

Family Routes

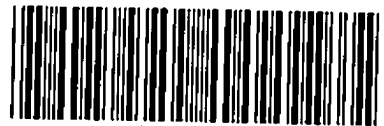
(A company limited by guarantee, not having a share capital)

Annual Report and Audited Financial Statements

for the financial year ended 31 March 2023

Registration number: NI024153

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Family Routes

(A company limited by guarantee, not having a share capital)

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REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees

Joseph Copeland
Marian Hall
Gail Clarke (Appointed 12 December 2022)
Rachel Johnston (Appointed 12 December 2022)
Elizabeth Shaw
Gillian Williamson
Arthur Canning (Resigned 24 October 2022)

Charity Number in Northern Ireland

101826

Registered Office and Principal Address

Unit 2
18 Heron Road
Belfast
County Antrim
BT3 9LE
Northern Ireland

Auditors

Malone Accounting Ltd
Chartered Accountants
12 Causeway Road
Newcastle
County Down
BT33 0DL
Northern Ireland

Bankers

AIB
University Road
Belfast
County Antrim
BT7 1ND
Northern Ireland

Solicitors

Edwards & Co
28 Hill Street
Belfast
County Antrim
BT1 2LA
Northern Ireland

Family Routes

(A company limited by guarantee, not having a share capital)

TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2023

The trustees present their Trustees' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 March 2023.

The financial statements are prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The trustees of the company are also charity trustees for the purpose of charity law and under the company's constitution are known as members of the board of trustees.

In this report the trustees of Family Routes present a summary of its purpose, governance, activities, achievements and finances for the financial year 31 March 2023.

The charity is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2006 and, although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland FRS 102, the organisation has implemented its recommendations where relevant in these financial statements.

Mission, Objectives and Strategy

Mission Statement

Principal Activities

The principal activity of the charity is providing social work and counselling services to persons affected by adoption and infertility.

Objectives & Activities

Family Routes incorporates four distinct services:

- Adoption Routes - Adoption assessment and post-adoption support for families and adults
- Fertility Counselling Service NI (FCS) - Leading provider of specialist fertility counselling
- Next Step - Support and counselling service for birth families
- TESSA - Therapeutic and education support for adopted children and their adoptive parents.
- Family Routes provides training and awareness raising on adoption and fertility related issues, and plays a key role within the sector, working in partnership with a wide range of voluntary and statutory organisations.

The objects for which the Charity is established shall be to provide support and professional services to children, young people and adults affected by adoption, fertility and other related family support issues through, but not limited to, the following means:

Working in partnership with organisations who share a similar vision and purpose in order to deliver better outcomes for children, young people and adults.

Providing training to professional organisations and other interested groups;

Contributing to societal understanding and the reduction of stigma relating to a range of sensitive issues which affect children, young people and adults.

Achievements and Performance

The strategic intention for Family Routes Adoption Service has been to redirect our efforts away from solely offering placements to English Local Authorities to predominantly placing children who are in the care of Health & Social Care Trusts. 2022/23 has seen the successful building of capacity and capability in the adoption service with the aim of achieving six Northern Ireland placements in 2023/24. The achievement of six placements would significantly improve income in the future.

Fertility Counselling Service received 475 new referrals in total. This is an increase in recent years and shows a sign of getting back to the referral rate before the pandemic.

Next Step received 30 new referrals. The Next Step referral rate was slightly reduced because of reduced social services activity. TESSA received 45 new referrals a marked increase in previous years. We received 10 new adoption enquiries a decrease on last year as well as 25 post-adoption enquiries an increase on last year.

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for the financial year ended 31 March 2023

The TESSA program Love and Rage was run virtually with positive feedback. In January 2023 we were successful in being awarded two years funding of £180,000 from the National Lottery Community Fund, to deliver the TESSA Service. The TESSA programme had been sustained for a period of twelve months by Family Routes without external funding.

We were also successful in being awarded £72,000 over two years to deliver a teenage adoptee programme under the Mental Health Fund.

Financial Review

We stated last year, in our report, that our simple financial goal for 2022/23 was to operate at a surplus and make progress towards reserves for the sake of resilience in the organization. Progress towards this goal was to be achieved through a right-sizing of our budget and adding additional income streams, or increasing revenue from sources over which we could practically influence, to make progress towards surplus and reserves.

