



Annual Report

For the year to 31st December 2012

Contents

Charity Information	2
Welcome from Chair of Trustees	3
Report of the Council of Management	4 - 10
Report of the Independent Auditors	11 - 12
Statement of Financial Activities	13
Balance Sheet	14
Notes to the Accounts	15 - 25

Charity Information

Charity Name:	Care for the Family
Working Names:	Letsdolife National Couple Support Network Positive Parenting
Registered Numbers:	Company Number: 3482910 Charity Numbers: 1066905 OSCR Number: SCO38497
Registered Office:	Garth House Leon Avenue Cardiff CF15 7RG
Website address:	www.careforthefamily.org.uk
Council of Management:	John O'Brien (Chairman) Norman Adams Peter Reynolds Paul Francis Clare Suffield Yolanda Ibbett (appointed 24 Aug 2012)
Executive Team:	Rob Parsons (Founder) Katharine Hill Emrys Jones Paula Pridham Steve Williams
Registered Auditors:	Watts Gregory LLP Elfed House Oak Tree Court Mulberry Drive Cardiff Gate Business Park Cardiff CF23 8RS
Bankers:	Lloyds TSB plc 45 Newport Road Cardiff CF24 0TW CAF BANK Ltd Kings Hill West Malling Kent ME19 4TA

Chair of Trustees' Welcome

How do we remember 2012? For most of us, the first things that spring to mind are the celebrations of the Queen's Diamond Jubilee, and the London 2012 Olympics. They certainly provided a splash of colour and enjoyment to the summer.

As we reflect on Care for the Family's experiences in 2012, our own 'highlights' come to mind. We began to roll out *Let's Stick Together* in three areas of England, providing relationship education to mums at the point when they become new parents – a time that typically puts great stress on the couple relationship. And *Home for Good* began as a new initiative to raise awareness of the need for, and value of, foster carers and adoptive parents.

It was a delight in this special year to see two people honoured for their work with Care for the Family. Founder and Chief Executive Rob Parsons went to the Palace in March to be presented with his OBE by Her Majesty the Queen. And in June, Jean Gibson was awarded an MBE for services to the community, having been Care for the Family's Northern Ireland Manager for the past 15 years. It's a great recognition of their individual dedication, and also the wider work of Care for the Family, its staff and the committed team of volunteers, without whom this work could not continue.

We are also extremely grateful to Care for the Family's thousands of faithful and generous donors, who have continued to support the charity's work through these difficult financial times. Donation income for the year was actually slightly higher than in 2011, and we worked hard to reduce expenditure in order to return to surplus in 2012. This gives a good foundation to the charity as we anticipate our 'silver' anniversary during 2013 – marking 25 years of strengthening families and supporting those in need, and always continuing to look forward to the future.

John O'Brien
Chair of Trustees

Report of the Council of Management for the year to 31st December 2012

Objectives and Activities

Care for the Family's aim is to strengthen and support family life – enabling families to find help during challenging times, and encouragement in the good times. We provide relationship education and support in three key areas: marriage, parenting and bereavement.

Activities include:

- Day and evening events throughout the UK, on a variety of topics related to family life;
- Relationship-building activity holidays and residential breaks;
- Marriage and parenting courses delivered across the country by networks of volunteers;
- Networks of trained volunteer telephone befrienders;
- Writing and producing books and DVDs to strengthen family life;
- Developing special projects to meet specific needs;
- Regular informative mailings and the Care for the Family website, www.careforthefamily.org.uk

Achievements and Performance

During the year we were able to make good progress towards achieving our aims within the income available. With many families and individuals facing financial pressures in the current economic climate, there was some uncertainty as to how well the charity's donation income would hold up. Fewer public events and seminars were run than in the previous year, although we were still able to maintain all areas of the work, and develop some new resources in key areas. In the second half of the year, a full events programme was re-established.

We continued to be very careful with all spending, in order to achieve the maximum benefit for families reached by Care for the Family, whilst ensuring that the charity remained on a firm financial footing. The year ended with donation income slightly up on 2011, and expenditure reduced.

In the last Annual Report, we identified six goals for 2012. Those are listed on the next page, together with an indication of the progress made in achieving them.

