

Company number: 01653388

Charity Number: 512992

Father Hudson's Society

Report and financial statements

For the year ended 31 March 2018

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Father Hudson's Society

Reference and administrative information

For the year ended 31 March 2018

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
Mr Neil Handel (Appointed 20 June 2017)		2

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

Father Hudson's Society

Reference and administrative information

For the year ended 31 March 2018

Key management personnel	Mr Andrew Quinn	Company Secretary/Chief Executive
	Mr Noel Stubbs	Financial Controller
	Mr William Coffin	Fundraising, Communications and Marketing Manager
	Mrs Joanne Walthew	Fostering Service Manager
	Mrs Donna Lewis	Human Resources Manager
	Mrs Joanne Watters	Head of Community Projects
	Mr Graeme Riley	Head of Adult Care
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 2018. 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 2018 was 15 (2017 – 14).

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
- Young at Heart project North Staffordshire
- Tabor House
- Fatima House
- Embrace Project , Worcester
- BRAIDS Project , Oxford

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 £4.2 million. Care is commissioned and funded by several Local and Health Authorities or privately in some instances as at St. Joseph's. The work it does is challenging yet rewarding, the needs it meets diverse.

St. Joseph's

St. Joseph's is a 59 bed care home, caring for older, frail people the majority of whom have varying degrees and types of dementia. The aim of the home is to provide nurturing, stimulating and compassionate care, through a variety of interventions and activities which aim to encourage people to participate in and enjoy fulfilling, worthwhile activities with the friends and companions and their families

Last year 15 new residents came to St. Joseph's for long term care, the aim is that St. Joseph's will be a home for life and because of this, it strives to be a place of nurturing, compassion and homeliness. In addition, 18 respite stays were taken, allowing families time and space to take a break, either at home or on holiday. Respite was a notable feature during the year, as, following a campaign to promote its availability at the home, almost 500 days or 72 weeks were spent at the home by residents on short breaks more than double that of the previous year

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

St Catherine's Bungalows

16 people live in three bungalows. They each have complex care and support 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. Carers believe strongly, that a person's disability should not prevent them from living a fulfilling life and the staff team have real commitment to the ethos of supporting residents to live life to its fullest. All residents enjoy annual holidays, short breaks and active social lives. The work of the bungalows is supported by resident's families which are encouraged to take part in all aspects of care planning where possible.

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

St. Catherine's Day Service

26 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, to make new friends and have fun. The wider community too provides opportunities for people to develop their skills for independence and enjoy being out and about.

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 again approved further 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 ongoing redevelopment of the hydrotherapy pool, some personal care and activity rooms and access to the garden. Work continues to complete the refurbishment with plans for a new sensory room being supported through a new fundraising initiative. The Service has strengthened and developed positive links with some schools for pupils with additional learning needs throughout the year, particularly in the case of Woodlands school who place pupils for work experience and voluntary work.

Domiciliary Care/Supported Living

12 tenants are supported by the Society in housing it owns additionally, a further people 3 are supported by an outreach care programme commissioned by the Local Authority. Care and support is designed to develop the necessary skills to live as independently as possible. Interventions aim to support tenants in their own flats and in accessing community resources. This involves managing significant risks for some individuals in order for them to further their personal ambitions. Independence develops through greater skill levels, risk management and confidence building.

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. The reputation of the Society relies on them and their devotion to the values and vision it holds. Father Hudson's is grateful to its teams of staff who work conscientiously to support the work it does.

Departmental Aims for Adult Care in 2018/19

- 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 two 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 January 2018 and it was marked as 'Good' in all areas under the new framework.

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, Eritrea and China.

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 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 nineteen 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.
- 2 **To provide well matched placements.** The service currently has twenty 24 children and young people placed with our carers, ranging in age from 6 to 17 years. Of the 24 children placed we have 5 sibling groups and 13 single placements. We have had 7 new placements.

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 2017 – 18, 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 January 2018, and was assessed to be 'good' in all areas under the new revised inspection framework that came into effect on 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 thirteen 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.

During the recent inspection in January 2018, the Inspector had the opportunity to observe panel and highlighted panel as a real strength and asset:

"The panel minutes are of an exceptional standard, and clearly demonstrate the rationale for their recommendations. The panel members give meaningful feedback to the agency about the quality of the detailed written reports. This process ensures that there are high levels of scrutiny and professional curiosity regarding all assessments and reviews presented to panel. This practice ensures that the agency-decision maker only approves the most suitable individuals."

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. 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 (which has recently moved to a children's trust as of 01.04.18) 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 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 2018 – 2019

- 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 120 new referrals to this service, in addition to ongoing work from the previous year. Of the new referrals, 66 were made by the adopted person, 18 were made by the adopted person's immediate family and 36 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 3 adopted people from two 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 115 new referrals to this service. Of the new referrals, 49 were made by those formerly in the children's homes, 54 made by relatives and 12 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.
 - The report of the most recent Ofsted inspection of the adoption support agency was published in September 2017 and achieved an overall judgement of "Outstanding."

Plans for Origins in 2018–2019

- 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 members of 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, Newcastle-under-Lyme, Stoke, Stafford and Banbury. 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 attainment. 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 7 family support workers. The senior family support worker line manages three workers.

At the start of the year the service was being delivered in 25 primary and secondary schools by 8 family support workers. At the end of the year 24 schools have commissioned the service and 8 workers are in post. In this period the number of contracted days per week fell from 29 days from 1st April 2017 to 26 days by 31st March 2018.

Staffing changes have included two family support workers leaving in Banbury and Oxford. The Banbury post was successfully recruited to and the worker has been in post since March 2018. A new service was set up in Staffordshire in September 2017 with two new schools – one primary and secondary commissioning the service.

The secondary school in Oxford ended their 5 day a week contract. Three primary schools in Birmingham South West did not renew their contract from 1st April 2017 due to streamlining of services within their Academy. However, we provided interim family support to two of these schools till the end of the July 2107.

Contract renewals: 12 Birmingham school contracts end in July / August 2018. The schools involved have expressed a high satisfaction of the service and agreement to renew contracts has been received from the majority of schools.

Intervention and Support April 2017 –March 2018

- 293 children and families supported through casework (same as last year), with 8 of these children/young people being closed and re-referred within the school year
- 29% casework with children/families in primary schools and 21% in secondary schools (62)
- We worked with 59 complex cases that required the support from a team of professionals. These include: 31 Early Help/CAF, 20 Child in Need, 6 Child Protection, 2 Looked after Children
- Average length of intervention was 9.8 months. 75% under a year (117) and 25% over a year (38)
- 42% of children/young people lived in single parent households
- 58 children experiencing parental separation
- 111 children (39%) needed support to manage behaviour
- 100 (35%) were supported with child–parent relationship
- 60 families were currently experiencing domestic abuse or had experienced it in the past
- 69 parents had depression or another mental health concern

- Child anxiety = 113 children (40%), attachment 53 children (19%, likely to be under-reported), low self-esteem 93 children (33%)

Non-casework – One off or interim support

- Family support workers undertook 376 sessions with 201 families totalling 265 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 unpredictable and usually require immediate attention.

Group work delivered over the year by the team

- 6 Super Skills programmes to children – to address anxiety
- 3 Protective Behaviour programmes to children – to address keeping safe
- 3 parenting skills courses
- 2 transition groups for children
- 9 Stay and Play sessions
- 7 SEN support sessions
- 2 Social skills lunch groups for children

Service satisfaction questionnaire

98% of responses rated the service as good or very good. The response rate was 25% of (38 out of 155 closed cases).

Outcomes Stars: An evaluation monitoring outcomes based tool

31 'My Stars' for primary aged children were completed, allowing a comparison between first and last Star. The areas of greatest positive change were reported in 'Relationships, Feelings and Behaviour and Education and Learning'. The areas of least change were physical health and where you live.

For teenagers the areas of wellbeing, structure and family/adults were identified as difficult. The areas of greatest change were safety and security and citizenship.

Report on the plans for the Schools Family Support service in 2017 –2018

1.Promote growth of service, 1–2 new projects

Throughout the year efforts to raise the profile of the service were made through networking with schools and by Parish fundraisers promoting Father Hudson's services. A number of Catholic schools were approached in Staffordshire and this led to one new project that is made up of one secondary and three primary schools. Plans are in place to present to the Catholic Head's in June and July this year.

