

Adoption Matters

Financial Statements

31 March 2019

**A Company Limited by Guarantee
Registered Number 1617324
Charity Registration Number 512892**

ADOPTION MATTERS
YEAR ENDED 31 MARCH 2019
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ADOPTION MATTERS
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 MARCH 2019

Joint Presidents	Bishop of Chester , The Right Reverend Dr Peter Forster Bishop of Blackburn, The Right Reverend Julian Henderson Bishop of Durham, The Right Reverend Paul Butler		
Patron	Sir Mark Hedley		
Board of Trustees	Mrs Carolyn Johnson (Chair) Professor David Cracknell OBE (Vice-Chair) Mr David Champness Mr Phil Dyer (appointed March 2019) Miss Catherine Gibbons Professor Elizabeth Harlow Mr Keith Johnson (appointed March 2019) Mr Joe McArdle Ms Lynn Pates Mr David Shield Mrs Sally Winstanley (retired September 2018) Mr Annesley Wright		
Company Secretary	Mr Annesley Wright		
Chief Executive	Mr Norman G Goodwin CBE		
Registered Office and Principal Address	14 Liverpool Road, Chester, Cheshire, CH2 1AE Telephone: 01244 390938 Facsimile: 01244 390067 E-mail: info@adoptionmatters.org Website: www.adoptionmatters.org		
Auditors	UHY Hacker Young, Chartered Accountants and Registered Auditors, St John's Chambers, Love Street, Chester, Cheshire, CH1 1QN		
Bankers	Lloyds Bank PLC 8 Foregate Street Chester Cheshire CH1 1XP	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	Barclays Bank PLC 6 Market Place Durham Co. Durham DH1 3ND
Solicitors	Mr Andrew Perrigo Morecrofts LLP 2 Crown Buildings Liverpool Road Crosby Liverpool L23 5SR	Mr Stephen Claus Brabners LLP Horton House Exchange Flags Liverpool L2 3YL	Mr Barry Speker 11 Westfield Gosforth Newcastle-Upon-Tyne NE3 4YE

ANNUAL REPORT OF THE BOARD OF TRUSTEES OF ADOPTION MATTERS YEAR ENDED 31 MARCH 2019

The Board of Trustees (The Board) of Adoption Matters presents its statutory report and accounts for the year ended 31 March 2019.

The report has been prepared in accordance with Section 8 of the Charities Act 2011.

The Accounts have been prepared in accordance with the accounting policies set on pages 15 and 16 of the attached accounts and comply with the Charitable Company's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice (FRS102) 'Accounting and Reporting by Charities'.

Adoption Matters is a registered charity and also a company limited by guarantee. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1 each. Its aims and activities are set out and governed by the Articles of Association and the Memorandum of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Chief Executive of Adoption Matters, Norman Goodwin CBE, is directly accountable to the Board of Trustees. The Adoption Matters Chair of Trustees is Carolyn Johnson, a practising Barrister of Law. Our Vice Chair is Professor David Cracknell OBE, Professor in Education at the University of Chester and former Director of Education and Community for Cheshire; the Chair of our Finance Committee is Annesley Wright; the Chair of our Staffing Committee is Joe McArdle former Health Service Professional now working in Education. The Bishops of Chester, Blackburn and Durham are the joint Presidents of Adoption Matters.

Advice and support for the work of Adoption Matters is provided by the Adoption Panels. The Chester Panel is currently chaired by Rosemary Jones, a retired Consultant Paediatrician, the Blackburn Panel by Peter Young, a retired High School Headteacher and the Durham Panel by Margaret Bell, a retired Director of a VAA.

The Board of Trustees

Adoption Matters' Board members are directors of the charity for the purpose of company law and trustees for the purpose of charity law.

The members of the Board of Trustees are drawn from a variety of disciplines as it is considered that a varied membership of the Trustee Board provides the necessary skills, knowledge and experience to exercise good governance of the organisation. A skills audit is carried out regularly to ensure there is the breadth of skills required.

The Bishop of Chester and the Bishop of Blackburn can both appoint one trustee each, the Chester Diocesan Synod and the Blackburn Diocesan Synod can both appoint up to three trustees each and up to three trustees are appointed by the members at Annual General Meetings as marked on page 3.

Any person nominated to be considered for election to the post of the Chair or the Vice-Chair shall be subject to the approval of the Bishop of Chester and the Bishop of Blackburn.

On appointment to The Board, trustees are given an induction programme including meeting with the Chief Executive and other key staff and are familiarised with Adoption Matters' work and with the responsibilities of the Board of Trustees. Trustees are offered a tailored training programme, with individual Board members accessing specific training relevant to their role on the Board. From time to time, joint management/trustees meetings (also some jointly with the Adoption Panel) with a specific development/training function are held.

Trustees are provided with relevant literature including a copy of the Charity Commission's document CC3 - "Responsibilities of Charity Trustees" which provides detailed information and guidance on their role and responsibilities. Most importantly, Adoption Matters trustees are responsible for:

- Agreeing the strategic aims, objectives and direction of the organisation;
- Ensuring that there is identification of risks and management of those risks;
- Ensuring that the income of the Charity is applied for the purposes set out in the governing document;
- Controlling the administration of the Charity and the assets.