Achievements and Performance (continued)

Goal	Progress
Roll out the <i>Let's Stick Together</i> programme, which provides relationship support to new parents through post-natal groups.	Successful recruitment and training of volunteers, but the reorganisation of post-natal care made it more challenging than expected to secure bookings at post-natal groups, meaning that we had to change strategy and invest more effort in recruiting early years groups to take part.
Find and train volunteers, who can run marriage and parenting courses to help families build healthier family relationships.	25 marriage and 110 parenting volunteers were successfully recruited and trained.
Find ways to resource and encourage churches to support bereaved people more effectively, including producing a bereavement booklet.	We undertook a survey of church leaders to understand their needs, which over 300 leaders completed. The booklet content was drawn up in response to that feedback, and 5,000 copies were printed. Course material was also written for a training event for bereavement support awareness, and one pilot event held in the autumn.
Produce resources that will help churches and parents with a Christian faith to share their values with their children.	A new book, co-authored by our UK Director, Katharine Hill, <i>Keeping Faith...Being Family When Belief is in Question</i> was written and published. We continued to raise the profile of the <i>Getting Your Kids Through Church</i> initiative, and will undertake research in 2013 to underpin the production of any new resources.
Develop the charity's website to provide more resources and interaction for people looking for family advice and information, including more capacity to reach out through new social media.	The new website was scoped, commissioned and designed. Work on building it began towards the end of 2012, with the website launch due to take place in early 2013.
Carry out consultation events and research to understand the needs of those who adopt or foster and identify what Care for the Family can contribute in this area.	Consultation events were arranged in six cities around the UK and were attended by over 300 people, including social workers, church leaders, and those currently adopting or fostering; in addition, 230 people completed online surveys to give their feedback and describe the needs. We then began working with Evangelical Alliance and CCPAS in order to establish a project called <i>Home for Good</i> , which will be further developed in 2013.

Events and conferences

One of the key ways Care for the Family engages with families is through events held across the country. In 2012, a number of different family-strengthening seminars and events were organised, covering a variety of subjects.

- 4,927 people came to 14 parenting events across the UK – some specifically for mums, and others for parents in our church-based audience, on the topic of *Getting Your Kids Through Church Without Them Ending Up Hating God*.
- Day and weekend events were organised for bereaved parents, parents of children with additional needs and those widowed at an early age.
- A national conference was held for 245 parent and toddler group leaders.
- Care for the Family also organised family-building activity breaks of varying lengths, throughout the summer. Some of these breaks were specifically tailored for single parents to attend with their children. A bursary scheme was offered to help those single parents with financial difficulties.
- In total 7,091 people attended an event or seminar, or benefited from an activity break during the year.

Training

Care for the Family continues to provide extensive training to enable facilitators and volunteers to run parenting courses around the UK. 2012 saw the roll-out of the new modular training (mapped to National Occupational Standards for Work With Parents, and featuring optional OCN accreditation) for those wishing to run courses: *Working with Parents* and *Facilitating Groups*.

404 new parenting facilitators were trained during 2012. A further 400 were equipped to run parenting groups in their communities, using the *21st Century Parent* DVD resource.

Funding from the Department for Education enabled us to find and train volunteers in three areas of England to offer *Let's Stick Together* to new parents through post-natal classes. The early years of parenthood are the most difficult time for couple relationships, and this course gives them some central principles to strengthen their relationship.

A new partnership was also established with HMP and YOI Parc Prison in Bridgend. An estimated 45% of prisoners lose touch with their families, and almost two thirds of boys with a convicted father go on to offend themselves. Those prisoners being visited by a partner or family member have a 52% reoffending rate as compared to 70% for those who do not – so strengthening family relationships can have a powerful effect. (*Ministry of Justice (2008), Factors linked to reoffending*)

The foundations have therefore now been laid for Care for the Family to start training prison officers and others at Parc Prison during 2013. They will learn how to provide specialist parenting and relationship programmes to offenders and their families, as part of their innovative *Invisible Walls* project. There is increasing evidence that if preventative interventions are effective, society will need to spend significantly less on services such as prisons, acute medical care and drug rehabilitation.

Resources and courses to equip families

Care for the Family's books and DVDs continue to help many thousands of families, providing vital encouragement and practical principles to strengthen family life.