2. Explore new areas of the service, e.g. Counselling, spot purchasing.

A draft plan for piloting Counselling in schools has been completed. A suitable funder now needs to be identified. Information for spot purchase has been developed and this is currently being considered.

3. Staff training to enhance skills, knowledge and practice

The team received training in the following: Safeguarding, Solution focused practice, Foetal alcohol syndrome, Lone working, Drug awareness and GDPR. Further Child Protection training was completed through local Safeguarding Boards. Other training completed included: Recruitment and interviewing techniques, Management training, Prevent, Respect for young people (through Women's Aid), Understanding the impact of parental mental health on children, Attendance – children missing from education. The training is enhancing skills and practice.

4. Promote the use of outcome based practice through use of systemic solution focused practice and Star.

Solution focused training was highly valued by the workers. They are motivated and are now better able to support children and parents often 'stuck' to move forward with finding solutions. Solution focused practice has become a practice agenda in team meetings and had helped thinking through case issues. Some workers are better at using and reviewing Outcomes Star and can recognise the benefits. Family support workers have used it as part of the Early Help Assessment. The use of the outcomes star is being monitored through supervision.

5. Review length of retention of children's records in line with data protection requirements and best practice.

The retention of records has been reviewed with GDPR requirements and practice guidance from NSPCC. A plan is in place to progress with this work. It is hoped to have most of this completed by September 2018.

Plans for the Schools Family Support service in 2018 –2019

1. Promote the service and increase the number of schools contracts
2. Ensure that the service is GDPR compliant
3. Improve knowledge, skills and practice through staff training
4. Increase the completion of feedback forms to evidence user satisfaction
5. Work with Fundraising team to secure funding to meet full cost recovery.

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 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 400 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 had been 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 currently 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.

Review of FHC plans for supporting Anawim during 2017–2018

- *to develop the governance of the Charity by establishing a Finance subcommittee*– the Finance subcommittee was established in the first quarter and has met regularly before each Board meeting; it includes three Trustees, the CEO and the Fairlight Finance manager
- *to continue to support the HR subcommittee by providing the expertise of the FHC HR manager*– the HR manager has been fully involved in the HR subcommittee
- *to continue to chair the Board through this period of change* – the FHC CEO has chaired the Board and also the Finance subcommittee; he was involved in strategic meetings with the new Provincial Leader of the unified sisters of Our Lady of Charity of the Good Shepherd, and with the Sisters of Our Lady of Charity who have been involved in the governance during the previous years, in order to plan the future partnership arrangements
- *to support the extension of Board membership, recruiting new Board members with particular areas of expertise* –a new Board member was recruited with extensive financial expertise; he joined the Board and also the Finance subcommittee
- *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* –the HR manager has been involved on an almost weekly basis at Anawim itself supporting the management team, and on interviews and future staffing structure and staffing planning; the FHC HR Officer has been involved in virtually continuous recruitment for new staff at Anawim

to continue to provide all necessary payroll information to Fairlight to ensure efficient salary payment–the FHC Finance manager and team have provided all the necessary information on a monthly basis. The Finance manager has also been involved in advising on other financial matters.

FHC plans for supporting Anawim during 2018–2019

- To continue to chair and develop the Board during a period of significant governance change
- To provide HR support for an ever-growing staff team of paid staff and volunteers and consider ways of increasing local capacity
- To work closely with the sisters of our Lady of Charity of the Good Shepherd in developing a new partnership agreement
- To support the CEO on a regular basis

- To continue to provide all necessary payroll information to ensure efficient salary payment whilst new finance arrangements are developed in the second half of the year

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. Based in Smethwick, it 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:

- Outreach, Advice and Information Service – on housing, immigration, welfare, education, health and accessing services and signposting.
- Resources – food, clothing, household and essential baby and maternal equipment.
- Teaching English as a Second Language (ESOL) – accredited language support.
- Employment support – including high level English support to acquire conversion qualifications for health professionals (IELTS).
- Refugee Pathway – supporting refugees during the transition from asylum to refugee status.
- Homelessness Prevention – housing advice for refugees and migrants.
- Community cohesion activities – days out, community café, which is a designated Place of Welcome and social opportunities.

2017/18 achievements for Brushstrokes:

The Brushstrokes Centre is a busy hub with 1233 refugees, asylum seekers and migrants from 78 different nationalities receiving support every week from our staff team of 12 and over 40 active volunteers. This year Brushstrokes has delivered ESOL to a record number of learners in the centre and satellite sites – 23 classes a week providing language support for 226 learners – as well as expanding to deliver IELTS (International English Language Testing System) classes for migrant health professionals to help them move towards being able to work again in the Health Sector.

Objective: To secure funding for the Brushstrokes Project Manager post.

A number of trusts and grants have been secured to date, each with income to cover a proportion of the costs for the Project Manager post. This strategy will continue to ensure the post is sustainable and not reliant on single or one off sources of funding.

Objective: To develop the weekly Community Café to be volunteer-led.

The Community Café continues to grow from strength to strength with over 40 individuals receiving welcome and a hot meal each week. This includes members of the local

community as well as newcomers we support. We are working with our team of 8 volunteers to grow their confidence and all now have Food Safety certificates.

Objective: To continue to develop and deliver health-focused projects including the baby packs and ESOL for health.

Brushstrokes baby packs are in high demand and many new mothers continue to rely on them. This year we have delivered several health sessions to increase newcomer's awareness of the NHS, Flu Immunisations and the Pharmacy 1st scheme. We have provided input into CCG consultations on changes to NHS service delivery and supported recently arrived migrants with GP registration. Staff and volunteers have received training on the new NHS Overseas visitors charging regulations; we have worked with clients who have been charged for health treatments and have presented the implications of these new regulations to local and regional bodies.

Objective: To work with the local parish to ensure that the current Brushstrokes building is fit for purpose.

Progress has been made this year in exploring a number of alternative options for premises in Smethwick. However at the time of this report we have not been able to secure a suitable alternative to our current location. The need for space has led us to deliver a number of ESOL classes and outreach clinics off site.

Objective: To develop the befriending service, urgently recruiting more volunteers to free the Outreach Coordinator to carry out more specialist casework.

Due to the high demand for information, advice and guidance, the difficult decision was made this year to suspend the befriending service. Whilst the importance of 1-1 social support continues to be recognised, due to the immediate and urgent need of many clients situations we have had to prioritise our limited resources on meeting these needs. Including Immigration Advice Surgeries, support with migrants renting in the private sector and support with accessing welfare and benefits. This has included training housing mentors and delivering a more structured training programme for outreach and advice volunteers.

Action Plan for Brushstrokes in 2018/19

- Identify suitable alternative premises that enables Brushstrokes to sustain the delivery of our services.
- Dependent on securing funding, to increase our capacity to deliver additional IELTS for migrant health professionals where.
- Increase access to information and advice for asylum seekers and refugees, including immigration advice, through securing additional funding.
- Sustain the work with migrants and landlords in the private rented sector and recruit further volunteer peer housing mentors to support this work.
- Build on existing relationships with new EU community organisations and develop new approaches to understand, inform and respond to the impact of Brexit on EU nationals.

- Sustain and develop strategic engagement with local, regional and national networks dealing with asylum and migration and provide evidence from our work that can influence social policy.

Stoke and North Staffordshire Young at Heart Project

A partnership project between Father Hudson's Care, the three local parishes of Hanley, Meir and Kidsgrove and Methodist Homes Association, North Staffordshire Young at Heart 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. The project is part of the Father Hudson's Care charity with a local steering group.

Key achievements for the Young at Heart Project in 2017/2018

- **Objective: To secure funding for continuation of services for older people in North Staffordshire and Stoke.**
- Funds secured through Trusts and grants including Staffs Silver Social Action Fund, Denise Coates Foundation (£80,000 over 3 years), Baron Davenports, Newcastle Borough Council, Michael Marsh Charitable Trust, Groundwork Tesco, Reaching Communities Big Lottery in partnership with Methodist Homes (£237,521 over 4 years) and the Father Hudson's Ball Committee.
- **Objective: 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.**
- Our pilot befriending project has reached out to 30 beneficiaries. We delivered a gardening service to those elderly residents most in need and set-up a new social group at Butt lane to provide support to residents in the local parish.
- **Objective: To continue to increase the team of volunteers; training and coaching them to increase their skills, confidence and independence.**
- Volunteers at the Hanley and Meir have developed the confidence and capacity to run their activities with less support needed from the Project Coordinator. In November 2017, the volunteers at Hanley achieved Level 5 from the Food Standards Agency for their kitchen. Training sessions have been held for Volunteers to develop their skills.

