income generation and expenditure control still needs to be considered project by project; several were identified as requiring more management in the light of a poor financial outcome for 2016 – 2017:

- St Joseph's–lower than usual occupancy became an issue towards the end of the year 2016–17, as well as increased expenditure on maintaining the building to the quality FHC expects, alongside a need to carefully monitor staffing levels, especially the use of agency staff.
- St Catherine's Day service–whilst a great deal of expenditure was committed to refurbishing many parts of the building during 2016 – 17 the challenge of ensuring new referrals remains a priority. A greater focus on marketing at transitional events, with Commissioners, with families is planned.
- St Catherine's– unusually this service has had to budget for a significant deficit in 2017–18. Therefore it has been highlighted as an area that has to be carefully managed, requiring the negotiation with local authorities concerning low fees.
- New Routes fostering– due to increasing competition from large independent fostering agencies and increasing cuts in Local Authority fees this Ofsted outstanding service is devoting even more time to securing placements and new foster carers.
- Family Support in Schools Service – changes connected to academisation and the new funding formula for schools will present increasing challenges in 2017–18, as well as staff retention due to short term contracts.
- Property Management–FHC still needs to manage, in 2017–18, the successful utilisation of potentially valuable redundant buildings and sites, whilst in the short term absorbing the costs connected with maintaining redundant property and securing its development. However considerable progress was made in 2016–17. It remains a strategic risk only because the property market is notably unpredictable until contracts are finally completed.

Safe service provision

- Community projects– Tabor House has been identified as the one(out of three new projects) that has to be very carefully managed due to the risks associated with the client group, with operating a residential service, with the high dependency on volunteers for service delivery, within being a new project involving a steep learning curve.
- Community Projects – staff retention and service continuity and procedural continuity have been identified as key unique features in this department due to the short term grant funding available.

Pension fund liabilities

Even though the Trustees took the decision to close the final salary scheme to further accrual the Trustees are ever aware of the risks associated with the ongoing commitments associated with the final salary scheme.

Having identified these there is now a detailed management response in place.

Going Concern

After reviewing the Society's budgets and projections, the Trustees have a reasonable expectation that Father Hudson's has adequate resources to continue in operational existence for the

foreseeable future. Father Hudson's therefore continues to adopt the going concern basis in preparing the financial statements.

Key Management Personnel Remuneration

The trustees consider the Senior Management Team, comprising the Principal Staff listed on page 1, as being the key management personnel of Father Hudson's in charge of running and operating the charity on a day to day basis. All trustees give of their time freely and no trustees' remuneration was paid in the year. Details of trustees' reimbursed expenses and related party transactions are disclosed in notes 10 and 12 to the financial statements.

Trustees are required to disclose all relevant interests and register them in accordance with the Society's policy and highlight them during discussions where a conflict of interest arises.

The pay of the charity's management team is reviewed annually. The remuneration is benchmarked with other charities of a similar size and activity in the West Midlands area to ensure that the remuneration is fair and not out of line with that paid for similar roles.

Statement of responsibilities of the trustees

The trustees (who are also directors of Father Hudson's for the purposes of company law) are responsible for preparing the report of the trustees' and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

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

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 20 June 2017 and signed on their behalf by

Kevin Caffrey MBE
Trustee

Opinion

We have audited the financial statements of Father Hudson's Society (the 'charitable company') for the year ended 31 March 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report,

Independent auditor's report

To the members of

Father Hudson's Society

we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report.

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

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to

Independent auditor's report

To the members of

Father Hudson's Society

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

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

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

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

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

Independent auditor's report

To the members of

Father Hudson's Society

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Jonathan Orchard (Senior statutory auditor)