**ANNUAL REPORT OF THE BOARD OF TRUSTEES OF
ADOPTION MATTERS
YEAR ENDED 31 MARCH 2019**

Management and Structure

The ultimate responsibility lies with the Board of Trustees (as mentioned previously) which meets at least quarterly. The financial governance and investments are overseen by the Finance Committee which is made up of 4 trustees. The committee meets quarterly. The Staffing Committee is made up of 2 trustees and meets as required, but no less than once a year. The Policy Committee is made up of 2 trustees and meets as required, but at least once annually. The agency also has a Business Development Group comprising both trustees and a cross section of staff and meets quarterly. Day to day management of the Charity is delegated to the Chief Executive.

The following senior staff were in post at 31 March 2019

- Mr Norman Goodwin CBE Chief Executive
- Mrs Jacqui Shore Service Manager
- Mr Paul Dolan Service Manager
- Mrs Anne Fleming Service Manager Centre for Adoption Support
- Mrs Susy White Finance and Operations Director
- Ms Gaynor Richards Business Development Manager

Adoption Matters' head office is in Chester and provides the overall operational management of the organisation, including financial management controls. The agency has other offices at Blackburn, Hale, Durham, Warrington, Salford, Stoke and Leeds.

Risk Management

The Board has assessed the major risks to which the Charity is exposed, in particular those relating to the specific operational areas of the Charity, its investments and finances. The Board believes that by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational and business risks faced by the Charity, it has established effective systems to mitigate those risks.

At a general level, this is achieved by assessing the likelihood and potential impact of the various risks which have been identified, and major risks are reviewed in greater detail.

Relationships with Other Charities

Whilst retaining its distinctiveness, Adoption Matters strives to work collaboratively with other relevant charities. Our Chief Executive is a trustee of the Consortium of Voluntary Adoption Agencies (CVAA) and Children England. In addition to the aforementioned organisations we work particularly closely with CoramBAAF, the Buckfast Group and Home for Good. We are signatories to the local Cheshire West and Chester CVS compact. We have a particular close working relationship with Caritas Care and work in partnership with them in our Concurrency Project, Centre for Adoption Support and Bespoke Family Finding Service.

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's objectives and aims and in planning future activities for the year.

The Trustees consider that Adoption Matters' aims are demonstrably to the public benefit in that Adoption Matters' main aims are:

- the recruitment and preparation of people willing and able to adopt or provide permanent care for children;
- support to all those whose lives have been affected by adoption and other types of long term care.

No charges are made to the public except for peripheral work which is less than 1% of our total income.

ANNUAL REPORT OF THE BOARD OF TRUSTEES OF ADOPTION MATTERS

YEAR ENDED 31 MARCH 2019

The main users of Adoption Matters are those affected by adoption living in the north of England and local authorities using our services from across the UK.

The Trustees have complied with the duty in section 17(5) of the Charities Act to have due regard to guidance published by the Charity Commission.

Objectives

Vision

Adoption Matters is an Outstanding Specialist Voluntary Adoption Agency (VAA) based in the North of England. We seek to work increasingly in collaboration with other VAAs regionally and nationally and with Local Authority and Regional Adoption Agency Adoption Services to strive towards a situation where all children growing up in the UK will have the security and benefit of a permanent, loving family home.

Mission

Our main aim is to find permanent families for children who, for one reason or another, are no longer able to live with their birth families. We also aim to provide a high quality, comprehensive and responsive support service to potential and existing adopters as well as all those whose lives have been touched by adoption. As we grow and develop our service increasing both scale and scope whilst maintaining quality, we aim to be the first agency of choice for those considering adoption in the North of England.

Values

All our activities are underpinned by a strong commitment to the following core values and principles:

Ethical

As an organisation that has its roots in the Church Of England Diocesan Adoption Services, we maintain Christian values and ethics within the work we do whilst embracing all other faiths and those with no faith.

Celebrating Difference

We work within a culture of respect and acceptance, treating everyone who comes to us for support or advice fairly, professionally and with complete confidentiality.

Inclusive

We strive to ensure equality of opportunity, both for our adoptive families and amongst our staff and Trustees regardless of gender, race, creed, age or sexuality.

Flexible

We aim to continually develop and improve our services and increase engagement with our service users, using their feedback and suggestions to inform future developments.

Honest and Fair

We undertake to treat every case fairly on its individual merits and to be honest and realistic in all our communications.

Achieving our Aims

On the 1st April 2017, Adoption Matters embarked on a new 2 year strategic plan for 2017 - 2019.

Four key strategic themes outline the agency's commitments and form the basis of our current strategy:

1. Quality & Reputation

We are committed to ensuring that quality is at the heart of all our activities and that we provide the best possible service to our families, taking their views and requirements into account at every stage and finding new ways to improve their experience. We have well-defined procedures for Safeguarding with two nominated managers taking a lead in this area.

2. Innovation

We aim to be a proactive, dynamic and innovative organisation that anticipates and responds to the changing environment to develop and deliver the very best in Adoption and Adoption Support.

3. Approachable, Friendly & Collaborative

We strive to be a welcoming, compassionate and inclusive service, whose ethos is based on principles of fairness, equality and respect. From the first point of contact and throughout our work we are with our families through thick and thin to achieve the best outcomes for children and families.