Other achievements of the Young at Heart project:

- 70 active volunteers.
- 320 older people supported at social and lunch groups
- 3 trips and outings organised.
- Older Peoples' Worker and Monitoring and Admin assistant posts recruited – as a result of Reaching Communities and Denise Coates Foundation funding

Action Plan for Young at Heart in 2018/19:

- Establish 3 new social groups, engaging with 80 older people who are new to the project.
- To develop and expand the befriending service, reaching out to over 40 isolated older people and providing 1-1 support.
- Grow the volunteer team to match the increase in services, recruiting at least an additional 18 volunteers.
- Establish robust monitoring and evaluation procedures to enable the project to demonstrate its impact for beneficiaries.
- Secure funding for and deliver a project to target and engage with vulnerable elderly men in the area

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. The project is part of the Father Hudson's Care charity.

Key achievements for the Embrace Project in 2017/2018

Objective: 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.

We have engaged with parishioners and clergy in 4 parishes; St Georges and Our Lady Queen of Peace in Worcester, St Josephs in Malvern and the Holy Redeemer in Pershore. Our Development Worker has supported parishioners to set up a number of groups and activities that have reached out to 98 older people in need.

Objective: Strengthening of national links with CSAN and other Caritas regional organisations, including attending funding meetings and sharing reports, sharing information, best practice and ideas.

Father Hudson's Care has played an active role in developing relationships with CSAN and the other delivery organisations, chairing the quarterly operations meeting and attending and contributing to the quarterly Steering Group.

Objective: 25 new trained parish community volunteers engaging with projects.

The Development Worker has supported 18 parish volunteers during this period ensuring they have access to the relevant training locally to undertake these roles.

Objective: Prototype and enable 4 new support initiatives across the Worcester Deanery, with continued parish sustainability.

The Development Worker has supported parishioners in 4 parishes to set up a number of friendship groups, coffee mornings and work with the local primary schools

Objective: 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.

Father Hudson's Care has led on developing the overall performance management framework for the national project. This framework is now in place and being rolled out. 98 beneficiaries have participated in the project to date and the Development Worker has kept a reflective Journal to develop their learning. Father Hudson's Care has been selected by CSAN to work with Staffordshire University to do more in-depth evaluation.

Action Plan for Embrace Worcester in 2018/19:

- Continue to support parishioners and clergy in the Worcester Deanery parishes to undertake activities that reach out to elderly residents in need, engaging with local older people and encouraging local parish volunteers.
- Continue to develop close working relationships with CSAN and the other delivery organisations and contribute to the development of a Toolkit for the project
- Undertake evaluation for the project to monitor progress of the project outcomes. Work with Staffordshire University on additional in-depth evaluation.
- Prepare an action plan for work in Worcestershire post April 2019, securing funding where appropriate.

Fatima House

Fatima House offers sanctuary to women who are extremely vulnerable, having been forced to flee from their country of origin. The project provides short-term accommodation to female asylum seekers who are destitute. Fatima House is a collaborative project between the Columban Missionaries, a local parish, Caritas Archdiocese of Birmingham, the Archdiocese of Birmingham and Father Hudson's Care. The Columban Missionaries manage the house on a day to day basis. The project is part of the Father Hudson's Care charity with a local constitution, committee and steering group.

Key achievements for Fatima House in 2017/2018

Objective: To house up to 11 residents, reviewing cases at months 6, 9 and 12.

During 2017/18 Fatima house accommodated and supported 10 women who stayed at the house an average stay of 7.6 months each. After leaving Fatima House, 87% moved onto Home Office statutory accommodation and 13% stayed at a friend's house. Due to issues with sharing, we have decided the maximum occupancy is currently 9. All the women were homeless when they were referred to Fatima House with no access to any funds.

As well as accommodation, the house is a warm, welcoming and social place to be; with weekly group meetings, regular cooking and sharing get-togethers and celebrations at Christmas and Easter.

Objective: To recruit additional volunteers to have a presence at the house, supporting the ladies as required.

During the year 9 volunteers have been active, supporting the women and ensuring the smooth day to day running of the house. Volunteers also attend immigration-related appointments and meetings as much needed support for the women.

Objective: To continue to work with the SVP to provide the residents with a weekly destitution fund.

The SVP have remained committed to Fatima House and have continued to fundraise to provide the women with a weekly destitution fund to meet their basic needs. Administered through Warwickshire SVP, SVPs across the region have donated to the cause. Their support has meant that the destitution funds for all those living at the house for the entire year were funding by the SVP, for which we are extremely grateful.

Objective: Working with the management committee and steering group, to review the constitution and budget for year 2, planning ahead to year 3.

The project continues to be run in a low cost and sustainable way, with in-kind support from Father Hudson's Care and the Columban Missionaries and the Archdiocese of Birmingham. Due to this, as well as donations from other groups and individuals, we have secured the budget required for year 2 and 3 of the project.

Through the securing of Lottery Awards for All funding, the women can now access counselling to help deal with the traumas they have experienced. We also now have access to immigration advice for the referral panel and have purchased donations storage and an emergency bed.

Objective: To continue to promote the work of the project with the aim of receiving practical and monetary donations.

Whilst we do not promote the location of Fatima House due to the vulnerabilities of the women, we do promote the work of the project through our parish fundraisers, media and local work. This has resulted in donations of essential food and household items as well as monetary donations. We have received support from the Union Catholic Mothers, local schools and others.

Action Plan for Fatima House in 2018/19:

- To accommodate up to 9 women at Fatima House, ensuring their basic needs are met and providing practical and social support.
- In order to ensure the accommodation is temporary, to work with referral agencies to ensure asylum claims are progressing.

- Securing funding to continue to provide additional support to meet the needs of the women, including counselling and immigration advice.
- Recruit new volunteers to provide conversational English groups and 1–1 sessions.
- To secure donations to continue to provide the residents with a weekly destitution fund.

Tabor House

Tabor House is Birmingham's permanent night shelter for people experiencing homelessness. It is a partnership project with Father Hudson's Care working alongside organisations including the Archdiocese of Birmingham, Housing Justice and St Anne's Parish. It is currently part of the Father Hudson's Care charity, with its own locally constituted group and committee called iShelter. Run by a small staff team and a large number of volunteers, the project provides short-term accommodation and personalised support to people living on the streets in Birmingham to support them towards more permanent accommodation.

Key achievements for Tabor House in 2017/2018

Secured sufficient funds to open the service in September 2018. Funding secured for year 1 of the project from a range of grants, charitable trusts and individual donations. These included the Archdiocese of Birmingham, Swire Charitable Trust, Big Lottery Awards for All, Cole Charitable Trust, 29th May 1961 Charitable Trust, Forward Housing Association, Eveson Charitable Trust and the Clothworkers Foundation. The refurbishment of the building was funded directly by local builders and building merchants, and individuals, schools, parishes and other groups have been particularly generous with donations.

Opened in September 2018. We welcomed our first guest on 28th September 2017. Two staff and over 80 volunteers recruited, inducted and trained before opening. 6 beds were available each night in the initial months, growing to 9 beds from January 2018.

Strength-based approach. Each guest is matched to work with a Volunteer Mentor who has received Mayday Trust training to use a strength-based approach. This approach focuses on the skills and strengths of the guests, building their confidence to take control of their lives.

Action Plan for Tabor House in 2018/19:

- To secure funding for Year 2 and 3 to ensure the continuation of the service.
- To continue to recruit additional volunteers to ensure there is enough capacity on each nightly shift and a larger team of Volunteer Mentors.
- To evaluate and review the 12 month pilot; use this learning to develop Tabor House in Year 2 including reviewing the number of beds provided.

- To develop the mentoring aspect of the project including recruited to a Mentor Coach staff position, recruiting additional volunteers and ensuring robust outcomes monitoring is in place.

Newcomers Development

At Father Hudson's Care we continue to develop our work with refugees, asylum seekers and migrants. As part of this our Newcomers Development Coordinator has been visiting parishes and schools promoting 'Welcome a Stranger' and supporting the community to reach out and take social action. During 17/18 over 40 parishes were engaged with and 3 schools.