11 July 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2017

	Note	Endowment £	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Income from:						
Donations and legacies	3	–	354,226	337,068	691,294	719,153
Charitable activities						
Adult Care	4	–	–	4,094,666	4,094,666	3,835,066
Family Placement	4	–	–	820,091	820,091	964,526
Community projects	4	–	221,637	230,409	452,046	461,314
Other activities	5	–	–	79,261	79,261	46,930
Investments	6	73,424	–	131,839	205,263	211,244
Total income		73,424	575,863	5,693,334	6,342,621	6,238,233
Expenditure on:						
Raising funds	7	–	–	215,901	215,901	194,530
Charitable activities						
Adult Care	7	–	242,440	4,301,048	4,543,488	4,197,639
Family Placement	7	–	1,824	1,329,582	1,331,406	1,110,925
Community Projects	7	–	464,195	276,642	740,837	932,446
Other		–	–	94,699	94,699	44,131
Total expenditure		–	708,459	6,217,872	6,926,331	6,479,671
Net income / (expenditure) before net gains / (losses) on investments		73,424	(132,596)	(524,538)	(583,710)	(241,438)
Net gains / (losses) on investments		116,952	–	435,168	552,120	(463,382)
Net income/(expenditure) for the year	9	190,376	(132,596)	(89,370)	(31,590)	(704,820)
Transfers between funds		(73,424)	–	73,424	–	–
Net income / (expenditure) before other recognised gains and losses		116,952	(132,596)	(15,946)	(31,590)	(704,820)
Actuarial gains / (losses) on defined benefit pension schemes		–	–	(688,000)	(688,000)	85,000
Net movement in funds		116,952	(132,596)	(703,946)	(719,590)	(619,820)
Reconciliation of funds:						
Total funds brought forward		5,629,135	1,498,254	3,484,916	10,612,305	11,232,125
Total funds carried forward		5,746,087	1,365,658	2,780,970	9,892,715	10,612,305

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

Balance sheet

Company no. 01653388

As at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets:					
Tangible assets	14		5,433,024		5,764,998
Investment properties	15		917,500		917,500
Investments	16		5,109,239		4,583,599
			<u>11,459,763</u>		<u>11,266,097</u>
Current assets:					
Debtors	17	400,754		502,273	
Cash at bank and in hand		422,756		464,112	
		<u>823,510</u>		<u>966,385</u>	
Liabilities:					
Creditors: amounts falling due within one year	18	(644,558)		(627,177)	
				<u></u>	
Net current assets			<u>178,952</u>		<u>339,208</u>
Net assets excluding pension (liability)			11,638,715		11,605,305
Defined benefit pension scheme (liability)	19		(1,746,000)		(993,000)
			<u></u>		<u></u>
Total net assets			<u>9,892,715</u>		<u>10,612,305</u>
The funds of the charity:	21				
Expendable Endowment			5,746,087		5,629,135
Restricted funds			1,365,658		1,498,254
Unrestricted income funds:					
Designated funds		2,520,192		2,652,029	
Fair value reserve		641,449		285,529	
Revaluation reserve		809,276		809,276	
General funds		556,053		731,082	
Pension reserve		(1,746,000)		(993,000)	
		<u></u>		<u></u>	
Total unrestricted funds			<u>2,780,970</u>		<u>3,484,916</u>
Total charity funds			<u>9,892,715</u>		<u>10,612,305</u>

Approved by the trustees on 20 June 2017 and signed on their behalf by

Kevin Caffrey MBE
Trustee

Father Hudson's Society

Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £	£	2016 £	£
Cash flows from operating activities	22				
Net cash provided by / (used in) operating activities			(307,035)		(790,451)
Cash flows from investing activities:					
Dividends, interest and rents from investments		241,263		255,244	
Proceeds from the sale of fixed assets		480,622		4,499	
Purchase of fixed assets		(446,686)		(722,095)	
Proceeds from sale of investments		1,353,596		2,679,509	
Purchase of investments		(1,327,116)		(1,310,077)	
Net return on pension scheme		(36,000)		(44,000)	
Net cash provided by / (used in) investing activities			265,679		863,080
Change in cash and cash equivalents in the year			(41,356)		72,629
Cash and cash equivalents at the beginning of the year			464,112		391,483
Cash and cash equivalents at the end of the year	23		422,756		464,112

1 Accounting policies

a) Statutory information

Father Hudson's Society is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address (and principal place of business) is St George's House, Gerrards Way, Coleshill, Birmingham B46 3FG.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting Policies (continued)

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Expendable endowment funds are funds realised from the disposal of assets purchased for the Society by its founder Mgr George Hudson from funds raised by public subscription.