ANNUAL REPORT OF THE BOARD OF TRUSTEES OF ADOPTION MATTERS YEAR ENDED 31 MARCH 2019

4. Professional

Underpinning the agency's success is our highly qualified, experienced and knowledgeable staff team comprising adoption practitioners, managers, administrative, finance, HR, business development and related professional staff. Our committed, reliable team help ensure consistency and quality throughout periods of growth and transition.

We are also fortunate to receive support from a large number of volunteers, including our Board of Trustees and Adoption Panel Members who help us ensure that our practice is grounded, responsive and accountable.

In addition, four over-arching themes will underpin all activities:

1. Financial and Organisational Viability

A risk management approach will be taken towards all proposed developments and emphasis given to phased and manageable growth that does not leave the agency exposed to financial threat in the event of any change in the political or economic environment. Consideration will be given to how the agency effectively invests any surpluses and retains reserves.

2. Reputation and Brand

Marketing, PR and promotional activity will be outlined within a separate Marketing Strategy document with the aim of building and supporting the agency's reputation, maintaining its place in the national agenda and raising awareness and take up of services.

3. Innovation

We will aim to constantly review and develop innovative approaches to our processes, procedures and activities, taking advantage where appropriate of innovative technologies.

4. Quality

We are committed to ensuring that quality is at the heart of all our activities and that we provide the best possible service to our families, taking their views and requirements into account at every stage and finding new ways to improve their experience.

2018/19 Progress Report

Highlights

- The Agency brought DFW Adoption based in Durham into the Adoption Matters Group in September 2018 and completed a full merger process on the 28th February 2019.
- The Agency placed 71 children for Adoption in the year. In addition, DFW Adoption placed a further 11.
- We placed children on behalf of 31 local authorities.
- The Agency established a working base in Leeds and Stoke (jointly with Caritas Care).
- The North West Concurrent Planning Service is jointly commissioned by 4 RAAs as well as 1 Local Authority not in an active RAA. In May 2019 the project placed its 100th child.
- A Concurrency Project has been established in Yorkshire and Humber and Staffordshire and Stoke as a result of Practice Innovation Funding.
- Our Centre for Adoption Support (CfAS) dealt with 375 cases during the year, 117 of those were referred from local authorities. We work directly with 17 RAAs and 5 Local Authorities.
- 260 cases were referred to our Therapy Service.
- The Board held an annual away day and completed the Charity Commission Governance Code Audit.
- The Agency is involved with the following Regional Adoption Agencies, Adoption NoW, Adoption Counts, Together for Adoption, Adoption in Merseyside, One Adoption West Yorkshire, Adoption Tees Valley, Coast to Coast, Adopt North East, the Inter-Country Adoption Centre, Staffordshire, Shropshire, Stoke and Telford and Wrekin, Lancashire and Blackpool.
- Continued to work alongside Home for Good to recruit adopters.
- Continued to grow our partnership working arrangement with Caritas Care.
- Ensured the agency was GDPR compliant.
- The agency has substantially invested in updating our IT systems

2019/20 Challenges

- To ensure a good number and quality pipeline of potential adopters to meet the current need for children.
- Complete our equality and diversity plan and implement the planned training.
- To ensure the outcomes from Task and Finish Groups, set up following our recent staff survey, to support the efficiency and sustainability of the organisation in an uncertain climate.

ANNUAL REPORT OF THE BOARD OF TRUSTEES OF ADOPTION MATTERS YEAR ENDED 31 MARCH 2019

- To continue to ensure the Board of Trustees is compliant with the Charity Commission Governance Code Audit.
- To fully implement our Fundraising Strategy and build our profile as a children's charity within the Code of Fundraising Practice
- To continue to align all policies, procedures and systems from both Adoption Matters and DFW Adoption to ensure the best are taken forward into the new, larger organisation.

Note of Appreciation

The Board would like to place on record their thanks to all Adoption Matters' staff for their hard work during this year. Everyone shares in achieving the aims of the organisation. We embarked on the merger process with DFW Adoption with the aim of bringing together two organisations that share the same culture and objectives and together expanding our geographical coverage. Staff have dealt with the uncertainty that a merger can create and embraced the changes, ensuring the new merged organisation continues to deliver a high quality service for our families.

Thanks

The Board extends its thanks and appreciation to the organisations, churches and individuals who have supported our work during the year.

Volunteers

It is important to recognise the valuable contribution to Adoption Matters made by Trustees, Sub-Committees of the Board, the Adoption Panel, volunteers who help with our Centre for Adoption Support, our intermediary services to birth parents work, our Parish Advocates, those who have undertaken and helped to raise funds and donations and all those who helped in practical ways.

FINANCIAL REVIEW

General Fund: There is a decrease in the General Fund for the 12 months of £420,753 (£256,403 decrease in 2018) excluding the pension deficit. The main reasons for this were:

- The number of children placed has increased this year to 59 children (46 in 2018, 60 in 2017, 55 in 2016) and inter-agency placement income is £2,171,611 (£1,652,936 in 2018). We also placed a further 12 (11 in 2018) children with our families through our Concurrent Planning Service and local authority contracted.
- Staffing costs have increased to £2,691,832 (£2,248,252 in 2018) due to an increase in staff numbers to resource the increase in placement activity which is continuing to increase further during 2019/20. Travel costs have increased to £126,499 (£111,340 in 2018), the agency pays mileage expenses at the Inland Revenue rate.
- Therapy income has decreased by £165,647 (£669,610 in 2019, £835,257 in 2018) and we have earned £189,187 (£200,324 in 2018) income from the Centre for Adoption Support (CfAS), both of which are due mainly to the money available to local authorities from the Adoption Support Fund.
- Sessional workers are used to carry out the direct therapy work and also to cover fluctuations of assessment activity and CfAS work.. The cost increased to £390,839 (£388,663 in 2018), part of this is due to the increased rate we now pay to therapists, we are unable to pass on this additional cost.
- Local authority special work has increased by £13,790 to £20,145 (£6,355 in 2018).