In this financial year we have achieved the goal of reducing our expenses and gaining control over our budgets. The surplus position is not fully reflective of our financial performance in this year as it includes a revaluation on the building. The target, or benefit, remains to build resilience in the organization that protects it, and all its stakeholders, from external forces that can so easily distract and disrupt the good work being done in the third sector.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that Family Routes will continue in operation for the 12 months from the date of signing. Family Routes had a deficit of £39,199 in the year to 31 March 2023, and at that date, the Charitable company's assets exceeded its liabilities by £114,056. The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The trustees have considered the charity's predicted cashflow and are confident that there are sufficient resources to enable Family Routes to continue in operation for the next 12 months and, as a result deem it appropriate to continue to adopt the going concern basis in the preparation of the financial statements for the following 12 months.

It is the Trustees' view that financial statements are prepared on the going concern basis.

Plans for future periods

2023 marks the commencement of a new three-year strategic plan. The aims outlined for year one include the achievement of six Northern Ireland specific adoption placements, additional development of the transgender fertility preservation counselling programme, securing the Next Step contract and sustaining the TESSA and Origins work.

Reserves policy

Historically, the charity has not had a robust reserves policy. This is being addressed through our financial strategy with the immediate aim being to achieve a surplus and then to maintain reserves for the benefit of the charity.

Risk Management

As with any organization we have various risks that can derail us from achieving the aims and objectives for which we have been created. We have sought to reduce some of those risks this year, while building a risk management framework, and have a plan in place for the next financial year to continue making progress towards risk management and mitigation.

Family Routes

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TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2023

Structure, Governance and Management

Governance

Following our appointment of three Board members last year, we have conducted a further skills gap assessment and are seeking to recruit new board members to supply those skills and to further strengthen the Board. The Board continues to work through a programme of activity to identify the best, and most sustainable, ways to build and maintain, for our long-term success, our:

Vision

Strategy

Management and oversight including the introduction of key performance indicators, for general health assessment of the organization, and an effective reporting framework.

Oversight and Operations

We are using the substantial experience and skillset of our Interim CEO to conduct a full assessment and appraisal of our organisational position, and effectiveness, at this critical juncture. Our goal is to benefit from a "fresh set of eyes" and ensure that we are building effective systems and processes, while continuing to build a culture, that will allow us to meet our stated objectives in the short, medium and long term.

Continue to deliver high quality, specialist services on time and within budget

Implement a financial strategy which results in a reduced reliance on statutory and grant income, diversifies income streams, and builds reserves

Increase engagement with a range of current and potential stakeholders, including service users, informing service development and improvement.

Investment policy

The charity does not have any significant investments.

The building the charity owns was purchased in 2008 and is used as the main office for the charity, it is not considered by the trustees to be an investment property.

Appointment of Trustees

The Directors of the Charity are Members of the Board's General Purpose and Finance Committee (GPFC).

Membership of the Board is laid out in the Memorandum and Articles of Association.

Board membership is also available through co-option. The method allows for the potential recruitment on to the Board, persons with appropriate skills and knowledge.

The Board recognises the need for a broad skill mix for members of the GPFC in areas such as social work, health, financial control and business.

Trustee induction and training

Induction for new members of the board is a responsibility of the Board's Chief Executive in conjunction with committee members. Written and verbal information on the Board, its structures and service provision is provided.

Structure, Governance and Management

The staff team within Family Routes is led by the CEO (currently Interim) and comprises a core team of 4 staff including social work, counselling, support and admin roles, and a regional resource of 50+ specialist therapists, counsellors and social workers.

Family Routes is a charity and is governed by a Board of Directors. As set out in the Articles, Directors may be appointed by the current Board of Directors and shall serve for a period of three years, which period can be extended by a further three years by mutual agreement between the Board and the Director. On appointment as Director that person shall become a member of the charity. Directors, including the Chair, may not serve more than six years consecutively. The Directors shall at all times have in place policies to ensure that the selection of candidates is open and transparent and nominations criteria which shall reflect the findings of regular skills and performance audits of the Board.

The Board are fully committed to a future for Family Routes which is sustainable, relevant and responsive.

Family Routes

(A company limited by guarantee, not having a share capital)

TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2023

Governing Document

The charity is a Company Limited by Guarantee and Incorporated on 19th February 1990 and accepted by The Charity Commission for Northern Ireland as a Registered Charity on 8th May 2015.