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

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity 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 a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|--|-----|
| ● Adult Care | 55% |
| ● Family Placement | 16% |
| ● Community Projects | 16% |
| ● Costs of generating voluntary income | 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 Accounting Policies (continued)

k) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Land (no depreciation)	
• Buildings	3%
• Motor Vehicles	12.5 – 25%
• Computers	20%
• Fixtures, Fittings and Equipment	10 – 25%

n) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. The valuation method used to determine fair value will be stated in the notes to the accounts.

o) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

p) Investments in subsidiaries

Investments in subsidiaries are at cost. FHS Projects Limited, a wholly owned subsidiary was dormant for the year and so consolidated accounts were not needed.

q) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash. Cash balances exclude any funds held on behalf of service users.

1 Accounting Policies (continued)

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

t) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) Pensions

The society operates a defined benefit pension scheme. The cost of providing pension and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings which is an estimate of the regular cost. Variations from regular cost, arising from periodic actuarial valuations are allocated over the expected remaining service lives of current employees on the basis of a constant percentage of current and estimated future earnings. Any difference between the charge to the SOFA and the contributions payable to the scheme is shown as an asset or liability in the balance sheet.

Contributions payable on behalf of employees to money purchase pension schemes are charged to the Statement of Financial Activities as they become payable.

2 Detailed comparatives for the statement of financial activities

	Endowment £	Restricted £	Unrestricted £	2016 Total £
Income from:				
Donations and legacies	–	429,676	289,477	719,153
Charitable activities				
Adult Care	–	–	3,835,066	3,835,066
Family Placement	–	–	964,526	964,526
Community Projects	–	150,336	310,978	461,314
Other Activities	–	–	46,930	46,930
Investments	79,236	–	132,008	211,244
Total income	79,236	580,012	5,578,985	6,238,233
Expenditure on:				
Raising funds	–	–	194,530	194,530
Charitable activities				
Adult Care	–	58,420	4,139,219	4,197,639
Family Placement	–	325	1,110,600	1,110,925
Community Projects	–	320,932	611,514	932,446
Other	–	–	44,131	44,131
Exceptional Costs	–	–	–	–
Total expenditure	–	379,677	6,099,994	6,479,671
Net income / expenditure before gains / (losses) on investments	79,236	200,335	(521,009)	(241,438)
Net gains / (losses) on investments	(177,228)	–	(286,154)	(463,382)
Net income / expenditure	(97,992)	200,335	(807,163)	(704,820)
Transfers between funds	(79,236)	–	79,236	–
Net income / (expenditure) before other recognised gains and losses	(177,228)	200,335	(727,927)	(704,820)
Actuarial gains / (losses) on defined benefit pension schemes	–	–	85,000	85,000
Net movement in funds	(177,228)	200,335	(642,927)	(619,820)
Total funds brought forward	5,806,363	1,297,919	4,127,843	11,232,125
Total funds carried forward	5,629,135	1,498,254	3,484,916	10,612,305

3 Income from donations and legacies

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Grants and Restricted donations	354,226	113,940	468,166	249,676
Legacies	–	78,454	78,454	278,075
Schools	–	58,449	58,449	64,670
Parishes	–	75,930	75,930	53,390
Other Donations	–	–	–	65,981
Tax Recoverable	–	10,295	10,295	7,361
	354,226	337,068	691,294	719,153

In 2016 the Society was notified of a legacy, the value of which is subject to the sale of property and at the time of approving these accounts the charity does not believe that a reliable valuation of the amount due can be made. Therefore this legacy has not been recognised in these accounts.