Father Hudson's Care are also the lead sponsor for the Community refugee Sponsorship Scheme, supporting a congregation in Oxford who have formed a group called BRAID to welcome a Syrian refugee family.

In 2018/19 we will continue to employ a part-time Newcomers Development Coordinator to visit parishes and schools to promote and support welcome, continue to support BRAID in Oxford and set-up a small new accommodation project for single female refugees.

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

Hope Community Project in Wolverhampton was set up by the Infant Jesus Sisters in October 1985, it then became a partnership project with the Sisters and Father Hudson's Care in 1994 and registered as an independent Charity in December 2010. Father Hudson's Care provides the project with employment, management and HR support; guidance on policies, finance, funding, governance etc. as well as training and general support.

Hope Community Project aims to seek out, reach and support the most isolated, vulnerable and disadvantaged people in the community. 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. Hope's services are run on a small dedicated team of staff and a larger team of experienced volunteers. The weekly programme of activities includes:

- **For young people** – focussed work to prevent them becoming involved with gangs and the criminal justice system; of being excluded, exploited, abused and groomed. 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 and families.
- **For older people** – a visiting and befriending service (including telephone support), friendship group and lunch club.
- **English for Speakers of Other Languages** – Volunteer-led individual and group sessions.

Key achievements for the Hope Community Project in 2017/2018:

Objective: 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.

In Feb 2018 Project Manager Sue Allen, after many years of dedicated service to Hope Community decided it was time to retire. Sue has been an asset to the Hope Community for many years, strategically positioned the charity as a key organisation in Wolverhampton and ensuring increased financial stability. The new Project Manager Jane Bamber, with expertise in voluntary sector management and supporting vulnerable groups, was recruited in the same month. Jane will continue to move the charity forward by delivering Hope Communities' organisational strategy and ensuring the charity continues to respond to the local need.

Objective: Produce a 3 year Strategic Plan, building in a strategy for Hope's future sustainability, including a detailed 12 month action plan.

With the funding from Big Lottery and the expertise of Wolverhampton Voluntary Sector Council, Hope finalised their 3 year strategic plan. From this they have developed business and action planning templates to support the new Project Manager and team in delivering and reporting.

Objective: Secure funding for the continuation of the core areas of work with women and families, children and young people and older people.

Funding has been secured from Children in Need to continue supporting children and young people and from the CCG for an additional year of funding to support older people. Applications have been made to various Charitable Trusts to develop women, families and community work and responses are pending.

Action Plan for the Hope Community Project for 2018/19:

- Carry out a community asset mapping and needs analysis survey enabling Hope to ensure it responds to the direct need of the community.
- Build stronger local working partnerships to support joined up working across Heath Town including working closely with Wolverhampton Homes to secure and develop a local community green space.
- Make Hope Community a Dementia Friendly organisation, supporting the Wolverhampton Dementia Action Alliance group.
- Develop a marketing and engagement plan for Hope community including raising social media presence and a Hope monthly newsletter.
- Secure funds for continuation of the work with women and families.

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

New Heights is a charity 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 Care provides the project with employment, management and HR support; guidance on policies, finance, funding, governance etc. as well as training and general support.

Services are provided by a small staff team and larger volunteer team and currently include – Specialist Domestic Abuse Counselling Service; Welfare 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 2017/18:

Objective: Deliver funding outcomes and targets including for the strategic Comic Relief funding and the Big Lottery Domestic Abuse Project.

Over the last 12 months, through the hard work and dedication of the team and Trustee Board, New Heights has continued to meet (and where possible exceed) funder outcomes and targets.

The project has successfully recruited and appointed a new full time Project Manager, enabling growth and development of the project and clear business and development planning for the next three years.

In April 2017 the Domestic Abuse project successfully secured 5 years funding from The Big Lottery Reaching Communities Fund to provide emotional wellbeing and counselling support services across the Erdington constituency. Robust referral pathways and partnership relationships have been built, resulting in a high referral rates. The service has an excellent reputation as a high quality specialist service.

Objective: Focus on identifying funding streams for the Legal Advice Project from summer 2017.

In August 2017, four year's funding was secured from The Big Lottery Fund to continue to provide an advice service to the Kingstanding ward and wider Erdington constituency. The focus of the service has shifted from legal advice to welfare advice and advocacy due to service demand.

Objective: Commission a web version of Kingstanding Resource Directory

In 2017 The Big Lottery Fund awarded New Heights £15,000. This has partly been used to strengthen its digital footprint. This enabled the project to employ a Digital Marketing to help the organisation extend its reach to the wider community. This has included creating a digital version of the Kingstanding Resource Directory which is now available on the project's website.

Objective: Map out and initiate actions highlighted in the Organisational Strengths Review, currently being completed for the Board Away day in June 2017

Following the board away day in June 2017 and the successful recruitment of a full time Project Manager, work began on formulating a three year strategic plan and action tracker. This work was achievable thanks to Big Lottery Funding. The three year plan, approved by the Trustee Board in December 2017, highlighted the areas of strength & weakness and included actions to develop the project further.

Objective: Promote and strengthen Silver Surfers IT support group

Ongoing digital marketing is taking place to promote and strengthen Silvers Surfers IT group. The group is regularly attended by a minimum of 6 local residents and three volunteers who offer 1:1 support.

Objective: Further Volunteer event during Volunteer week with the aim of recruiting additional volunteers.

Various events and recruitment days have taken place in an effort to increase volunteer numbers including an information stall at a local summer celebration and a Christmas volunteer celebration event in December.

Action Plan for New Heights in 2018/19:

- Deliver funding outcomes and targets including for the strategic Comic Relief funding, The Big Lottery Domestic Abuse Project & BREATHE welfare advice service.
- Secure funding to employ a part time Marketing Officer to continue expanding the charities marketing footprint.
- To attend / hold volunteer events throughout the year with the aim of recruiting additional volunteers for BREATHE, Befriending service and the community cafe.
- To develop the services / activities offered by the café to ensure they meet the project ethos of reducing isolation such as family activities in school holidays and music nights.
- Secure funding for the continuation of physical activity classes for adults and families into 2019.

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

Maryvale Community Project (MCP) is a charity embedded in the local community, serving some of the most vulnerable groups in Kingstanding, Great Barr and the Pheasey Estate. MCP aims to build community cohesion and overcome barriers caused by poverty, ageing and disability. Father Hudson's Care provides the project with employment, management and HR support; guidance on policies, finance, funding, governance etc. as well as training and general support.

MCP 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 2017/18:

Objective: Secure funding for development and continuation of the three key services.

Funding was secured for the continuation of the three key services from a number of Charitable Trusts including Heart of England Young at Heart, Birmingham & Black Country Foundation, Edgar Lawley, Roger & Douglas Turner Charitable Trust and Big Lottery Awards for All.

Objective: Recruit Sunshine Club Coordinator – increase Sunshine Club Sessions weekly and increase participation of service users in Sunshine Club in preparation of activities.

The club has been coordinated by the Project Manager and volunteers for the first part of the year. We have appointed a Community Outreach and Activities coordinator to take on the role of leading and developing Sunshine Club moving forward. Following Big Lottery Awards for All funding MCP have increased sessions from fortnightly to weekly, with service users increasing their participation in the preparation of activities.

Objective: Develop additional range of services/activities at Community Centre, based on community need and focusing on social inclusion and healthy living.

We held a community Fun Day, day trips to Weston and Bourton on the Water. Sunshine Club has increased sessions to once per week incorporating 'Life Skills' including use of IT / social media (to get information, shopping & social contact), healthy eating / cooking & baking skills, money management, sensory therapy support, educational outings and Tai Chi / chair-based physical activities.

Action Plan for Maryvale in 2018/19:

- Complete a survey of needs of the primary MCP catchment area.
- Develop the lunch club to include hot meals and new user-led activities.
- To secure funding for additional day opportunities for older people at Maryvale Community Centre, focused on social activities to reduce isolation.
- Recruit and train new Volunteers to meet the needs of the existing services including the befriending service.

Volunteering at Coleshill –

Volunteering

The numbers of volunteers supporting projects at Coleshill has increased over the year from 14 in 2016/17 to 37 in 2017/18. The total number of hours worked by volunteers has also increased from 520 hours in 2016/17 to over 1700 hours in 2017/18. The organisation also celebrated National Volunteers week in June by raising the profile of what volunteers had been doing to contribute to help those most in need.