Funding: Adoption Matters' principal source of funding is from the placement of children for adoption from various local authorities; this amounts to 69.7% (59.6% in 2018) of our total income.

Expenditure: 76.1% (74.2% in 2018) of expenditure during the year is that of staff costs (£2,691,832 in 2019, £2,248,252 in 2018). This enables Adoption Matters to employ qualified and experienced staff to carry out the placement and support of children. Family finding publicity and marketing costs enable the agency to recruit suitable families for the placement of children (£39,601 in 2019, £40,639 in 2018).

Pension: Adoption Matters is required to show its share of the deficit within the Cheshire Pension Fund in the Statement of Financial Position. The Pension Fund issue is common to many organisations and it is important to note that the recorded deficits do not represent sums which are immediately or otherwise due in the short term. Nevertheless, Adoption Matters will need to meet any such pension deficits eventually and the pension issue will

ANNUAL REPORT OF THE BOARD OF TRUSTEES OF ADOPTION MATTERS

YEAR ENDED 31 MARCH 2019

continue to be an important factor in the organisation's financial planning. A triennial formal valuation was made as at 31 March 2016 which showed a surplus of £500,000. The FRS102 report deficit was £1,742,000 at 31 March 2019. Based on the triennial report, there is no immediate likelihood of the charity having to incur any material expenditure in the foreseeable future which could not be met out of current balances.

Investments: Adoption Matters' policy is to invest those funds that are not immediately required into medium and low risk, ethical investments that will achieve a return greater than the bank base rate and this has been achieved by investing in a managed investment portfolio and also in fixed rate bonds.

External Factors: The monies received on the placement of children is fixed under a national agreement and is outside the control of individual organisations.

Reserves: Adoption Matters' financial reserves are adequate to cover our expenses for a four month period at any one time and to meet possible but identified contingencies in the future. The Board is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income, avoid problems with cash flow and to allow the Charity to function in response to any unforeseen emergencies. These reserves are held in interest earning bank accounts, cash deposits, bonds and a managed investment portfolio. The reserves represent 4.1 months (5.8 in 2018).

Budget: The charity has produced a budget for the coming twelve months with a £236,961 surplus. It is based on the capacity of the agency and assumes that sufficient children become available for placement. This does not include any unrealised gains or losses on investments or pensions.

Going concern; Based on the budget predictions, the reserves and the business plan, the Trustees have assessed that the charity can continue as a going concern for at least the next 18 months.

Trustees' Responsibilities

Company Law required the Board of Trustees (whose members are directors of the company for the purposes of the Companies Act) to prepare accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accountancy Practice) which give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the financial year. In preparing accounts, giving a true and fair view, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Board is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enables it to ensure that the accounts comply with the Companies Act 2006, S419(2). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board confirm that as far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditors

The auditors, UHY Hacker Young, will be proposed for reappointment in accordance with Section 419 of the Companies Act 2006.

Signed on behalf of The Board:



Carolyn Johnson

Approved by the Board on 23 August 2019

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
ADOPTION MATTERS
YEAR ENDED 31 MARCH 2019**

Opinion

We have audited the financial statements of Adoption Matters (the 'Charity') for the year ended 31 March 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity'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 Charity'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 Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

give a true and fair view of the state of the Charity's affairs as at 31 March 2019 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 annual 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:

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
ADOPTION MATTERS
YEAR ENDED 31 MARCH 2019**

the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

the financial statements are not in agreement with the accounting records and returns; or

certain disclosures of trustees' remuneration specified by law are not made; or

we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

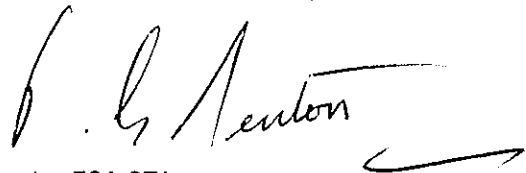
As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



John Ierston FCA CTA
Senior Statutory Auditor

For and on behalf of
UHY Hacker Young
Chartered Accountants & statutory auditor

St John's Chambers
Love Street
Chester
Cheshire
CH1 1QN

Date: 05/09/19.....

ADOPTION MATTERS
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2019

	Note	Total Unrestricted Funds 2019 £	Total Funds 2018 £
INCOME			
Donations and legacies	2	20,785	33,406
Charitable activities	3	3,082,762	2,730,782
Other trading activities	4	3,951	2,172
Investments	5	7,750	8,549
TOTAL INCOME		3,115,248	2,774,909
EXPENDITURE			
Raising funds	6	26,714	21,997
Charitable activities	6	3,509,287	3,009,315
TOTAL EXPENDITURE	6	3,536,001	3,031,312
NET INCOME / (EXPENDITURE)		(420,753)	(256,403)
Other recognised gains/(losses):			
Actuarial gains/(losses) on pension scheme	16	(878,000)	15,000
Net movement in funds		(1,298,753)	(241,403)
Reconciliation of funds:			
Total funds brought forward		954,091	1,195,494
Total funds carried forward		(344,662)	954,091

All funds are unrestricted.