4 Income from charitable activities

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Local Authority	–	2,536,652	2,536,652	2,564,254
Private	–	1,558,014	1,558,014	1,270,812
Sub-total for Adult Care	–	4,094,666	4,094,666	3,835,066
Local Authority	–	820,091	820,091	964,526
Sub-total for Family Placement	–	820,091	820,091	964,526
Other Charities	221,637	–	221,637	150,336
Schools	–	230,409	230,409	310,978
Sub-total for Community Based Projects	221,637	230,409	452,046	461,314
Total income from charitable activities	221,637	5,145,166	5,366,803	5,260,906

5 Income from other activities

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Administration Charges	–	51,873	51,873	43,500
Profit on Disposal of Fixed Assets	–	27,388	27,388	3,430
Total income from other activities	–	79,261	79,261	46,930

6 Income from investments

	Endowment £	Unrestricted £	2017 Total £	2016 Total £
Income from UK listed Investments	73,424	119,011	192,435	198,613
Interest receivable	–	277	277	161
Net return on pension scheme	–	(36,000)	(36,000)	(44,000)
Rental Income	–	48,551	48,551	56,470
Total income from investments	73,424	131,839	205,263	211,244

7 Analysis of expenditure

	Cost of raising funds £	Charitable activities			Support Costs £	Governance Costs £	Obsolete Property £	2017 Total £	2016 Total £
		Adult Care £	Family Placement £	Community Based Projects £					
Staff costs (Note 10)	119,643	2,704,652	575,987	485,366	459,224	–	–	4,344,872	4,088,388
Client Costs	–	360,126	506,493	16,018	–	–	–	882,637	851,334
Property Costs	–	436,207	6,585	27,854	121,782	–	64,840	657,268	505,745
Publicity Costs	27,663	–	–	–	–	–	–	27,663	17,736
Agency Costs	–	269,482	–	–	–	–	–	269,482	207,018
Travel Costs	5,704	30,800	25,058	9,003	20,721	–	–	91,286	75,684
Professional Fees	–	18,591	29,307	4,229	2,303	30,020	–	84,450	86,871
Other Direct Costs	30,070	58,883	45,159	44,676	31,063	5,358	4,287	219,496	311,295
Grants Payable	–	–	–	23,750	–	–	–	23,750	32,500
Depreciation	–	220,950	8,453	3,438	90,585	–	2,001	325,427	289,900
Audit Fee	–	–	–	–	–	–	–	–	13,200
	183,080	4,099,691	1,197,042	614,334	725,678	35,378	71,128	6,926,331	6,479,671
Support costs	26,909	390,121	116,393	109,478	(725,678)	59,206	23,571	–	–
Governance costs	5,912	53,676	17,971	17,025	–	(94,584)	–	–	–
Total expenditure 2017	215,901	4,543,488	1,331,406	740,837	–	–	94,699	6,926,331	6,479,671
Total expenditure 2016	194,530	4,197,639	1,110,925	932,446	–	–	44,131	6,479,671	

Of the total expenditure, £6,217,872 was unrestricted (2016: £6,099,994) and £708,459 was restricted (2016: £379,677). Endowment £nil and 2016 £nil

8 Grant making

	Grants to institutions £	Support costs £	2017 £	2016 £
Cost				
Pastoral Care Project	5,000	–	5,000	5,000
North Staffs Linkline	3,750	–	3,750	7,500
Anawim WWT	10,000	38,196	48,196	47,812
Hope Community Project	5,000	10,811	15,811	19,612
New Heights	–	6,803	6,803	–
Maryvale	–	8,411	8,411	–
At the end of the year	23,750	64,221	87,971	79,924

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2017 £	2016 £
Depreciation	325,426	289,900
Loss or profit on disposal of fixed assets	27,388	3,430
Operating lease rentals:		
▪ Property	5,250	12,750
▪ Other.	12,666	–
Auditors' remuneration (excluding VAT):		
▪ Audit	11,200	13,200
▪ Other services	–	–

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	3,856,695	3,600,896
Redundancy and termination costs	1,856	19,870
Social security costs	257,121	244,112
Employer's contribution to defined benefit pension scheme	77,894	87,414
Employer's contribution to defined contribution pension scheme	85,720	66,278
Operating costs of defined benefit pension scheme	65,586	69,818
	4,344,872	4,088,388

Redundancy costs were paid and settled in the year and included an ex gratia payment of £0

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2017 No.	2016 No.
£60,000 – £69,999	1	1

The total employee benefits including pension contributions of the key management personnel were £334,871 (2016: £307,915).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,591 (2016: £1,285) incurred by 2 (2016: 3) members relating to attendance at meetings of the trustees.