During 2012, we began a major review of the popular *Time Out for Parents* courses, which reach around 8,000 parents a year. This included consideration of the best current understanding of child development and family relationships. Parent evaluations and facilitator feedback also help keep our programmes responsive to the needs of parents. Two courses were researched, written and produced – *Time Out for Parents: The Early Years*, and a complete revision of *Time Out for Parents: Special Needs*.

The *Time Out for Parents* courses were also approved to be an official part of *CANparent* in Bristol. This is a trial scheme funded by the Department for Education, which aims to signpost parents towards parenting classes

Resources and courses to equip families (continued)

which offer high quality support and are based on key evidence-based principles.

Two other new resources were written and published during the year. *Keeping Faith... Being Family When Belief is in Question* was published in September 2012, aimed at parents from Care for the Family's church-based audience.

Walking Through the Valley was also released in the autumn. Aimed at church leaders, it will help equip them to support bereaved people in their church or wider community, as they deal with the privileged but sometimes daunting task of coming alongside those who have lost loved ones.

Volunteer networks and befriending

The charity's counselling referral service and volunteer telephone befriender networks continued to offer help and support to all who requested it. During the year, 1,860 people were helped through these services.

Public benefit

The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding on what activities the charity should undertake. The paragraphs above provide further information.

Plans for Future Periods

Whilst continuing with the core work of holidays, befriending, courses and events, we're also aiming to achieve several specific new goals during 2013.

- Produce a new *Parentalk* resource, which can be used by anyone who wishes to run a parenting group in their community;
- Research, plan and develop appropriate support services for those who adopt or foster;
- Develop the *Getting Your Kids Through Church* initiative by undertaking research to understand more about the factors affecting young people and faith;
- Publish *The Sixty Minute Grandparent*, and scope the needs of grandparents to identify what other services CFF might offer;
- Continue to build existing volunteer-led services, and pilot a new bereavement support network.

Structure, Governance and Management

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 12th December 1997 and registered as a charity on 17th December 1997. The company was incorporated under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Recruitment and appointment of the Council of Management

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as Members of the Council of Management. Under the requirements of the Memorandum and Articles of Association the Members of the Council of Management can only be elected from the membership of the charity.

The number closest to one third of the Members of the Council of Management retire by strict rotation and, being eligible, can offer themselves for re-election at the next Annual General Meeting.

Care is taken to ensure that the Council of Management includes experience in financial, legal and educational fields.

Induction and training of Trustees

New trustees are given an introduction to the work of Care for the Family by the Chairman of the Trustees and the executive team. Trustees are kept informed through regular internal reports (including financial reports) and samples of printed material. All trustees are encouraged to tour the main offices of Care for the Family, located

Induction and training of Trustees (continued)

at Garth House in Cardiff, as well as attending events that the charity organises. In addition, the organisation holds two staff conferences each year, to which trustees are invited and have opportunities to talk to members of staff. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

Organisational structure

The Council of Management meet three times a year and oversee finances, the present work and the future development of the charity. They have regard for the advice of the executive team, to whom the management of the work of Care for the Family and the day-to-day operational decisions have been delegated. Remuneration of the executive team is approved by the Council of Management. The remuneration of all other staff is approved by the executive team within annual parameters set by the Council of Management. The executive team withdraw from any discussion of their terms of service.

Risk management

The Council of Management recognise that they have overall responsibility for ensuring that they implement an appropriate system for the management of risk, whether financial or otherwise, to which the charitable company may be exposed. For this reason the Council of Management have charged the executive team with the task of ensuring that internal controls and the exposure to risk is reviewed on a regular basis. Staff, drawn from a wide cross-section of the charitable company and who have responsibility in key areas, meet at least twice yearly to consider:

- the types of risk to which the charitable company may be exposed;
- the level of risk that is considered acceptable;
- the likelihood of each risk materialising;
- the charitable company's ability to reduce the incidence and impact on the business of risks that do materialise; and
- the costs of control relative to the benefit obtained.

The results of these regular reviews are reported back to the Council of Management by the executive team. The Council of Management recognise that any planning is designed to manage rather than eliminate the risk of failure to meet the charitable company's stated aims and objectives. Nevertheless the Council of Management is satisfied that the systems and procedures adopted adequately mitigate the occurrence of the risks to which the charitable company may be exposed.