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

All of the activities of the Charity are classed as continuing.

ADOPTION MATTERS
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2019

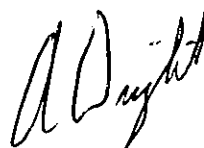
	Note	2019		2018	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		351,994		163,048
Investments	10		500,561		400,009
			852,555		563,057
CURRENT ASSETS					
Debtors	11	924,718		648,954	
Cash at bank		690,842		1,061,826	
		1,615,560		1,710,780	
CREDITORS: amounts falling due within one year	12	(1,070,777)		(455,746)	
NET CURRENT ASSETS			544,783		1,255,034
TOTAL NET ASSETS before pension deficit			1,397,338		1,818,091
Pension scheme liability	16		(1,742,000)		(864,000)
NET ASSETS			(344,662)		954,091
Unrestricted funds:	13				
General Fund		1,397,338		1,818,091	
Unrestricted funds excluding pension liability		1,397,338		1,818,091	
Less: pension scheme liability	16	(1,742,000)		(864,000)	
			(344,662)		954,091
TOTAL CHARITY FUNDS			(344,662)		954,091

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Charities SORP (FRS102).

These financial statements were approved by the members of the Board on 23 August 2019 and are signed on their behalf by:



MRS CAROLYN JOHNSON
Trustee



MR ANNESLEY WRIGHT
Trustee

ADOPTION MATTERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net expenditure		(420,753)	(256,403)
Bank interest receivable and gains on investment		(7,750)	(8,549)
Depreciation		18,991	16,860
(Increase)/decrease in debtors		(275,764)	(59,537)
Increase/(decrease) in creditors		615,031	(109,795)
		<u> </u>	<u> </u>
Cash utilised by operations		(70,245)	(417,424)
Bank interest receivable	5	7,198	8,549
		<u> </u>	<u> </u>
Net cash used in operating activities		(63,047)	(408,875)
Cash flows from investing activities			
Purchase of investments	10	(400,009)	(200,000)
Purchase of fixed assets	9	(207,937)	(7,836)
Disposal of investment	10	300,009	200,000
		<u> </u>	<u> </u>
Net cash from investing activities		(307,937)	(7,836)
		<u> </u>	<u> </u>
Net increase in cash and cash equivalents		(370,984)	(416,711)
Net cash and cash equivalents at 1 April 2018		1,061,826	1,478,537
		<u> </u>	<u> </u>
Net cash and cash equivalents at 31 March 2019		690,842	1,061,826
		<u> </u>	<u> </u>

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS102) (Charities SORP (FRS102)) and the Charities Act 2011.

Company information

The charity is a private company limited by guarantee registered in England and Wales and a registered charity in England and Wales. The address of the registered offices is 14 Liverpool Road, Chester, Cheshire CH2 1AE. The company, limited by guarantee, does not have a share capital. The trustees named on page 3 are members of the company. Every member of the Charity undertakes to contribute to the assets of the Charity, in the event of the same being wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the Charity contracted before he/she ceases to be a member, such an amount as may be required not exceeding one pound.

Basis of preparation

The financial statements have been prepared on the historical costs basis. The financial statements are prepared in Sterling which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Critical accounting estimates and judgements

The preparation of financial statements requires the trustees to make estimates and assumptions that affect the application of policies and reported amounts. 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. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below:

Pensions

The determination of the pension cost and defined benefit obligation of the charity's defined benefit pension schemes depends on the selection of certain assumptions which include the discount rate, inflation rate, salary growth, mortality and expected return on scheme assets. Differences arising from actual experiences or future changes in assumptions will be reflected in subsequent periods. See note 16 for further details.

Fund accounting

Unrestricted funds are available for use in accordance with the charitable objects at the discretion of the trustees; there are no designated or restricted funds.

Income

Service income and fees are accounted for when contractual obligations have been fulfilled and any such monies received in advance are deferred. Monies from trusts are recognised in the period the associated expenditure takes place. Grant income is recognised when the contractual obligations are met and is matched with corresponding expenditure in the period.

Legacies

Legacy income is recognised in the accounts on the earlier of when it is received or on the date of approval of the final estate accounts, if advised.

Expenditure

The charity is not eligible to be registered for VAT and all expenditure is shown inclusive of VAT charged as this cannot be recovered by the charity.

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

Expenditure (Continued)

All costs are accountable upon the occurrence of the expenditure.

Costs of raising funds comprise the costs associated with attracting donations, fundraising events, prizes and fees of the 200 Club.

Expenditure on charitable activities comprises spending in accordance with the objects of the Charity and are those costs incurred by the charity in the delivery of its activities and services for its service users. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, e.g. staff time or percentage based on usage as set out in Note 6.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

The total amount due under operating leases entered into by the company at the year end date is £47,597 for which the leases expire in 1 to 5 years £43,903 and in over 5 years £3,694.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £100 are not capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment – 3 years straight line.

Investments

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure. The Statement of Financial Activities includes the net gains and losses arising on revaluations and on disposals during the year.