Financial Review

The results for the financial year are set out on page 13 and additional notes are provided showing income and expenditure in greater detail.

Financial Results

At the end of the financial year the charity has assets of £337,642 (2022 - £306,493) and liabilities of £223,586 (2022 - £253,238). The net assets of the charity have increased by £60,801.

Trustees

The trustees who served throughout the financial year, except as noted, were as follows:

Joseph Copeland
Marian Hall
Gail Clarke (Appointed 12 December 2022)
Rachel Johnston (Appointed 12 December 2022)
Elizabeth Shaw
Gillian Williamson
Arthur Canning (Resigned 24 October 2022)

In accordance with the Constitution, the trustees retire by rotation and, being eligible, offer themselves for re-election.

Trustee's Responsibilities in relation to the financial statements

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

Company law requires the trustees as directors to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charitable company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the net income or expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- observe the methods and principals in the Charities SORP;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2006, and all Regulations to be construed as one with that Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure to our auditors

Each of the persons who is a Trustee at the date of approval of this report confirms that:

So far as each Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and Each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Family Routes

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TRUSTEES' ANNUAL REPORT

for the financial year ended 31 March 2023

Auditors

The auditors, Malone Accounting Ltd, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of Section 487 of the Companies Act 2006.

The Trustee's annual report was approved by the Board of Trustees on 5th September 2023 and signed on its behalf by:

Joseph Copeland

Joseph Copeland
Trustee

Marian Hall

Marian Hall
Trustee

INDEPENDENT AUDITOR'S REPORT

to the Members of Family Routes

(A company limited by guarantee, not having a share capital)

Report on the audit of the financial statements

Opinion

We have audited the charity financial statements of Family Routes ('the charity') for the financial year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. 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" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion, when reporting in accordance with a fair presentation framework the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 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.

In common with many other organisations of its size, Family Routes uses its auditors to assist with the preparation of the financial statements.

Conclusions relating to going concern

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

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

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

Other Information

The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT

to the Members of Family Routes

(A company limited by guarantee, not having a share capital)

Matters on which we are required to report by exception

In the light of our 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' Annual Report.

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

- adequate accounting records have not been kept; 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 for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 they 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 management either intends to liquidate the charity or to cease operations, or has 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.

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the , 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 charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the charity 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.

INDEPENDENT AUDITOR'S REPORT

to the Members of Family Routes

(A company limited by guarantee, not having a share capital)

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.

The purpose of our audit work and to whom we owe our responsibilities

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.

BMalone

Brendan Malone FCA (Senior Statutory Auditor)

MALONE ACCOUNTING LTD

Chartered Accountants

12 Causeway Road

Newcastle

County Down

BT33 0DL

Northern Ireland

5th September 2023

Family Routes

(A company limited by guarantee, not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

for the financial year ended 31 March 2023

		Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Income	Notes						
Donations and legacies	5.1	13,886	550	14,436	5,234	200	5,434
Charitable activities							
- Grants from governments and other co-funders	5.2	177,814	171,500	349,314	197,566	228,073	425,639
Other trading activities	5.3	48,282	-	48,282	54,557	-	54,557
Total income		239,982	172,050	412,032	257,357	228,273	485,630
Expenditure							
Raising funds	6.1	158,370	119,486	277,856	146,949	163,236	310,185
Charitable activities	6.2	47,200	126,175	173,375	45,541	155,197	200,738
Total Expenditure		205,570	245,661	451,231	192,490	318,433	510,923
Net income/(expenditure)		34,412	(73,611)	(39,199)	64,867	(90,160)	(25,293)
Transfers between funds		-	-	-	5,257	(5,257)	-
Other recognised gains/(losses):							
Surplus/(deficit) for the financial year		34,412	(73,611)	(39,199)	70,124	(95,417)	(25,293)
Unrealised gains/(losses) on investments		100,000	-	100,000	-	-	-
Net movement in funds for the financial year		134,412	(73,611)	60,801	70,124	(95,417)	(25,293)
Reconciliation of funds							
Balances brought forward at 1 April 2022	19	(99,405)	152,660	53,255	(169,529)	248,077	78,548
Balances carried forward at 31 March 2023		35,007	79,049	114,056	(99,405)	152,660	53,255

The Statement of Financial Activities includes all gains and losses recognised in the financial year.
All income and expenditure relate to continuing activities.