Volunteering in Adult Care

Over the 12 month period, 27 people have volunteered to support Father Hudson's Adult Care provision. The most popular role here is being a befriender working with staff to support the needs of our clients. The volunteers have worked over 1200 hours supporting Adult Care during this time.

Volunteering in Fostering

Over the 12 month period, 7 people have volunteered to support the Fostering service at Father Hudson's. The volunteers have worked over 300 hours to support this service.

Fundraising, Communications and Marketing

Total voluntary income was £1,095,100 (2016–17: £691,294). Most voluntary income comes from five sources: individuals, companies, parishes, Catholic schools and trusts. Six in-house fundraisers write to individuals and companies, ask priests to organise collections in their churches, deliver assemblies in schools, and send grant applications to trusts. We are extremely grateful for their support.

Regulation

Father Hudson's Care raises funds is registered with the Fundraising Regulator, follows the Regulator's Code of Fundraising Practice and abides by its Fundraising Promise. Father Hudson's Care received no complaints about its fundraising practice during 2017–18, either internally or through the Regulator. Additionally, two members of the Fundraising, Communications and Marketing Team are members of the Institute of Fundraising. When we ask individuals for donations, we do so gently by letter. Supporters have the option to request no further mailings and we abide by such requests immediately.

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. Income from regular givers increased by a quarter.

Parishes

Support from parishes through the annual collection in September, the advent crib, Lenten alms and special events remains an important aspect of our voluntary income. We faced a

challenge for the annual collection, as it coincided with the Birmingham Velo cycle ride: road closures meant that many parishioners could not attend Mass. We were pleased to receive strong support from parishes in the run-up to Christmas. Income from parishes benefited Tabor House and the Origins service in particular, as well as the charity in general.

Catholic Schools

Once again we held seven Good Shepherd Masses for schools in churches around the Archdiocese during the 2017 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 Bishop William Kenney. Our School and Parish Engagement Officers visited nearly 90 schools during Lent 2018, talking about Father Hudson's work in general with a particular focus on Tabor House.

Income from primary schools generated by our Good Shepherd Appeal was £64,031, which is 10% more than the previous year. We received £9,912 from senior schools generated by our Walk a Mile in their Shoes appeal, which go toward the refurbishment of St Catherine's Day Service. Schools also raised funds for us through sponsored events such as a row-a-thon and a sleep out. Primary schools engaged well with our new materials based on the Jesuit pupil profile.

Companies

Many companies support Father Hudson's Care through the volunteer-run Annual Ball. This year we received a five-figure corporate donation for Tabor House from a company that wished to remain anonymous. We worked on forming corporate partnerships during this year, and we hope this will bear fruit next year.

Trust and statutory fundraising

Working with colleagues in the Community Projects, we achieved significant successes in trust and statutory fundraising during 2017-18. This included a multi-year Big Lottery grant for Young at Heart. Trusts and statutory funders giving £1,000 or more in 2016-17 included:

- 29th May 1961 Charitable Trust
- Anchor Foundation
- Edward Cadbury Charitable Trust
- Cole Charitable Trust
- Baron Davenport Charity
- W E Dunn Trust
- Eveson Charitable Trust
- Worshipful Company of Glovers

- Lillie Johnson Charitable Trust
- Edgar E Lawley Foundation
- Michael Marsh Charitable Trust
- Charlotte Marshall Trust
- Father O'Mahony Memorial Trust
- Park House Charitable Trust
- Community Foundation for Staffordshire
- Swan Mountain Trust
- Swire Charitable Trust
- TDS Charitable Foundation
- Tesco Bags of Help (through Groundwork UK)

This income will benefit Brushstrokes, Tabor House, Young at Heart and the charity in general. We expect bids made in 2017–18 to bear fruit in 2018–19 with further grants.

Events

The team provided publicity that contributed toward a successful fête in June 2017. We worked with Fr Michael White and Swinnerton Cycles to raise funds for Tabor House through 'Chase the Cake', a sponsored walk and bike ride through Cannock Chase in October. We arranged for three local schools to come to an extra performance of the St Catherine's Day Service Christmas play. The 114th Annual Father Hudson's Ball took place in February at the National Conference Centre in Solihull. We worked with the Ball Committee to sell tickets, find raffle prizes, secure corporate sponsorship and publicise the event. The Ball was a success, with the proceeds raised going to support New Routes Fostering and St Vincent's House.

Complaints

Father Hudson's Care has signed up to abide by the Fundraising Regulator's code of conduct and promised to raise funds in a way that is legal, open, honest and respectful. We are pleased to report that we received no complaints about our fundraising activity during 2017–18.

Communications and Marketing work

The team worked closely with others to market Father Hudson's services. This included multiple newspaper articles, advertising, newsletters and work online.

We managed to reach out to more people through Father Hudson's social media accounts in 2017–18. On 4 April 2017, the combined followers of our Twitter, Facebook and LinkedIn accounts totalled 920; on 29 March 2018, this number stood at 1,334.

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 £24,557 before net gains on investments and investment properties of £131,008. The Society's quoted investments are shown at their market value on 31 March 2018 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. The Scheme closed to future accrual on 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 £1,054,914, equivalent to 2 months unrestricted expenditure. However unencumbered reserves, for this purpose defined as the sum of the expendable endowment and free reserves amount to £6,762,937, 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.

Objectives 2018/19

- 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 2018 was 15 (2017 – 14).

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 were 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 2018 fees amounting to £1800 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 adequate 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 2017/18

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
Financial management –income generation and expenditure control		
St Joseph's – lower than usual occupancy had become an issue towards the end of the year 2016–17. During the 2 nd & 3 rd quarters occupancy was high. In the last quarter of 2017–18 a high number of deaths resulted in a low occupancy, which presents a real though surmountable challenge for 2018–19.	Low	High
Day service – the challenge of ensuring new referrals remained a priority. Sufficient referrals in 2017–18 were not achieved, after increased marketing. Very low Local Authority client fees are being challenged actively.	Moderate	High
St Catherine's – the service has to be carefully managed, requiring negotiation with Local Authorities concerning a number of residents' low fees. During 2017–18 one was successfully renegotiated with a significant impact. Several more need to be renegotiated.	Low	Moderate
New Routes – the service needs to devote even more time to securing placements and new foster carers in 2018–19. In the last quarter of 2017–18 stable placements resulted in an improved financial performance.	Moderate	Moderate
Family Support in Schools' Service – changes connected to academisation and the new funding formula for schools presented increasing challenges. Existing contracts for 12 schools were renewed, 4 schools did not renew, and 2 new schools commissioned the service. Some external grant funding is needed.	Moderate	Moderate
The risk of not selling St Andrews, whilst incurring more costs– much progress was made on successfully securing planning permission in 2017–18.	Low	Low

Risk	Risk at the start of year	Risk at the end of year
Tabor House successfully opened, but as a new project with a vulnerable client group and a high volunteer involvement in staffing will need to be carefully managed.	Moderate	Moderate
Risk of continuing small losses on 44 Coventry Road. Some Progress was made on plans to refurbish the house for two extra Domiciliary care tenants.	Low	Low
Staff retention and service continuity and procedural continuity had been identified as key features in the Community Projects department due to the short term grant funding available. However successful grant funding for a number of projects was achieved.	Moderate	Low/Moderate
Pension Fund liability—a better than expected valuation resulted in a much smaller contribution being required to meet the liability.	Moderate	Low

Strategic Risk management 2018/2019

The CEO and Trustees 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. Some of the strategic risks from the previous year have been removed, due to the management actions taken in 2017–18. The following are for 2018–19:

Reputation for safeguarding children, young people and vulnerable adults –

It was agreed that in the previous year the non-inspected services and projects, whilst inherently possessing a greater risk than those inspected by CQC and Ofsted, had implemented a number of strategies to successfully reduce this risk. These included training for all staff in community projects: all the project managers had had safeguarding lead training; all project staff had completed Educare online training; specific project staff had additional level 2 and level 3 training where their roles required this. In terms of safeguarding documentation the procedure had been improved to ensure that all safeguarding material was kept separately, to be retained for 10 years. The risk was therefore maintained at 'low' and the requirement from the Trustees was that ongoing training would be monitored regarding changes of staff and the need for refresher training.