The charitable company operates a comprehensive half yearly planning, budgeting and forecasting process, approved by the Council of Management. Performance is monitored through the use of activity, impact and financial targets. Reports are made to the Council of Management on a monthly basis, which compare actual results against targets set for the current month and for the year to date.

Financial Review

This year the charity received funds of £3.2m, with expenditure of £2.8m. Voluntary income increased by 2% over the previous year to £2.97m. Voluntary income is made up of regular payments received via bank standing orders and direct debits and ad hoc donations, and these remained constant at £2.1m whilst there was an increase in ad hoc giving of 9% rising to £0.9m.

7,520 people attended a seminar, conference or training event or benefited from an activity break in 2012. The net cost to the charity of running seminars, conferences and training events was £1.17m. Running residential and activity breaks resulted in a net cost to the charity of £0.28m. These costs include not only the direct costs of the event itself, but also content definition, research and preparation, event marketing, promotion and publicity, event management and post-event contact with delegates throughout the year.

Providing resources resulted in a net cost to the charity of £0.34m. This sum includes the cost of producing new resources, as well as providing resources free of charge to those who cannot afford them. The charity also provided support to families through a range of 'befriender' and support networks, a counselling referral service and through our website. The cost to the charity of providing these services was £0.48m.

Financial Review (continued)

Fundraising and associated publicity are important aspects of any charity's operation, and £0.24m has been spent in this area, amounting to 8.6% of the total expenditure. Governance costs, which include such items as audit, legal advice for trustees and costs associated with constitutional and statutory requirements, amounted to 2.3% of the charity's expenditure.

Care for the Family staff team averaged 64 full and part-time staff over the year, with consultants and casual staff assisting as appropriate. Most of the staff are based at the head office in Cardiff; however several staff are based in other parts of the UK, with offices operating in Scotland, Northern Ireland, England and the Isle of Man. The number of volunteers regularly assisting the charity's work grew to 375 over the year. The growth was seen in response to the launch of the marriage and parenting networks, with volunteers being trained to deliver parenting and relationship education in their communities. Volunteers continue to provide the manpower for the various specialist 'befriender' networks set up to provide telephone support to individuals and families in need.

Fixed assets

The Council of Management has designated a fund to represent the net book value of tangible fixed assets less the bank facilities secured on those assets, thus enabling the Council of Management to truly reflect the value of general free reserves in the accounts. This information can be found in note 15.

The charity has for its headquarters a substantial property of over 10,000 sq ft, purchased in June 1997, currently with a mortgage liability of £7k.

Investment policy

The Council of Management have the power to invest in such assets as they see fit. The target is to achieve a total return in excess of that available from readily accessible short-term deposits. However the charity currently holds no investments.

Reserves policy

The Council of Management has considered the charity's requirements for reserves in light of the main risks to which it is exposed. While much of the charity's income is of a regular nature there is still a considerable reliance on ad hoc donations which by their nature are unpredictable. In addition, there is a continuing need to develop new resources and undertake new projects all of which require investment with no ultimate guarantee of increases in income. For these and other reasons the Council of Management believe that it is appropriate to retain "free reserves", being unrestricted funds net of funds already designated, of three months core operating costs being approximately £500K. At the year end the free reserves amounted to £350K so there is a shortfall of £150K which it is hoped will be made up during 2013.

The desired reserve levels are reviewed by the Council of Management on a regular basis in the light of changing needs and risks.

Principal funding sources

Care for the Family is heavily reliant on donations from the general public. 'Partners' of Care for the Family support the charity through regular donations via standing order and direct debit. In 2012 more than half the charity's income came from 'Partners'. This provides a strong and stable base for future development. The remainder came from ad-hoc donations and other funding sources which included grants from charitable trusts and the government. During the previous financial year, the charity was awarded a substantial grant from Department of Education to deliver a one hour presentation aimed at new parents, delivered to post-natal groups, called *Let's Stick Together*. This grant is for a two year period, from April 2011 until March 2013. Care for the Family seeks to maximise the potential of donated income by securing a gift aid declaration where possible, which increases the value of the donation by 25%. While there is significant income from resource sales and seminar tickets, these activities could not take place without the generosity of our 'Partners' and other donors.