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2017 No.	2016 No.
Raising funds	6	6
Adult Care	196	184
Family Placement	11	9
Community Projects	40	37
Support	15	15
Governance	2	2
	270	253

12 Related party transactions

There are related party transactions to disclose for 2017 as detailed below.

Aggregate donations from related parties were £nil (2016: £nil).

The Society has employed the services of Wentworth Employee Benefits Ltd (Wentworth) in the design and implementation of a Group Personal Pension Scheme. Three of the directors of Wentworth are related to a trustee of the Society. Fees to Wentworth have been agreed on an arms length basis and the trustee took no part in the decision to use Wentworth nor in the fee negotiations. At 31 March 2017 fees amounting to £3,600 (2016: £1,800) had been paid to Wentworth. Wentworth also act as advisors to the Trustees of the FHS Pension Scheme.

The President of the Society, the Most Rev. Bernard Longley, is a trustee of Birmingham Diocesan Trust (registered charity number 234216.) During the year, the Trust paid for residential care for sick and retired priests in St Joseph's Care Home amounting to £310,082 (2016: £177,836). The balance at the year end was £5,201 due to the Society.

Two trustees of the Society, Mr Kevin Caffrey and Mr John Barley, are trustees of Family Society (registered charity number 1129095). During the year the Society provided support services to Family Society to the value of £30,000 (2016: £30,000). At the year end the balance owed by Family Society was £nil. In addition, during the year Family Society provided the Society with post adoption support services to the value of £675 (2016: £1,150). At the year end the balance owed to Family Society was £nil.

The Chief Executive of the Society, Mr Andrew Quinn, is a trustee of Anawim (registered charity number 1159706). During the year the Society provided support services in kind to Anawim to the value of £38,196 for which payment of £13,500 was received. In addition the Society made a donation of £10,000 to Anawim. The balance at the year end was £nil.

Mrs Jo Watters, Head of Community Projects, is a trustee of Hope Community Project (registered charity number 1139362). During the year the Society made a donation of £5,000 (2016: £10,000) to the Project and provided support services in kind to the value of £10,800 (2016: £10,207). The balance at the year end was £nil.

Mrs Jo Watters is a trustee of New Heights (registered charity number 1120869). During the year the Society provided support services in kind to the Project to the value of £6,800 (2016: £7,262). The balance at the year end was £nil.

The Society is a corporate trustee of Maryvale Community Project (registered charity number 1147691). During the year the Society provided support services in kind to the Project to the value of £8,400 (2016: £8,369). The balance at the year end was £nil.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

14 Tangible fixed assets

	Freehold property £	Fixtures and Fittings £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At the start of the year	7,562,866	708,435	129,235	206,217	8,606,753
Additions in year	–	353,891	16,105	76,690	446,686
Disposals in year	(515,702)	(119,995)	(40,410)	(32,759)	(708,866)
At the end of the year	<u>7,047,164</u>	<u>942,331</u>	<u>104,930</u>	<u>250,148</u>	<u>8,344,573</u>
Depreciation					
At the start of the year	2,137,930	473,455	86,061	144,311	2,841,757
Charge for the year	216,995	63,526	16,808	28,097	325,426
Eliminated on disposal	(62,468)	(119,995)	(40,410)	(32,759)	(255,632)
At the end of the year	<u>2,292,457</u>	<u>416,986</u>	<u>62,459</u>	<u>139,649</u>	<u>2,911,551</u>
Net book value					
At the end of the year	<u>4,754,707</u>	<u>525,345</u>	<u>42,471</u>	<u>110,499</u>	<u>5,433,024</u>
At the start of the year	<u>5,424,936</u>	<u>234,980</u>	<u>43,174</u>	<u>61,906</u>	<u>5,764,996</u>

Land with a value of £66,750 (2016: £66,750) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

15 Investment properties

	2017 £	2016 £
Fair value at the start of the year	917,500	917,500
Revaluation during the year	–	–
Fair value at the end of the year	<u>917,500</u>	<u>917,500</u>
Historic cost at the end of the year	<u>108,224</u>	<u>108,224</u>

The properties were last valued by Reeves & Partners Chartered Surveyors as at 31st March 2015.