Safeguarding –non recent allegations

Regarding the IICSA inquiry 2017–18, this had indeed required a great deal of the CEO's time and the Origins' manager's time, as well as professional legal advice and representation, and cooperation with the Catholic Council for IICSA. Full cooperation with

the Inquiry and the provision of detailed records in a timely manner had ensured full compliance with this important work. The current view of the Trustees is that the ongoing Inquiry in 2018–2019 is not expected to involve Father Hudson's to a great extent, therefore the risk has been changed to 'low to moderate'.

Financial management

It was agreed that income generation and expenditure control still needs to be considered project by project; several were identified as requiring a great deal more management in the light of a poor financial outcome for 2017 – 2018, alongside limited indication of improvement for 2018 –2019:

St Joseph's – the occupancy became a critical issue towards the end of the financial year 2017–18, due to the high number of deaths in the last quarter. Recovering from this in the early part of 2018–19 will require a great deal of marketing, careful staff deployment and control of other expenditure. However the necessity of expenditure on continuing to improve the building remained, if St Joseph's is to provide the high quality care required.

St Catherine's Dayservice – In 2017–18 the work to secure new referrals was not successful. In 2018–19 the project's management team is aware that increased marketing at transitional events, with commissioners, and with families is vital.

St Catherine's – although this service had been budgeted for a significant deficit in 2017–18 careful management and the reassessment with the Local Authority of one client had ensured a better financial result than budgeted for. However managers are aware that a number of reassessments have to be successfully achieved if the budget for the year 2018–2019 is to be achieved. This will have to be carefully managed, requiring the negotiation with Local Authorities concerning low fees for a number of residents.

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. This service is very sensitive to small changes in placements. The financial year 2017–18 ended better than expected, though still in deficit. In 2018–19 placements have to reach the budgeted level to avoid a significant deficit.

Family Support in Schools' Service – changes connected to academisation and the new funding formula for schools will present increasing challenges in 2017–18. In 2018 – 19 three contracts are up for renewal. Some external trust funding has to be secured.

Property Management – FHC still needs to manage, in 2018–19, the successful utilisation of potentially valuable redundant buildings and sites, whilst in the short term absorbing the costs connected with maintaining one large redundant property and securing its development. However considerable progress was made in 2017–18 through the sale of the

old Central Offices, securing planning permission for St Andrew's, and agreeing the refurbishment of an underused property, with potential for service development.

Safe service provision

Community projects – Tabor House was successfully opened in 2017 – 18; however it is still a new project and 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, and with being a new project involving a steep learning curve. Therefore it continues to carry a 'moderate' risk until staffing is stabilised.

Community Projects – staff retention and service continuity and procedural continuity have been identified as key unique features in this department. Due to the nature of the projects – working with very vulnerable groups and those who have been marginalised several of the projects retain a 'moderate' risk for 2018–2019. In 2017–2018 the North Staffs project secured 4 year Lottery funding and Brushstrokes and Hope secured extra funding; Hope also managed the manager succession planning for a new appointment. Partnership support for Anawim moved forward positively.

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. Nevertheless in 2017–18 the revaluation was much more positive than expected and the shortfall that had to be injected was relatively low.

Governance

Recruitment of new Trustees with appropriate expertise—there is the possibility of several Trustees retiring in 2018–19; if so, this will be a high priority.

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 bench-marked 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 26 June 2018 and signed on their behalf by

Kevin Caffrey MBE
Trustee

Independent auditor's report

To the members of

Father Hudson's Society

Opinion

We have audited the financial statements of Father Hudson's Society (the 'charitable company') for the year ended 31 March 2018 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 2018 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, 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 going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Independent auditor's report

To the members of

Father Hudson's Society

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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.

Jonathan Orchard (Senior statutory auditor)

19 July 2018

for and on behalf of Sayer Vincent LLP, Statutory Auditor

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

Father Hudson's Society

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

For the year ended 31 March 2018

	Note	Endowment £	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Income from:						
Donations and legacies	3	–	349,293	550,492	899,785	691,294
Charitable activities						
Adult Care	4	–	–	4,210,172	4,210,172	4,094,666
Family Placement	4	–	–	848,091	848,091	820,091
Community projects	4	–	480,524	208,899	689,423	452,046
Other activities	5	–	–	463,084	463,084	79,261
Investments	6	74,997	–	127,800	202,797	205,263
Total income		74,997	829,817	6,408,538	7,313,352	6,342,621
Expenditure on:						
Raising funds	7	–	–	234,194	234,194	215,901
Charitable activities						
Adult Care	7	–	60,474	4,712,339	4,772,813	4,543,488
Family Placement	7	–	2,993	1,339,089	1,342,082	1,331,406
Community Projects	7	–	695,149	221,735	916,884	740,837
Other		–	–	71,936	71,936	94,699
Total expenditure		–	758,616	6,579,293	7,337,909	6,926,331
Net income / (expenditure) before net gains / (losses) on investments		74,997	71,201	(170,755)	(24,557)	(583,710)
Net gains / (losses) on investment properties	15	–	–	211,359	211,359	–
Net gains / (losses) on investments	16	(38,064)	–	(42,287)	(80,351)	552,120
Net income/(expenditure) for the year	9	36,933	71,201	(1,683)	106,451	(31,590)
Transfers between funds		(74,997)	–	74,997	–	–
Net income / (expenditure) before other recognised gains and losses		(38,064)	71,201	73,314	106,451	(31,590)
Actuarial gains / (losses) on defined benefit pension schemes		–	–	(34,000)	(34,000)	(688,000)
Net movement in funds		(38,064)	71,201	39,314	72,451	(719,590)
Reconciliation of funds:						
Total funds brought forward		5,746,087	1,365,658	2,780,970	9,892,715	10,612,305
Total funds carried forward		5,708,023	1,436,859	2,820,284	9,965,166	9,892,715

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 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	14		5,299,944		5,433,024
Investment properties	15		735,000		917,500
Investments	16		5,013,204		5,109,239
			<u>11,048,148</u>		<u>11,459,763</u>
Current assets:					
Debtors	17	729,094		400,754	
Cash at bank and in hand		635,611		422,756	
		<u>1,364,705</u>		<u>823,510</u>	
Liabilities:					
Creditors: amounts falling due within one year	18	(676,687)		(644,558)	
				<u></u>	
Net current assets			<u>688,018</u>		<u>178,952</u>
Net assets excluding pension liability			11,736,166		11,638,715
Defined benefit pension scheme liability	19		(1,771,000)		(1,746,000)
Total net assets			<u>9,965,166</u>		<u>9,892,715</u>
The funds of the charity:	21				
Expendable Endowment			5,708,023		5,746,087
Restricted funds			1,436,859		1,365,658
Unrestricted income funds:					
Designated funds		2,474,625		2,520,192	
Fair value reserve		409,969		641,449	
Revaluation reserve		651,776		809,276	
General funds		1,054,914		556,053	
Pension reserve		(1,771,000)		(1,746,000)	
		<u></u>		<u></u>	
Total unrestricted funds			<u>2,820,284</u>		<u>2,780,970</u>
Total charity funds			<u>9,965,166</u>		<u>9,892,715</u>

Approved by the trustees on 26 June 2018 and signed on their behalf by

Kevin Caffrey MBE
Trustee

Father Hudson's Society

Statement of cash flows

For the year ended 31 March 2018

	Note	£	2018 £	£	2017 £
Cash flows from operating activities	22				
Net cash provided by / (used in) operating activities			(575,344)		(307,035)
Cash flows from investing activities:					
Dividends, interest and rents from investments		248,797		241,263	
Proceeds from the sale of fixed assets		389,721		480,622	
Purchase of fixed assets		(217,612)		(446,686)	
Proceeds from sale of investments		1,600,684		1,353,596	
Purchase of investments		(1,585,000)		(1,327,116)	
Proceeds from sale of investment property		397,609		–	
Net return on pension scheme		(46,000)		(36,000)	
Net cash provided by / (used in) investing activities			788,199		265,679
Change in cash and cash equivalents in the year			212,855		(41,356)
Cash and cash equivalents at the beginning of the year			422,756		464,112
Cash and cash equivalents at the end of the year	23		635,611		422,756

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.

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

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.

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.

1 Accounting Policies (continued)

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.

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.

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% |

1 Accounting Policies (continued)

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 revaluation 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.