Pension costs

The Charity operates a defined benefit pension scheme. All staff members are eligible to participate in the Local Government Pension Scheme administered by Cheshire West and Chester Council. Employees contribute between 5.5% and 9.9% of pensionable pay, depending on salary.

Regular valuations are prepared by independent professionally qualified actuaries in respect of the defined benefit scheme. These determine the level of contribution required to fund the benefits set out in the rules of the plan and allow for the periodic increase of pensions in payment. The service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, is charged to the Statement of Financial Activities in the year.

The difference between the market value of the assets and the present value of accrued pension liabilities is shown as an asset or liability in the Statement of Financial Position. Actuarial gains and losses are recognised in the Statement of Financial Activities.

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

2. DONATIONS

	Total Unrestricted Funds 2019 £	Total Funds 2018 £
St Bridget's Trust	6,100	6,100
Trust income	—	10,000
General donations	5,480	8,199
Gift Aid donation	6,360	6,907
Church income	2,845	2,200
	<u>20,785</u>	<u>33,406</u>

3. CHARITABLE ACTIVITIES

	Total Unrestricted Funds 2019 £	Total Funds 2018 £
Placement fees	2,171,611	1,652,936
Therapist income	669,610	835,257
CfAS income	189,187	200,324
Local authority contracts & other special work	20,145	6,355
Service agreements	23,870	24,004
Inter country income	2,470	—
Regionalisation income	3,069	8,287
DfE system capacity building	—	2,880
Sundry income	2,800	739
	<u>3,082,762</u>	<u>2,730,782</u>

4. OTHER TRADING ACTIVITES

	Total Unrestricted Funds 2019 £	Total Funds 2018 £
200 Club	2,220	2,172
General fundraising	1,731	—
	<u>3,951</u>	<u>2,172</u>

5. INVESTMENTS INCOME

	Total Unrestricted Funds 2019 £	Total Funds 2018 £
Bank interest receivable	7,198	8,549
Gains on Investment	552	—
	<u>7,750</u>	<u>8,549</u>

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

6. TOTAL EXPENDITURE

	Basis	Raising Donations	Other Trading Activities	Charitable Activities Unrestricted	Governance	Total 2019	Total 2018
	£	£	£	£	£	£	£
Costs directly allocated to activities:							
Social workers and management	Direct	—	—	2,019,785	—	2,019,785	1,645,219
Staff travel	Direct	—	—	126,499	—	126,499	111,340
Sessional workers	Direct	—	—	390,839	—	390,839	388,663
Publicity & marketing	Direct	—	—	39,601	—	39,601	40,639
Events & social lottery	Direct	—	2,669	—	—	2,669	670
Audit & accountancy	Direct	—	—	—	10,620	10,620	6,793
Annual review	Direct	—	—	—	4,387	4,387	5,171
Trustee meetings	Direct	—	—	—	2,221	2,221	967
Other direct costs	Direct	—	—	26,183	—	26,183	13,037
Support costs allocated to activities							
Management & admin	Staff time	18,754	—	606,386	46,907	672,047	603,034
Premises	%	1,452	—	46,954	—	48,406	42,307
Office costs	%	1,400	—	45,270	—	46,670	48,074
Communications	%	2,439	—	78,859	—	81,298	62,258
Training & publications	Actual	—	—	14,407	—	14,407	13,959
Professional fees	Actual	—	—	31,151	—	31,151	32,108
Depreciation	Actual	—	—	18,991	—	18,991	16,860
Bank charges	Actual	—	—	227	—	227	213
		24,045	2,669	3,445,152	64,135	3,536,001	3,031,312
		24,045	2,669	3,445,152	64,135	3,536,001	3,031,312

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

7. STAFF COSTS AND NUMBERS

The aggregate payroll costs were:

	2019	2018
	£	£
Wages and salaries	2,036,894	1,705,407
Employer's social security costs	195,026	162,980
Employer's defined benefit pension scheme contributions	459,912	379,865
	<u>2,691,832</u>	<u>2,248,252</u>

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2019			2018		
	Full Time	Part Time	Total No	Full Time	Part Time	Total No
Number of social workers	28	24	52	22	18	40
Number of administrative staff	12	7	19	10	7	17
Number of management staff	6	—	6	6	—	6
	<u>46</u>	<u>31</u>	<u>77</u>	<u>38</u>	<u>25</u>	<u>63</u>

One employee earned between £60,000 and £69,999 (2018:1).

The total remuneration paid to key management personnel was £298,052 (2018 £311,582).

The members of the Board of Trustees did not receive any remuneration. £782 expenses were reimbursed or paid on behalf of a Trustee during the year (2018 £0).

8. NET INCOME / EXPENDITURE FOR THE YEAR

This is stated after charging:

	2019	2018
	£	£
Employer's pension costs	459,912	379,865
Depreciation	18,991	16,860
Auditors' fees: audit	6,900	6,793
Non-audit	3,720	—
Operating lease costs:		
Plant and equipment	4,968	3,919
	<u>4,968</u>	<u>3,919</u>

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

9. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings £	Fixtures, Fittings & Equipment £	Total £
COST			
At 1 April 2018	186,565	138,756	325,321
Additions	170,000	37,937	207,937
Disposals	—	(6,345)	(6,345)
At 31 March 2019	356,565	170,348	526,913
DEPRECIATION			
At 1 April 2018	49,115	113,158	162,273
Charge for the year	—	18,991	18,991
Eliminated on disposal	—	(6,345)	(6,345)
At 31 March 2019	49,115	125,804	174,919
NET BOOK VALUE			
At 31 March 2019	307,450	44,544	351,994
At 31 March 2018	137,450	25,598	163,048

The Chester property was purchased in 2004. The Trustees had the property valued on 26 September 2012 in the sum of £180,000 on a current use basis as an office investment. The valuation was completed by Martin Dodd MRICS of Dodd Commercial LLP. The Durham property was acquired at an arm's length valuation as part of the merger with DFW Adoption this year. No further depreciation will be provided on either property whilst the net book value is less than its valuation.