16 Listed investments

	2017 £	2016 £
Fair value at the start of the year	4,541,455	6,346,393
Additions at cost	1,081,167	1,337,953
Disposal proceeds	(1,353,596)	(2,679,509)
Net gain / (loss) on change in fair value	552,120	(463,382)
	4,821,146	4,541,455
Cash held by investment broker pending reinvestment	288,093	42,144
Fair value at the end of the year	5,109,239	4,583,599
Historic cost at the end of the year	4,415,536	4,324,958

Investments comprise:

	2017 £	2016 £
UK Collective Funds	1,345,865	133,082
Hedge Funds	29,161	82,893
Shares listed on the London Stock Exchange	2,260,541	2,388,095
Fixed Interest	1,051,784	1,803,026
Property Funds	133,795	134,357
Cash	288,093	42,144
	5,109,239	4,583,599

Shares in group undertaking

	2017 £	2016 £
Cost at 1 April 2016 and 31 March 2017	2	2

The Society owns 100% of the issued share capital of F.H.S. Projects Limited. The company was dormant during the current and previous financial years.

17 Debtors

	2017 £	2016 £
Trade debtors	291,286	251,965
Other debtors	–	180,000
Prepayments	109,468	70,308
	<u>400,754</u>	<u>502,273</u>

With the exception of listed investments, all of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 18 below.

18 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	283,134	218,040
Taxation and social security	57,846	58,126
Other creditors	–	53
Accruals	303,578	350,958
	<u>644,558</u>	<u>627,177</u>

19 Pension Scheme

The charity operates a defined benefit scheme in the UK. The assets are held separately from those of the group, 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 company. The contributions are determined by a qualified Actuary on the basis of triennial valuations using the projected unit method.

The most recent full actuarial valuation was carried out at 1 August 2014 by a qualified independent actuary. The actuarial value amounted to £3,766,000 at that date. Scheme assets were 84% of that figure.

Contributions are currently paid at 13.4% of pensionable pay, plus all costs of running the scheme. Additionally the employee members contribute 8% of pensionable pay.

The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed that:

The rate of return on the Scheme's assets will be 6.0% (6.0%) p.a.

The rate of return appropriate for determining the cost of pensions once in payment will be 4.0% (3.6%) p.a.

The rate of future pensionable salary increases (both from inflation and promotion) will be 3.1% (3%) p.a.

Mortality will be in line with appropriate mortality tables. There will be no withdrawals of membership in service.

Limited Price Indexation (LPI) in payment subject to a minimum of 3% p.a. will average 3.25% (3.00%) p.a.

Members will commute 25% (25%) of their pension at retirement.

The employer's contribution for the period was £123,206 (2016: £730,232).

19 Pension Scheme (continued)

The employee benefit obligations recognised in the balance sheet are as follows:

	2017 £'000	2016 £'000
Present value of funded obligations	(6,755)	(5,044)
Fair value of plan assets	<u>5,009</u>	<u>4,051</u>
	<u><u>(1,746)</u></u>	<u><u>(993)</u></u>

Amounts in the balance sheet

	2017 £'000	2016 £'000
Liabilities	(6,755)	(5,044)
Assets	<u>5,009</u>	<u>4,051</u>
Net Liability	<u><u>(1,746)</u></u>	<u><u>(993)</u></u>

Amounts recognised in net incoming resources are as follows:

	2017 £'000	2016 £'000
Current service cost	(152)	(156)
Interest on obligation	(184)	(170)
Expected return on plan assets	<u>148</u>	<u>126</u>
Total	<u><u>(188)</u></u>	<u><u>(200)</u></u>
Actual return on plan assets	<u><u>850</u></u>	<u><u>(39)</u></u>

Changes in the present value of the defined benefit obligation are as follows:

	2017 £'000	2016 £'000
Opening defined benefit obligation	5,044	5,182
Service cost	109	156
Interest cost	183	170
Contribution by members	51	52
Actuarial losses/gains	1,391	(250)
Benefits paid	<u>(23)</u>	<u>(266)</u>
Closing defined benefit obligation	<u><u>6,755</u></u>	<u><u>5,044</u></u>