Family Routes

(A company limited by guarantee, not having a share capital)

STATEMENT OF FINANCIAL POSITION

as at 31 March 2023

		2023	2022
	Notes	£	£
Fixed Assets			
Tangible assets	13	<u>232,805</u>	<u>142,069</u>
Current Assets			
Debtors	14	63,973	82,420
Cash at bank and in hand		<u>40,864</u>	<u>82,004</u>
		<u>104,837</u>	<u>164,424</u>
Creditors: Amounts falling due within one year	15	<u>(97,823)</u>	<u>(112,746)</u>
Net Current Assets		<u>7,014</u>	<u>51,678</u>
Total Assets less Current Liabilities		<u>239,819</u>	<u>193,747</u>
Creditors			
Amounts falling due after more than one year	16	<u>(125,763)</u>	<u>(140,492)</u>
Net Assets		<u>114,056</u>	<u>53,255</u>
Funds			
Restricted trust funds		79,049	152,660
General fund (unrestricted)		<u>35,007</u>	<u>(99,405)</u>
Total funds	19	<u>114,056</u>	<u>53,255</u>

Approved by the Board of Trustees and authorised for issue on 5th September and signed on its behalf by

Joseph Copeland

Joseph Copeland
Trustee

Marian Hall

Marian Hall
Trustee

Family Routes

STATEMENT OF CASH FLOWS

for the financial year ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net movement in funds		60,801	(25,293)
Adjustments for:			
Gains and losses on investments		(100,000)	-
Depreciation		9,264	9,264
Interest payable and similar expenses		7,010	4,505
Amortisation of capital grants received		(3,534)	-
		<u>(26,459)</u>	<u>(11,524)</u>
Movements in working capital:			
Movement in debtors		18,448	(23,586)
Movement in creditors		(11,390)	(13,897)
		<u>(19,401)</u>	<u>(49,007)</u>
Cash generated from operations		(19,401)	(49,007)
Interest paid		(7,010)	(4,505)
		<u>(26,411)</u>	<u>(53,512)</u>
Cash flows from financing activities			
Repayment of short term loan		(14,729)	(17,248)
		<u>(41,140)</u>	<u>(70,760)</u>
Net decrease in cash and cash equivalents		(41,140)	(70,760)
Cash and cash equivalents at 1 April 2022		82,004	152,764
Cash and cash equivalents at 31 March 2023	23	40,864	82,004

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

1. GENERAL INFORMATION

Family Routes is a company limited by guarantee incorporated in Northern Ireland. The registered office of the company is Unit 2, 18 Heron Road, Belfast, County Antrim, BT3 9LE, Northern Ireland which is also the principal place of business of the company. The financial statements have been presented in Pound Sterling (£) which is also the functional currency of the company.

2. Statement of compliance

The financial statements of the charity for the financial year ended 31 March 2023 have been prepared on the going concern basis and in accordance with the *Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102"*.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements. The charity is a Public Benefit Entity as defined by FRS102.

3. Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The financial statements have been prepared in accordance with the *Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102"*.

Fund accounting

The following are the categorises of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the charity.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the charity.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

3. Accounting Policies (continued)

Income

Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income, it is possible that the income will be received, and the amount can be quantified with reasonable accuracy.

Grants

Revenue grants are credited to incoming resources in the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable, transferred to designated funds on purchase of asset and then released to general funds over the related asset's useful life.

Donations

Donations received are included in the Statement of Financial Activities upon receipt.

Restricted Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds - General

Unrestricted funds are donations and other incoming resources received or generated which are expendable at the discretion of the Charity in furtherance of its objectives.

Income

Income is the amount derived from ordinary activities, and is measured at the fair value of the consideration received or receivable.

Income is received from the following sources:

- DOH Core Grant Income
- GCRM Grant Income
- HSCB Grant Income
- RFC Grant Income
- Mental Health Income
- Halifax Grant Income
- Tessa Lottery Grant Income
- Donations from churches and individuals
- Conference & training income
- Private counselling income
- Management Recharge Income
- Adoption fees

Income is recognised when all of the following conditions are satisfied:

- (a) the economic benefits associated with the transaction will flow to the charity
- (b) the amount of turnover can be measured reliably

Voluntary income or capital is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

3. Accounting Policies (continued)

Expenditure

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and grants, support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. Non-staff costs not attributed to one category of activity are allocated or apportioned pro-rata to the staffing of the relevant service. Finance, HR, IT and administrative staff costs are directly attributable to individual activities by objective. Governance costs are those associated with constitutional and statutory requirements.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the charity but are presented separately due to their size or incidence.