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 £	2017 Total £
Income from:				
Donations and legacies	–	354,226	337,068	691,294
Charitable activities				
Adult Care	–		4,094,666	4,094,666
Family Placement	–	–	820,091	820,091
Community Projects	–	221,637	230,409	452,046
Other Activities	–	–	79,261	79,261
Investments	73,424	–	131,839	205,263
Total income	73,424	575,863	5,693,334	6,342,621
Expenditure on:				
Raising funds	–	–	215,901	215,901
Charitable activities				
Adult Care	–	242,440	4,301,048	4,543,488
Family Placement	–	1,824	1,329,582	1,331,406
Community Projects	–	464,195	276,642	740,837
Other	–	–	94,699	94,699
Exceptional Costs	–	–	–	–
Total expenditure	–	708,459	6,217,872	6,926,331
Net income / expenditure before gains / (losses) on investments	73,424	(132,596)	(524,538)	(583,710)
Net gains / (losses) on investments	116,952	–	435,168	552,120
Net income / expenditure	190,376	(132,596)	(89,370)	(31,590)
Transfers between funds	(73,424)	–	73,424	–
Net income / (expenditure) before other recognised gains and losses	116,952	(132,596)	(15,946)	(31,590)
Actuarial gains / (losses) on defined benefit pension schemes	–	–	(688,000)	(688,000)
Net movement in funds	116,952	(132,596)	(703,946)	(719,590)
Total funds brought forward	5,629,135	1,498,254	3,484,916	10,612,305
Total funds carried forward	5,746,087	1,365,658	2,780,970	9,892,715

3 Income from donations and legacies

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Restricted donations	349,293	–	349,293	468,166
Legacies	–	321,160	321,160	78,454
Schools	–	64,106	64,106	58,449
Parishes	–	60,254	60,254	75,930
Other Donations	–	92,089	92,089	–
Tax Recoverable	–	12,883	12,883	10,295
	349,293	550,492	899,785	691,294

4 Income from charitable activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Local Authority	–	2,506,179	2,506,179	2,536,652
Private	–	1,703,993	1,703,993	1,558,014
Sub-total for Adult Care	–	4,210,172	4,210,172	4,094,666
Local Authority	–	848,091	848,091	820,091
Sub-total for Family Placement	–	848,091	848,091	820,091
Other Charities	285,209	–	285,209	221,637
Grants	195,315	–	195,315	–
Schools	–	208,899	208,899	230,409
Sub-total for Community Based Projects	480,524	208,899	689,423	452,046
Total income from charitable activities	480,524	5,267,162	5,747,686	5,366,803

5 Income from other activities

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Administration Charges	–	82,500	82,500	51,873
Profit on Disposal of Fixed Assets	–	380,584	380,584	27,388
Total income from other activities	–	463,084	463,084	79,261

6 Income from investments

	Endowment £	Unrestricted £	2018 Total £	2017 Total £
Income from UK listed Investments	74,997	129,114	204,111	192,435
Interest receivable	–	183	183	277
Net return on pension scheme	–	(46,000)	(46,000)	(36,000)
Rental Income	–	44,503	44,503	48,551
Total income from investments	74,997	127,800	202,797	205,263

7 Analysis of expenditure

	Cost of raising funds £	Charitable activities			Support Costs £	Governance Costs £	Obsolete Property £	2018 Total £	2017 Total £
		Adult Care £	Family Placement £	Community Based Projects £					
Staff costs (Note 10)	148,891	2,849,343	554,542	644,681	486,264	–	–	4,683,721	4,344,872
Client Costs	–	407,389	536,555	15,682	–	–	–	959,626	882,637
Property Costs	–	475,046	15,903	50,437	132,691	–	30,009	704,086	657,268
Publicity Costs	15,939	9,080	–	–	–	–	–	25,019	27,663
Agency Costs	–	181,404	359	–	18,820	–	–	200,583	269,482
Travel Costs	4,141	48,999	23,787	12,957	18,515	–	–	108,399	91,286
Professional Fees	1,938	22,726	15,375	11,431	16,820	17,657	–	85,947	84,450
Other Direct Costs	28,266	54,577	38,684	45,661	29,024	22,611	–	218,823	219,496
Grants Payable	–	–	–	2,500	–	–	–	2,500	23,750
Depreciation	–	234,857	5,306	3,437	92,204	–	2,001	337,805	325,427
Audit Fee	–	–	–	–	–	11,400	–	11,400	–
	199,175	4,283,421	1,190,511	786,786	794,338	51,668	32,010	7,337,909	6,926,331
Support costs	27,902	424,708	129,971	109,635	(794,338)	62,196	39,926	–	–
Governance costs	7,117	64,684	21,600	20,463	–	(113,864)	–	–	–
Total expenditure 2018	234,194	4,772,813	1,342,082	916,884	–	–	71,936	7,337,909	6,926,331
Total expenditure 2017	215,901	4,543,488	1,331,406	740,837	–	–	94,699	6,926,331	

Of the total expenditure, £6,579,293 was unrestricted (2017: £6,217,872) and £758,616 was restricted (2017: £708,459). Endowment £nil and 2017 £nil

8 Grant making

	Grants to institutions £	Support costs £	2018 £	2017 £
Cost				
Pastoral Care Project	2,500	–	2,500	5,000
Anawim WWT	–	28,200	28,200	48,196
Hope Community Project	–	13,282	13,282	15,811
New Heights	–	8,395	8,395	6,803
Maryvale	–	6,787	6,787	8,411
North Staffs Linkline	–	–	–	3,750
At the end of the year	2,500	56,664	59,164	87,971

9 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	337,805	325,426
Loss or (profit) on disposal of fixed assets	(380,584)	(27,388)
Operating lease rentals:		
▪ Property	–	5,250
▪ Other.	14,736	12,666
Auditors' remuneration (excluding VAT):		
▪ Audit	11,400	11,200
▪ Other services	–	–

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

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	4,181,993	3,856,695
Redundancy and termination costs	17,042	1,856
Social security costs	279,481	257,121
Employer's contribution to defined benefit pension scheme	143,335	77,894
Employer's contribution to defined contribution pension scheme	24,793	85,720
Operating costs of defined benefit pension scheme	37,077	65,586
	4,683,721	4,344,872

Redundancy costs were paid and settled in the year and included an ex gratia payment of £11,876.

The following number of employees received employee benefits (excluding employer's national insurance and employer pension costs) during the year between:

	2018 No.	2017 No.
£70,000 – £79,999	1	–
£60,000 – £69,999	–	1

The total employee benefits including pension contributions of the key management personnel were £355,430 (2017: £334,871).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £695 (2017: £1,591) incurred by 2 (2017: 2) 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:

	2018 No.	2017 No.
Raising funds	7	6
Adult Care	199	196
Family Placement	11	11
Community projects including schools	48	40
Support	15	15
Governance	2	2
	282	270

12 Related party transactions

There are related party transactions to disclose for 2018 as detailed below.

Aggregate donations from related parties were £nil (2017: £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 2018 fees amounting to £1,800 (2017: £3,600) 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 £277,617 (2017:£310,082). The balance at the year end was £nil due to the Society.

Two trustees of the Society, Mr Kevin Caffrey and Mr John Barley, were 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 (2017:£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 £600 (2017:£675). 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 £28,200 for which payment of £13,500 was received. 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 £ Nil (2017: £5,000) to the Project and provided support services in kind to the value of £13,282 (2017: £10,800). 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 £8,395 (2017: £6,800) for which payment of £2,000 was received. 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 £6,787 (2017: £8,400). 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					
At the start of the year	7,047,164	942,331	104,930	250,148	8,344,573
Additions in year	26,712	173,145	1,956	15,799	217,612
Disposals in year	(18,750)	(330,765)	(15,143)	(37,455)	(402,113)
At the end of the year	7,055,126	784,711	91,743	228,492	8,160,072
Depreciation					
At the start of the year	2,292,457	416,986	62,459	139,649	2,911,551
Charge for the year	209,833	85,952	16,750	25,270	337,805
Eliminated on disposal	(12,090)	(330,765)	(15,143)	(31,228)	(389,226)
At the end of the year	2,490,200	172,173	64,066	133,691	2,860,130
Net book value					
At the end of the year	4,564,926	612,538	27,677	94,801	5,299,944
At the start of the year	4,754,707	525,345	42,471	110,499	5,433,024

Land with a value of £61,000 (2016: £66,750) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

15 Investment properties

	2018 £	2017 £
Fair value at the start of the year	917,500	917,500
Disposals	(225,000)	–
Revaluation during the year	42,500	–
Fair value at the end of the year	735,000	917,500
Historic cost at the end of the year	83,224	108,224

The land properties were last valued on an open market (assuming vacant possession) or investment basis by Reeves & Partners Chartered Surveyors as at 31 March 2018.