Changes in the fair value of plan assets

	2017 £'000	2016 £'000
Opening fair value of plan assets	4,051	3,575
Contributions by members	51	52
Expected return	148	126
Actuarial (losses) / gains	702	(165)
Contributions by employer	80	729
Benefits paid	<u>(23)</u>	<u>(266)</u>
	<u><u>5,009</u></u>	<u><u>4,051</u></u>

19 Pension Scheme (continued)

The major categories of plan assets as a percentage of total plan assets are as

	2017 %	2016 %
Equities	67	72
Bonds	15	13
Property	12	13
Cash	6	2

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2017	2016
Discount rate at the end of the year	2.70%	3.60%
Expected return on plan assets at the	3.30%	3.30%
Future salary increases	3.50%	2.50%
Future pension increases	3.40%	3.10%

Amounts for the current and previous four periods are as follows:

	2017 £'000	2016 £'000	2015 £'000	2014 £'000	2013 £'000
Defined benefit obligation	(6,755)	(5,044)	(5,182)	(3,542)	(4,054)
Plan assets	5,009	4,051	3,575	3,241	3,442
Deficit	(1,746)	(993)	(1,607)	(301)	(612)
Experience adjustments on plan liabilities	7	18	(581)	(74)	2
Experience adjustments on plan assets	702	(165)	211	101	297

20a Analysis of net assets between funds (current year)

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	3,628,784	1,032,320	771,920	5,433,024
Investment properties	–	–	917,500	917,500
Investments	2,117,303	–	2,991,936	5,109,239
Net current assets (liabilities)	–	333,338	(154,386)	178,952
Defined benefit pension asset / (liability)	–	–	(1,746,000)	(1,746,000)
Net assets at 31 March 2017	5,746,087	1,365,658	2,780,970	9,892,715

20b Analysis of net assets between funds (prior year)

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	2,218,589	1,089,644	2,456,765	5,764,998
Investment properties	–	–	917,500	917,500
Investments	2,001,418	–	2,582,181	4,583,599
Net current assets	1,589,128	228,610	(1,478,530)	339,208
Defined benefit pension asset / (liability)	–	–	(993,000)	(993,000)
Net assets at 31 March 2016	5,809,135	1,318,254	3,484,916	10,612,305

21a Movements in funds (current year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
Expendable Endowment	5,629,135	190,376	–	(73,424)	5,746,087
Restricted funds:					
Capital					
St Joseph's Care Home	1,089,644	–	(57,324)	–	1,032,320
Income					
Hope Community project	–	137,045	(137,045)	–	–
Brushstrokes	165,406	73,537	(94,004)	–	144,939
Brushstrokes – Lottery	29,299	86,485	(112,461)	–	3,323
Anawim	–	3,202	(3,202)	–	–
Day Service	5,233	28,230	(5,116)	–	28,347
Other	28,672	247,364	(119,307)	–	156,729
Patrick J McLoughlin	180,000	–	(180,000)	–	–
Total restricted funds	1,498,254	575,863	(708,459)	–	1,365,658
Unrestricted funds:					
Designated funds					
Capital Funds					
Property Fund	2,197,015	–	–	–	2,197,015
Income Funds					
Post Adoption Support Fund	265,884	–	(675)	–	265,209
Emrys John Ellis Fund	189,130	–	(131,162)	–	57,968
Total designated funds	2,652,029		(131,837)	–	2,520,192
Fair value reserve	285,529	387,624	–	(31,704)	641,449
Revaluation reserve	809,276		–	–	809,276
General funds	731,082	5,740,878	(6,086,035)	170,128	556,053
Total unrestricted funds	4,477,916	6,128,502	(6,217,872)	138,424	4,526,970
Pension reserve	(993,000)	–	(688,000)	(65,000)	(1,746,000)
Total funds including pension fund	10,612,305	6,894,741	(7,614,331)	–	9,892,715