Significant Accounting judgements and key sources of estimation uncertainty

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

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

There are no critical judgements made by Trustees that have a significant effect on the amounts recognised in the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Building	-	4% Straight line
Fixtures, fittings and equipment	-	15% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. At each balance sheet date, the charity reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If such an indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the charity estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of the impairment loss is recognised as income immediately.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, on a straight line basis over the useful economic life of that asset as concerned.

Where the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the Statement of Financial Activities.

The trustees commissioned a review during the previous financial year of the property's current market valuation by a professional estate agent, Simon Brien. Simon Brien valued the property at £250,000 and the building has been revalued in the financial statements.

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

3. Accounting Policies (continued)

Leasing

Rentals payable under operating leases are dealt with in the income and expenditure account as incurred over the period of the rental agreement.

Debtors

Debtors are stated after all known bad debts have been written off and specific provision has been made against all debtors considered doubtful of collection. Income recognised by the company from government agencies and other co-funders, but not yet received at year end, is included in debtors.

Creditors

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.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly required investments with a short maturity of three months or less from the date of opening of the deposit or similar account.

Taxation

The Charity is recognised as a charity by HM Revenue and Customs, charity reference number NI01211. It is entitled to tax exemption on income and profits from investments, and surplus on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits or surpluses are applied solely for charitable purposes.

Grants payable

Income from government grants comprises income from HSCB for Next Step and Department of Health core grant. This funding has been included in the financial statements under incoming resources from charitable activities.

Financial Instruments

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 the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

4. GOING CONCERN

The Trustees have prepared a budget for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the charity's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the Trustees consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the charity was unable to continue as a going concern.

5. INCOME

5.1 DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Income From Donations	<u>13,886</u>	<u>550</u>	<u>14,436</u>	<u>5,434</u>

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

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5.2	CHARITABLE ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £	
	DOH Core Grant Income	70,499	-	70,499	70,499	
	GCRM Grant Income	29,500	-	29,500	35,600	
	HSCB Grant Income	-	171,000	171,000	186,000	
	Management Recharge Income	16,871	-	16,871	22,514	
	Private Counselling Income	-	-	-	2,583	
	RFC Grant Income	60,944	-	60,944	57,865	
	Halifax Grant	-	500	500	6,000	
	Adoption Assessments Income	-	-	-	8,505	
	Mental Health Fund	-	-	-	36,073	
		<u>177,814</u>	<u>171,500</u>	<u>349,314</u>	<u>425,639</u>	
5.3	OTHER TRADING ACTIVITIES	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £	
	Incoming resources from generated funds	<u>48,282</u>	<u>-</u>	<u>48,282</u>	<u>54,557</u>	
6.	EXPENDITURE					
6.1	RAISING FUNDS	Direct Costs £	Other Costs £	Support Costs £	2023 £	2022 £
	Raising funds	<u>-</u>	<u>-</u>	<u>277,856</u>	<u>277,856</u>	<u>310,185</u>
6.2	CHARITABLE ACTIVITIES	Direct Costs £	Other Costs £	Support Costs £	2023 £	2022 £
	Registration & Professional	4,826	-	-	4,826	3,541
	Adopt NI	42,475	-	-	42,475	59,094
	Family Care	54,612	-	-	54,612	54,623
	Resources & Materials	109	-	-	109	965
	Sessional contractor expenses	34,577	-	-	34,577	45,931
	Therapeutic services	26,626	-	-	26,626	17,120
	Training & Conference expenses	1,235	-	-	1,235	5,573
	Training to schools and support services	-	-	-	-	6,182
	Governance Costs (Note 6.3)	8,915	-	-	8,915	7,709
		<u>173,375</u>	<u>-</u>	<u>-</u>	<u>173,375</u>	<u>200,738</u>
6.3	GOVERNANCE COSTS	Direct Costs £	Other Costs £	Support Costs £	2023 £	2022 £
	Charitable activities - governance costs	<u>8,915</u>	<u>-</u>	<u>-</u>	<u>8,915</u>	<u>7,709</u>