Responsibilities of the Council of Management

The Council of Management (who are also directors of Care for the Family for the purposes of company law) are responsible for preparing the Report of the Council of Management and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The Council of Management is responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Council of Management is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council of Management

Members of the Council of Management, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 2.

In so far as the Council of Management are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Independent Auditors

A resolution to re-appoint Watts Gregory LLP as independent auditors for the ensuing year will be proposed at the Annual General Meeting.

Approved by the Council of Management on 25th July 2013 and signed on its behalf by:

John O'Brien
Chairman

Independent Auditor’s Report to the Members of Care for the Family for the year to 31st December 2012

We have audited the financial statements of Care for the Family for the year ended 31 December 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of the Council of Management and auditors

As explained more fully in the Council of Management’s Responsibilities Statement, the Council of Management (who are also the directors of Care for the Family 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s [(APB’s)] Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Report of the Council of Management to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 December 2012 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; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Council of Management’s Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditor’s Report to the Members of Care for the Family for the year to 31st December 2012
(continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records 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 Council of Management’s remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees’ Annual Report.

David Williams BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF CF23 8RS

Date:

Watts Gregory LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**Statement of Financial Activities for the year ended 31 December 2012
(including the Income and Expenditure Account)**

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
<u>Incoming resources</u>					
Incoming resources from generated funds					
Voluntary income	3	2,754,650	222,704	2,977,354	2,907,459
Investment income and interest		184	-	184	151
Incoming resources from charitable activities	4	253,047	-	253,047	323,859
Other incoming resources		8,640	-	8,640	12,296
Total incoming resources		3,016,521	222,704	3,239,225	3,243,765
<u>Resources expended</u>					
Costs of generating funds					
Costs of generating voluntary income	6	244,580	-	244,580	360,434
Charitable activities	5	2,272,374	261,302	2,533,676	3,063,522
Governance costs	6	64,819	-	64,819	68,450
Total resources expended		2,581,773	261,302	2,843,075	3,492,406
Net income/(expenditure)		434,748	(38,598)	396,150	(248,641)
Total funds brought forward		289,068	102,231	391,299	639,940
Total funds carried forward		723,816	63,633	787,449	391,299

All activities of the charitable company are classed as continuing. All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 15 to 25 form part of these financial statements.

Care for the Family – Annual Report
for the Year to 31st December 2012

Balance sheet at 31 December 2012

	Notes	£	2012 £	£	2011 £	£
Fixed assets						
Tangible assets	8		427,101		401,792	
Current assets						
Stocks	9	73,509		85,758		
Debtors	10	141,183		95,442		
Cash at bank and in hand		375,075		45,543		
				<u>226,743</u>		
Creditors: Amounts falling due within one year	11	(164,854)		(198,390)		
				<u>226,743</u>		
Net current assets			424,913		28,353	
			<u>852,014</u>		<u>430,145</u>	
Creditors: Amounts falling due after more than one year	12		(64,565)		(38,846)	
			<u>787,449</u>		<u>391,299</u>	
Net assets			<u>787,449</u>		<u>391,299</u>	
Represented by:						
Unrestricted funds	14		723,816		289,068	
Restricted funds	16		63,633		102,231	
			<u>787,449</u>		<u>391,299</u>	

These financial statements were approved by the Council of Management on 25th July 2013 and signed on their behalf by:

John O'Brien
Chairman

Notes to the Accounts for the year ended 31 December 2012

1. Accounting policies

The financial statements, incorporating a Statement of Financial Activities, have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice “Accounting and Reporting by charities” (SORP 2005) issued in February 2005 and applicable accounting standards. The particular accounting policies adopted by the Council of Management are as follows:

1.1 Accounting convention

The financial statements have been prepared under the historic cost convention.

1.2 Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is a reasonable assurance of receipt.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in costs of generating funds.

Legacy entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Grants from the government and other agencies have been included in incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example government block grants.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

1.3 Resources expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Cost of Generating Funds represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity.

Charitable activities represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance represents 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 including support 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 the basis of an estimate of the proportion of time spent by staff on the activity.