21b Movements in funds (prior year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
Expendable Endowment	5,806,363	79,236	(177,228)	(79,236)	5,629,135
Restricted funds:					
Capital					
St Joseph's Care Home	1,146,968	–	(57,324)	–	1,089,644
Income					
Hope Community project	–	118,481	(118,481)	–	–
Brushstrokes	111,608	126,626	(72,828)	–	165,406
Brushstrokes – Lottery	19,016	98,683	(88,400)	–	29,299
Anawim	–	2,521	(2,521)	–	–
Christ The King	–	29,334	(29,334)	–	–
Other	20,327	24,367	(10,789)	–	33,905
Patrick J McLouglin	–	180,000	–	–	180,000
Total restricted funds	1,297,919	580,012	(379,677)	–	1,498,254
Unrestricted funds:					
Designated funds					
Capital Funds					
Property Fund	2,226,988	–	–	(29,973)	2,197,015
Income Funds					
Post Adoption Support Fund	267,034	–	(1,150)	–	265,884
Emrys John Ellis Fund	262,252	–	(73,122)	–	189,130
Total designated funds	2,756,274		(74,272)	(29,973)	2,652,029
Fair value reserve	767,219		(235,256)	(246,434)	285,529
Revaluation reserve	809,276		–	–	809,276
General funds	1,402,074	5,528,087	(6,025,722)	(173,357)	731,082
Total unrestricted funds	5,734,843	5,528,087	(6,335,250)	(449,764)	4,477,916
Pension reserve	(1,607,000)	85,000	–	529,000	(993,000)
Total funds including pension fund	11,232,125	6,272,335	(6,892,155)	–	10,612,305

Purposes of restricted funds

Capital Funds

Capital funds comprise grants/donations towards the costs of fixed assets to be used by the Society for its charitable purposes. Such income may not be treated as a deduction from the capital cost, therefore the depreciation on the underlying asset is treated as restricted expenditure.

St Josephs Care Home

This fund represents grants and donations towards the building of St Joseph's Care Home for older people and people with dementia. At 31 March 2017 costs of £3,318,826 (2016: £3,318,826) have been incurred and capitalised.

Income Funds

These funds are in receipt of grants to assist in the development of these projects.

Purposes of designated funds

Capital Funds

The Property Fund represents the book value of land, buildings and fixtures (less any associated restricted funds) currently held or in construction for charity use. The funds are therefore unavailable for other use.

The unrealised revaluation gains on investment properties represent the difference in valuation and book cost and being unrealised are not available for use.

The unrealised gains on investments fund represent the gains in value of investments over book cost, which being unrealised are not available for use.

Income Funds

Emrys John Ellis Fund – the income and some of the capital from this fund, which is held within the total investments of the Society, will be used to fund new social projects in the diocese.

Post Adoption Support Fund – a fund set aside to cover the Society's ongoing legal obligation to provide post adoption services where specified in the local authority placement agreement.

The pension reserve represents the deficit as calculated under FRS102.

22 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2017 £	2016 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(719,590)	(619,820)
Dividends, interest and rent from investments	(205,263)	(211,244)
Depreciation charges	325,426	289,900
(Gains)/losses on investments	(552,120)	463,382
(Profit)/loss on the disposal of fixed assets	(27,388)	(3,429)
FRS102 Pension adjustments (non cash)	65,000	67,000
Actuarial (gains)/losses on investments	688,000	(85,000)
(Increase)/decrease in debtors	101,519	(92,910)
Increase/(decrease) in creditors	17,381	(598,330)
Net cash provided by / (used in) operating activities	(307,035)	(790,451)

23 Analysis of cash and cash equivalents

	At 1 April 2016	Cash flows £	Other changes £	At 31 March 2017 £
Cash at bank and in hand	464,112	(41,356)	–	422,756
Total cash and cash equivalents	464,112	(41,356)	–	422,756

24 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2017 £	2016 £	Equipment and Vehicles 2017 £	2016 £
Less than one year	–	12,750	13,714	7,521
One to five years	–	–	37,777	16,887
	–	12,750	51,491	24,408

25 Capital commitments

At the balance sheet date, the charity had committed to £nil (2016: £nil).

26 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.