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

7. ANALYSIS OF SUPPORT COSTS

	2023	2022
	£	£
Adoption UK Management Recharge	-	4,200
Adoption UK-Tessa Project	-	4,200
Bank fees	500	1,009
Depreciation	5,730	5,730
General	2,714	2,448
Heat & Light	2,555	3,720
Insurance	8,910	9,050
Interest Paid	7,010	4,505
IT Software & Consumables	7,586	25,723
Legal & Professional fees	10,266	1,500
Management recharge	17,902	22,514
Mileage expenses	942	1,537
Operating lease payments	1,160	1,618
Pension costs	9,054	11,852
Printing, postage & stationery	2,728	(3,030)
Repairs & maintenance	940	1,317
Room hire	17,457	16,932
Service charges	13,925	9,430
Supervision	1,130	1,425
Telephone & internet	6,895	8,398
Travel	-	1,101
Wages	160,452	166,654
	<u>277,856</u>	<u>301,833</u>

8. NET INCOME

	2023	2022
	£	£
Net Income is stated after charging/(crediting):		
Depreciation of tangible assets	9,264	9,264
Operating lease rentals		
- Plant and machinery	1,160	1,618
Auditor's remuneration:		
- audit services	2,895	2,895
Amortisation of grants receivable	(3,534)	(3,534)
	<u>9,785</u>	<u>10,242</u>

9. INVESTMENT AND OTHER INCOME

	2023	2022
	£	£
Amortisation of capital grants received	3,534	3,534
	<u>3,534</u>	<u>3,534</u>

10. INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	£	£
On bank loans	7,010	4,505
	<u>7,010</u>	<u>4,505</u>

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

11. EMPLOYEES AND REMUNERATION

The staff costs comprise:	2023	2022
	£	£
Wages and salaries	160,452	166,654
Pension costs	9,054	11,852
	<u>169,506</u>	<u>178,506</u>

Particulars of employees:

The average number of employees during the year was 4 (2022: 6).

No employee received total employee benefits (excluding employer pension costs) of more than £60,000.

Trustees emoluments

The trustees received no emoluments or reimbursement of expenses during the year (2022: £Nil).

12. GRANTS

	2023	2022
	£	£
Movement on outstanding accrued grant commitments for the financial year:		
Deferred capital grant brought forward	<u>3,534</u>	<u>7,068</u>

13. TANGIBLE FIXED ASSETS

	Building	Fixtures, fittings and equipment	Total
	£	£	£
Cost or Valuation			
At 1 April 2022	150,000	66,819	216,819
Revaluation	100,000	-	100,000
	<u>250,000</u>	<u>66,819</u>	<u>316,819</u>
At 31 March 2023	<u>250,000</u>	<u>66,819</u>	<u>316,819</u>
Depreciation			
At 1 April 2022	14,994	59,756	74,750
Charge for the financial year	3,744	5,520	9,264
	<u>18,738</u>	<u>65,276</u>	<u>84,014</u>
At 31 March 2023	<u>18,738</u>	<u>65,276</u>	<u>84,014</u>
Net book value			
At 31 March 2023	<u>231,262</u>	<u>1,543</u>	<u>232,805</u>
At 31 March 2022	<u>135,006</u>	<u>7,063</u>	<u>142,069</u>

The trustees commissioned a review during the previous financial year of the property's current market valuation by a professional estate agent, Simon Brien. Simon Brien valued the property at £250,000.

14. DEBTORS

	2023	2022
	£	£
Trade debtors	59,560	82,420
Prepayments and accrued income	4,413	-
	<u>63,973</u>	<u>82,420</u>

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

15. CREDITORS	2023	2022
Amounts falling due within one year	£	£
Bank loan	21,740	21,740
Trade creditors	31,023	29,501
Taxation and social security costs (Note 17)	34,548	44,437
Other creditors	-	10,000
Accruals and deferred income	10,512	7,068
	<u>97,823</u>	<u>112,746</u>

16. CREDITORS	2023	2022
Amounts falling due after more than one year	£	£
Bank loan	125,763	140,492
	<u>125,763</u>	<u>140,492</u>
Repayable in one year or less, or on demand (Note 15)	21,740	21,740
Repayable between one and two years	21,740	21,740
Repayable between two and five years	65,220	65,220
Repayable in five years or more	38,803	53,532
	<u>147,503</u>	<u>162,232</u>

AIB Bank hold a legal mortgage/charge over Unit 2 Pilot's View, Heron Road, Sydenham Business Park, Belfast registered in the name of Family Routes.