10. INVESTMENTS

Movement in market value

	2019 £	2018 £
Deposits held with banks		
Market value at 1 April 2018	400,009	400,009
Investments maturing during the year	(300,009)	(200,000)
Investments purchased during the year	200,009	200,000
	300,009	400,009
Investment portfolio		
Market value at 1 April 2018	—	—
Investment during the year	200,000	—
Unrealised capital gain	312	—
Realised net capital and revenue gain	240	—
	200,552	—
Market value at 31 March 2019	500,561	400,009
Historical cost at 31 March 2019	500,249	400,009

All investments are unrestricted.

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

11. DEBTORS: Amounts due within one year

	2019	2018
	£	£
Other debtors – service income	788,623	603,056
Prepayments	38,650	29,617
Accrued income	97,445	16,281
	<u>924,718</u>	<u>648,954</u>

12. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Other creditors	133,544	81,545
Accruals	214,855	149,949
Deferred income	528,878	224,252
DFW s75 pension accrual	193,500	—
	<u>1,070,777</u>	<u>455,746</u>

Movement of deferred income

	Balance at 1 April 2018 £	Released from Previous Years £	Incoming Resources Deferred in Current Year £	Total Deferred Income at 31 March 2019 £
Inter-agency fees received in advance	72,954	(72,954)	285,310	285,310
Therapy and CFAS income received in advance	101,056	(101,056)	197,693	197,693
Service income received in advance	39,283	(39,283)	33,489	33,489
DfE System Capacity Building (SCB)	10,714	—	—	10,714
200 Club money received in advance	245	(245)	245	245
Other	—	—	1,427	1,427
	<u>224,252</u>	<u>(213,538)</u>	<u>518,164</u>	<u>528,878</u>

The inter-agency fees have been paid in full by some local authorities at the time of placement, a third of which is only due monthly over the 12 months following placement.

The income for therapy and CFAS work is from various local authorities for specific cases and has been deferred according to the stage of the contract.

Two Local Authorities have paid upfront for specific family finding work.

The SCB money received was to host an event to discuss the inter-agency fee.

Money for the 200 Club is received, at the latest, in the month prior to that in which the draw takes place.

ADOPTION MATTERS

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

13. UNRESTRICTED FUNDS

General Fund

	Balance at		Movement in resources:			Balance at
	1 April	Incoming	Outgoing	Transfers	Gains &	31 March
	2018	Resources	Resources		Losses	2019
	£	£	£	£	£	£
General Fund	1,818,091	3,115,248	(3,536,001)	—	—	1,397,338
Less: pension scheme liability	(864,000)	—	—	—	(878,000)	(1,742,000)
	<u>954,091</u>	<u>3,115,248</u>	<u>(3,536,001)</u>	<u>—</u>	<u>(878,000)</u>	<u>(344,662)</u>

General Fund

The General Fund of the charity has accumulated since the inception of the Charity and stands at £1,397,338 (2018 £1,818,091) excluding pension scheme liability.

14. RELATED PARTY TRANSACTIONS

The CEO's wife received £455 for catering for the AGM. The Finance & Operations Director's husband was paid £547 for various building and garden maintenance services throughout the year.

There are no transactions with the Board of Trustees or other connected persons.

Trustee indemnity insurance of £426 (2018 - £418) is paid to protect the Charity from loss and to indemnify the Trustees against the consequences, due to neglect or default on the part of the Trustees.

15. CONTINGENT LIABILITIES

The inter-agency fee earned for placing a child includes a non-quantifiable contractual obligation to provide contact with the child until it reaches 18 years of age. However, in reality, this is mainly required early on in the placement.

16. PENSIONS

Adoption Matters (Cheshire Pension Scheme)

The charity operates a defined benefit pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company and are administered by Cheshire West and Chester Council.

Contributions to the scheme are charged to the SOFA so as to spread the cost over the service lives of the scheme members. The contributions are determined by a qualified actuary on the basis of a formal triennial valuation of the scheme, using the projected unit credit method.

The last formal triennial valuation of the scheme was at 31 March 2016 and showed an asset of £500,000. The consequential adjustment in the contribution rate took effect from 1 April 2017. The liability on the FRS102 report at 31 March 2019 was £1,742,000 which is included in these financial statements as required by accounting standards. The two reports are prepared using different assumptions. The assumptions made by the scheme actuaries for their 31 March 2019 report for the purposes of FRS102 are set out below.

Actuarial assumptions at:	31 March 2019	31 March 2018
	% pa	% pa
Pension increase rate	2.5%	2.4%
Salary increase rate	2.8%	2.7%
Discount rate	2.4%	2.7%

The FRS102 valuation at 31 March 2019 showed that the market value of the scheme's assets at that date was £12,570,000. The actuarial value of the assets is 88% of the benefits that had accrued to members, after allowing for an expected increase in earnings.