Notes to the Accounts for the year ended 31 December 2012

1.3 Resources Expended (continued)

Support costs are those costs which do not in themselves constitute an activity; instead they enable output creating activities to be undertaken. This cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

1.4 Charitable activities

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries:

Seminars, conferences and training are a range of events organised across the UK which cover a range of family related topics.

Residential Events are week or weekend courses designed to foster deepening relationships between parents and children.

Family Books, CDs and DVDs are the provision of resources to further the family strengthening aims of the charity.

Support networks, literature and counselling referrals are resources and services designed to provide support to those who are experiencing new or challenging family life situations.

1.5 Fund accounting

The charity maintains various types of funds as follows:

General unrestricted funds represent income which can be used in accordance with the charitable objects at the discretion of the Council of Management.

Designated funds represent income set aside by the Council of Management out of general unrestricted funds for specific future purposes or projects.

Restricted funds represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

1.6 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £1,000 per item. 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:

Freehold Building	-	2% per annum of cost
General Office Equipment	-	20-25% per annum of cost
Motor Vehicles	-	33-50% per annum of cost
Software	-	10-20% per annum of cost
DVD Production	-	20-50% per annum of cost (the expected sales life of the DVD concerned)

Assets purchased under hire purchase agreements are depreciated over the effective term of the agreement and at rates between 16% and 50% per annum of cost.

Notes to the Accounts for the year ended 31 December 2012

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

1.8 Pension costs

The charity operates a Group Personal Pension Scheme (Money Purchase). Contributions are made to employees' personal pension plans, the majority of which are now within the group scheme. The amount charged to the Statement of Financial Activities represents the contributions payable to such schemes in respect of the accounting period and amount to £152,330 (2011: £152,072).

1.9 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over the effective term of the hire purchase agreement. Future instalments payable are apportioned between the finance element, which is charged to the Statement of Financial Activities, and the capital element which reduces the outstanding obligation for future instalments

1.10 Operating lease agreements

Rentals applicable to operating lease agreements where substantially all the benefits and risks of ownership remain with the lessor are charged against profit on a straight line basis over the period of the lease.

1.11 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange prevailing at the balance sheet date. All differences are taken to the Statement of Financial Activities.

2 Net income/(expenditure)

	2012 £	2011 £
The net income/(expenditure) for year is stated after charging:		
Audit Fee	4,550	4,550
Depreciation and other amounts written off tangible fixed assets:		
Owned Assets	27,761	30,131
Assets on HP	20,451	980
Hire Purchase Interest Payable	42	71
Loan Interest Payable	637	1,301
Staff Pension Costs	152,330	152,072

Notes to the Accounts for the year ended 31 December 2012

3 Donations

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Regular donations	2,121,716	-	2,121,716	2,118,116
Ad-Hoc donations	627,000	222,704	849,704	776,163
Legacies	5,934	-	5,934	13,180
	<u>2,754,650</u>	<u>222,704</u>	<u>2,977,354</u>	<u>2,907,459</u>

Regular Donations is the income received by bank standing order or direct debit. Tax recoverable in respect of donations amounted to £428,607 (2011: £408,490) and this has been included within the relevant categories of income.

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Seminars	118,043	-	118,043	121,798
Residential Weeks and Weekends	24,425	-	24,425	50,352
Family Books, CDs and DVDs	110,579	-	110,579	151,709
	<u>253,047</u>	<u>-</u>	<u>253,047</u>	<u>323,859</u>

5 Cost of charitable activities

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Seminars	1,042,587	253,489	1,296,076	1,521,954
Residential Weeks and Weekends	298,899	5,116	304,015	419,804
Family Books, CDs and DVDs	449,134	631	449,765	521,179
Support networks, literature and Counselling	481,754	2,066	483,820	600,585
	<u>2,272,374</u>	<u>261,302</u>	<u>2,533,676</u>	<u>3,063,522</u>

Notes to the Accounts for the year ended 31 December 2012

6a Analysis of total resources expended

	Staff costs £	Other costs £	Total 2012 £	Total 2011 £
Cost of generating funds:				
Voluntary income	126,063	118,517	244,580	360,434
Charitable activities:				
Seminars, conferences and training	650,258	645,818	1,296,076	1,521,954
Residential Weeks and Weekends	194,385	109,630	304,015	419,804
Family Books, CDs and DVDs	360,918	88,847	449,765	521,179
Support networks, literature and Counselling	393,123	90,697	483,820	600,585
Governance	56,875	7,944	64,819	68,450
	<u>1,781,622</u>	<u>1,061,453</u>	<u>2,843,075</u>	<u>3,492,406</u>