17. TAXATION AND SOCIAL SECURITY	2023	2022
	£	£
Creditors: PAYE / NI	34,548	44,437
	<u>34,548</u>	<u>44,437</u>

18. RESERVES	Revaluation reserve	Funds	Total
	£	£	£
At 1 April 2022	-	53,255	53,255
	100,000	-	100,000
Deficit for the financial year	-	(39,199)	(39,199)
At 31 March 2023	<u>100,000</u>	<u>14,056</u>	<u>114,056</u>

19. FUNDS	Unrestricted Funds	Restricted Funds	Total Funds
19.1 RECONCILIATION OF MOVEMENT IN FUNDS	£	£	£
At 1 April 2021	(169,529)	248,077	78,548
Movement during the financial year	70,124	(95,417)	(25,293)
At 31 March 2022	<u>(99,405)</u>	<u>152,660</u>	<u>53,255</u>
Movement during the financial year	134,412	(73,611)	60,801
At 31 March 2023	<u>35,007</u>	<u>79,049</u>	<u>114,056</u>

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

19.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	Gains and losses £	Balance 31 March 2023 £
Restricted funds						
Mental Health	36,073	-	13,813	-	-	22,260
Next Step	85,478	171,000	168,217	-	-	88,261
TESSA	25,109	4,084	62,705	-	-	(33,512)
Halifax	6,000	500	4,460	-	-	2,040
	<u>152,660</u>	<u>175,584</u>	<u>249,195</u>	<u>-</u>	<u>-</u>	<u>79,049</u>
Unrestricted funds						
Adoption Routes	(66,525)	6,090	49,715	-	-	(110,150)
Family Routes	34,561	142,458	74,248	-	100,000	202,771
Fertility Counselling Services	(67,441)	91,434	81,607	-	-	(57,614)
	<u>(99,405)</u>	<u>239,982</u>	<u>205,570</u>	<u>-</u>	<u>100,000</u>	<u>35,007</u>
Total funds	<u><u>53,255</u></u>	<u><u>415,566</u></u>	<u><u>454,765</u></u>	<u><u>-</u></u>	<u><u>100,000</u></u>	<u><u>114,056</u></u>

RESTRICTED & UNRESTRICTED INCOME FUNDS

Restricted income from the following sources:

- Next Step - Support and counselling service for birth families
- TESSA - Therapeutic and education support for adopted children and their adoptive parents.
- Mental Health Fund
- Halifax Grant Income

Unrestricted income from the following sources:

- Fertility Counselling Service NI (FCS) - Leading provider of specialist fertility counselling
- Family Routes
- Adoption Routes

19.3 ANALYSIS OF NET ASSETS BY FUND

	Fixed assets - charity use £	Current assets £	Current liabilities £	Long-term liabilities £	Total £
Restricted trust funds	<u>138,364</u>	<u>164,424</u>	<u>(112,746)</u>	<u>(125,763)</u>	<u>64,279</u>
Unrestricted general funds	<u>94,441</u>	<u>25,990</u>	<u>(70,654)</u>	<u>-</u>	<u>49,777</u>
	<u><u>232,805</u></u>	<u><u>190,414</u></u>	<u><u>(183,400)</u></u>	<u><u>(125,763)</u></u>	<u><u>114,056</u></u>

20. STATUS

The charity is limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding £ 1.

Family Routes

(A company limited by guarantee, not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 March 2023

continued

21. RELATED PARTY TRANSACTIONS

There are no related party transactions that require disclosure in the financial statements.

22. CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash and bank balances	<u>40,864</u>	<u>82,004</u>

23. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	Opening balance £	Cash flows £	Closing balance £
Long-term borrowings	(140,492)	14,729	(125,763)
Short-term borrowings	(21,740)		(21,740)
Total liabilities from financing activities	<u>(162,232)</u>	<u>14,729</u>	<u>(147,503)</u>
Total Cash at bank and in hand (Note 23)			<u>40,864</u>
Total net debt			<u>(106,639)</u>

24. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the financial year-end.

25. FINANCIAL INSTRUMENTS

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

The charity has only 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.