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

Assets (employer)	Asset Split at 31 March 2019	Assets at 31 March 2019	Asset Split at 31 March 2018	Assets at 31 March 2018
	%pa	£(000)	%pa	£(000)
Equities	45%	5,657	42%	4,800
Bonds	45%	5,657	46%	5,258
Property	8%	1,005	8%	914
Cash	2%	251	4%	457
Total		12,570		11,429

Net pension liability as at:	31 March 2019	31 March 2018
	£(000)	£(000)
Fair value of employer assets (as above)	12,570	11,429
Present value of funded liabilities ¹	(14,312)	(12,293)
Net pension (liability)	(1,742)	(864)

¹ It is estimated that this liability comprises of approximately £9,782,000, £952,000 and £3,578,000 in respect of employee members, deferred pensioners and pensioners respectively as at 31 March 2019. The employer's contributions in the year were 21.4% (21.4% in 2018), no additional deficit lump sum payment was required (£0 in 2018); employee contributions were between 5.5% and 9.9% depending on salary.

The employer's pension cost charged to the SOFA for the year was £459,912 in total.

The charge to the Statement of Financial Activities over the financial year comprised:

	2019	2018
	£	£
Operating charge		
Current service cost	787,000	673,000
Past service cost	—	—
Net (gain)/loss	787,000	673,000
Other finance income		
Interest income on assets	(311,000)	(284,000)
Interest cost on defined benefit obligation	339,000	311,000
Total service cost	815,000	700,000

Reconciliation of defined benefit obligation:

	2019	2018
	£	£
Opening position as at 31 March 2018	12,293,000	11,710,000
Current service cost	787,000	673,000
Interest cost on defined benefit obligation	339,000	311,000
Contributions by members	134,000	114,000
Actuarial remeasurements	1,101,000	(241,000)
Past service costs/(gains)	—	—
Benefits paid	(342,000)	(274,000)
Closing position as at 31 March 2019	14,312,000	12,293,000

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

Reconciliation of fair value of plan assets:

	2019	2018
	£	£
Opening position as at 31 March 2018	11,429,000	10,831,000
Interest income on assets	311,000	284,000
Contributions by members	134,000	114,000
Contributions by the employer	435,000	362,000
Actuarial remeasurements	603,000	112,000
Benefits paid	(342,000)	(274,000)
	<u>12,570,000</u>	<u>11,429,000</u>
Closing position as at 31 March 2019	12,570,000	11,429,000
	<u>12,570,000</u>	<u>11,429,000</u>
	2019	2018
	£	£
Assets b/f 1 April 2018	11,429,000	10,831,000
Liabilities b/f 1 April 2018	(12,293,000)	(11,710,000)
	<u>(864,000)</u>	<u>(879,000)</u>
Net liability b/f 1 April 2018	(864,000)	(879,000)
Pension scheme gain/(loss) in year	(878,000)	15,000
	<u>(1,742,000)</u>	<u>(864,000)</u>
Pension scheme liability	(1,742,000)	(864,000)
	<u>12,570,000</u>	<u>11,429,000</u>
Assets at 31 March 2019	12,570,000	11,429,000
Liabilities at 31 March 2019	(14,312,000)	(12,293,000)
	<u>(1,742,000)</u>	<u>(864,000)</u>
Net liability at 31 March 2019	(1,742,000)	(864,000)
	<u>(1,742,000)</u>	<u>(864,000)</u>

The pension liability is an estimate, as at the year end, of the amount by which the expected cost of settling Adoption Matters' existing pension liabilities exceeds the value of the assets currently held in the scheme for that purpose. In the current economic climate, the amount of the pension liabilities and values of pension assets are likely to vary considerably from year to year. Adoption Matters' immediate liabilities are the contributions it makes to the scheme, currently set at 21.4% as required by the 2016 triennial valuation. In common with many other businesses of this size and nature, the auditors assist the company on pension and other matters from time to time when required. The management is deemed to be informed.

In June 2019, the Supreme Court upheld a lower court ruling that younger members of Public Sector pension schemes had been discriminated against by HM Government. The actuaries for Cheshire Pension Fund estimate that this ruling would add 0.3% onto the Funds liabilities. For Adoption Matters this would be an estimated additional £37,000 of liabilities. It is uncertain at this juncture as to how the Government and Cheshire Pension Fund will deal with this ruling and no provision has been included in the liabilities above.

ADOPTION MATTERS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2019

17. NET ASSETS TRANSFERRED FROM DFW ADOPTION ON MERGER

During the year the net assets, totalling £11,095, of DFW Adoption, a charity of similar aims and objectives, were transferred into Adoption Matters.

This was credited against expenditure incurred by Adoption Matters on behalf of DFW Adoption and the merger process.

Other Incoming Resources

		£	£
Fixed assets	-property	170,000	
	-equipment	2,681	
		<hr/>	172,681
Current assets	-bank and cash	81,756	
	-debtors and prepayments	7,988	
		<hr/>	89,744
Current liabilities	-deferred income and accruals	57,830	
	-s75 pension liability	193,500	
		<hr/>	(251,330)
Net Assets Transferred			<hr/> 11,095 <hr/>