16 Listed investments

	2018 £	2017 £
Fair value at the start of the year	4,821,146	4,541,455
Additions at cost	1,805,917	1,081,167
Disposal proceeds	(1,600,684)	(1,353,596)
Net gain / (loss) on change in fair value	(80,351)	552,120
	<u>4,946,028</u>	<u>4,821,146</u>
Cash held by investment broker pending reinvestment	67,174	288,093
Fair value at the end of the year	<u>5,013,202</u>	<u>5,109,239</u>
Historic cost at the end of the year	<u>4,625,694</u>	<u>4,415,536</u>

Investments comprise:

	2018 £	2017 £
UK Collective Funds	1,789,672	1,345,865
Hedge Funds	–	29,161
Shares listed on the London Stock Exchange	1,992,571	2,260,541
Fixed Interest	890,990	1,051,784
Property Funds	272,795	133,795
Cash	67,174	288,093
	<u>5,013,202</u>	<u>5,109,239</u>

Shares in group undertaking

	2018 £	2017 £
Cost at 1 April 2017 and 31 March 2018	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

	2018 £	2017 £
Trade debtors	367,804	291,286
Accrued income	252,885	–
Prepayments	108,405	109,468
	<u>729,094</u>	<u>400,754</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

	2018 £	2017 £
Trade creditors	279,369	283,134
Taxation and social security	73,834	57,846
Accruals	323,484	303,578
	<u>676,687</u>	<u>644,558</u>

19 Pension Scheme

The charity operates a defined benefit scheme in the UK which closed to future accrual on 31st July 2017. The assets are held separately from those of the 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 2017 by a qualified independent actuary. The actuarial value amounted to £5,062,000 at that date. Scheme assets were 99% of that figure.

Until 31st July 2017 contributions were paid at 13.4% of pensionable pay and employee members contributed 8% of pensionable pay. The charity continues to pay all costs of running the Scheme.

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 5.25% (6.0%) p.a.

The rate of return appropriate for determining the cost of pensions once in payment will be 3.25% (4.0%) p.a.

The rate of future pensionable salary increases (both from inflation and promotion) will be 0% (3.1%) 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 £123,825 (2017: £123,206).

19 Pension Scheme (continued)

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

	2018 £'000	2017 £'000
Present value of funded obligations	(6,846)	(6,755)
Fair value of plan assets	<u>5,075</u>	<u>5,009</u>
	<u>(1,771)</u>	<u>(1,746)</u>

Amounts in the balance sheet

	2018 £'000	2017 £'000
Liabilities	(6,846)	(6,755)
Assets	<u>5,075</u>	<u>5,009</u>
Net Liability	<u>(1,771)</u>	<u>(1,746)</u>

Amounts recognised in net income \ (expenditure) are as follows:

	2018 £'000	2017 £'000
Current service cost	(69)	(152)
Interest on obligation	(180)	(184)
Expected return on plan assets	<u>134</u>	<u>148</u>
Total	<u>(115)</u>	<u>(188)</u>
Actual return on plan assets	<u>166</u>	<u>850</u>

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

	2018 £'000	2017 £'000
Opening defined benefit obligation	6,755	5,044
Service cost	32	109
Interest cost	180	183
Contribution by members	15	51
Actuarial gains	66	1,391
Benefits paid	<u>(202)</u>	<u>(23)</u>
Closing defined benefit obligation	<u>6,846</u>	<u>6,755</u>

Changes in the fair value of plan assets

	2018 £'000	2017 £'000
Opening fair value of plan assets	5,009	4,051
Contributions by members	15	51
Expected return	134	148
Actuarial gains	32	702
Contributions by employer	87	80
Benefits paid	<u>(202)</u>	<u>(23)</u>
	<u>5,075</u>	<u>5,009</u>

19 Pension Scheme (continued)

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

	2018 %	2017 %
Equities	68	67
Bonds	14	15
Property	13	12
Cash	5	6

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

	2018	2017
Discount rate at the end of the year	2.70%	2.70%
Expected return on plan assets at the	3.30%	3.30%
Future salary increases	0.00%	3.50%
Future pension increases	3.30%	3.40%

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

	2018 £'000	2017 £'000	2016 £'000	2015 £'000	2014 £'000
Defined benefit obligation	(6,846)	(6,755)	(5,044)	(5,182)	(3,542)
Plan assets	5,075	5,009	4,051	3,575	3,241
Deficit	(1,771)	(1,746)	(993)	(1,607)	(301)
Experience adjustments on plan liabilities	(246)	7	18	(581)	(74)
Experience adjustments on plan assets	32	702	(165)	211	101

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

	Endowment funds £	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	3,620,062	974,996	704,886	5,299,944
Investment properties	–	–	735,000	735,000
Investments	2,087,961	–	2,925,243	5,013,204
Net current assets (liabilities)	–	461,863	226,155	688,018
Defined benefit pension asset / (liability)	–	–	(1,771,000)	(1,771,000)
Net assets at 31 March 2018	5,708,023	1,436,859	2,820,284	9,965,166

20b Analysis of net assets between funds (prior 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	–	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

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	5,746,087	36,933	–	(74,997)	5,708,023
Restricted funds:					
Capital					
St Joseph's Care Home	1,032,320	–	(57,324)	–	974,996
Income					
Hope Community project	–	167,483	(167,483)	–	–
Brushstrokes	144,939	88,212	(106,079)	–	127,072
Brushstrokes – Lottery	3,323	155,806	(130,941)	–	28,188
Anawim	–	2,729	(2,729)	–	–
Day Service	28,347	10,290	(3,150)	–	35,487
Fatima House	32,522	19,247	(14,352)	–	37,417
Tabor House	85,574	147,786	(80,837)	–	152,523
North Staffs YAH	15,261	68,509	(49,776)	–	33,994
Other	23,372	169,755	(145,945)	–	47,182
Total restricted funds	1,365,658	829,817	(758,616)	–	1,436,859
Unrestricted funds:					
Designated funds					
Capital Funds					
Property Fund	2,197,015	–	–	–	2,197,015
Income Funds					
Post Adoption Support Fund	265,209	–	(600)	–	264,609
Emrys John Ellis Fund	57,968	–	(44,967)	–	13,001
Total designated funds	2,520,192		(45,567)	–	2,474,625
Fair value reserve	641,449	–	(48,369)	(183,111)	409,969
Revaluation reserve	809,276	42,500	–	(200,000)	651,776
General funds	556,053	6,583,479	(6,533,726)	449,108	1,054,914
Total unrestricted funds	4,526,970	6,625,979	(6,627,662)	65,997	4,591,284
Pension reserve	(1,746,000)	–	(34,000)	9,000	(1,771,000)
Total funds including pension fund	9,892,715	7,492,729	(7,420,278)	–	9,965,166

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	5,629,135	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)	–	–
Christ The King	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

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 2018 costs of £3,318,826 (2017: £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

	2018 £	2017 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	72,451	(719,590)
Dividends, interest and rent from investments	(202,797)	(205,263)
Depreciation charges	337,805	325,426
(Gains)/losses on investments	80,351	(552,120)
(Gains) on investment properties	(211,359)	–
(Profit)/loss on the disposal of fixed assets	(380,584)	(27,388)
FRS102 Pension adjustments (non cash)	56,000	65,000
Actuarial (gains)/losses on investments	34,000	688,000
Pension Scheme deficit payment	(65,000)	–
(Increase)/decrease in debtors	(328,340)	101,519
Increase/(decrease) in creditors	32,129	17,381
Net cash provided by / (used in) operating activities	(575,344)	(307,035)

23 Analysis of cash and cash equivalents

	At 1 April 2017 £	Cash flows £	Other changes £	At 31 March 2018 £
Cash at bank and in hand	422,756	212,855	–	635,611
Total cash and cash equivalents	422,756	212,855	–	635,611

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 2018 £	2017 £	Equipment and Vehicles 2018 £	2017 £
Less than one year	–	–	19,664	13,714
One to five years	–	–	41,392	37,777
	–	–	61,056	51,491

25 Capital commitments

At the balance sheet date, the charity had committed to £nil (2017: £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.