6b Analysis of support costs

	General Management £	Budgeting & Accounting £	Information Technology £	Human Resources £	Total 2012 £
Cost of generating funds:					
Voluntary income	9,291	2,958	9,780	4,977	27,006
Charitable activities:					
Seminars, conferences and training	48,325	16,009	55,933	27,546	147,813
Residential Weeks and Weekends	14,364	4,632	15,597	7,851	42,444
Family Books, CDs and DVDs	26,734	8,721	29,841	14,878	80,174
Support networks, literature and Counselling	29,125	9,509	32,572	16,229	87,435
Governance	4,104	1,169	3,205	1,834	10,312
	<u>131,943</u>	<u>42,998</u>	<u>146,928</u>	<u>73,315</u>	<u>395,184</u>

Notes to the Accounts for the year ended 31 December 2012

7 Staff numbers and cost

The number of persons, on a full time equivalent basis, employed by the charity during the year, analysed by cost category, were as follows:

	2012 Number	2011 Number
The average number of full time equivalent staff employed by the charity during the year, analysed by category, including support staff was as follows:		
Seminars	22	28
Residential Weeks and Weekends	6	6
Family Books, CDs and DVDs	11	11
Other Programmes	12	11
Activities for Generating Funds	4	8
Management & Admin	1	1
Support	8	8
	<u>64</u>	<u>73</u>
	£	£
Wages and salaries	1,508,210	1,553,075
Social security costs	121,082	133,685
Pension costs	152,330	152,072
	<u>1,781,622</u>	<u>1,838,832</u>
	2012 Number	2011 Number
£60,001 - £70,000	<u>-</u>	<u>1</u>

Pension contributions of £4,394 (2011: £6,250) were made on behalf of the above higher-paid employee.

No trustee received any remuneration or reimbursement of expenses during the year (2011 – £nil).

Notes to the Accounts for the year ended 31 December 2012

8 Fixed assets

	Freehold Land	Freehold Property	Motor Vehicles	Office Equipment	Video Masters	Total Assets
Cost						
At 1 Jan 2012	154,105	150,000	104,352	380,733	112,503	901,693
Additions	-	-	73,521	-	-	73,521
Disposals	-	-	(18,706)	(90,524)	-	(109,230)
As 31 Dec 2012	<u>154,105</u>	<u>150,000</u>	<u>159,167</u>	<u>290,209</u>	<u>112,503</u>	<u>865,984</u>
Depreciation						
At 1 Jan 2012	-	36,000	65,640	285,758	112,503	499,901
Charge for the year	-	3,000	20,127	25,085	-	48,212
Disposals	-	-	(18,706)	(90,524)	-	(109,230)
At 31 Dec 2012	<u>-</u>	<u>39,000</u>	<u>67,061</u>	<u>220,319</u>	<u>112,503</u>	<u>438,883</u>
Net Book Value						
At 31 st Dec 2012	<u>154,105</u>	<u>111,000</u>	<u>92,106</u>	<u>69,890</u>	<u>-</u>	<u>427,101</u>
At 31 st Dec 2011	<u>154,105</u>	<u>114,000</u>	<u>38,712</u>	<u>94,975</u>	<u>-</u>	<u>401,792</u>

The net book value of fixed assets includes an amount of £92,430 (2011:£39,360) in respect of assets held under hire purchase contracts on which depreciation of £20,451 (2011:£980) was charged in the year.

9 Stock

	2012 £	2011 £
CDs and DVDs	8,887	15,580
Books	64,622	70,178
	<u>73,509</u>	<u>85,758</u>

10 Debtors

	2012 £	2011 £
Due within one year		
Trade debtors	17,683	15,015
Prepayments and accrued income	68,539	41,782
VAT	9,383	14,376
Gift Aid Tax Recovery Receivable	42,348	24,269
Other debtors	3,230	-
	<u>141,183</u>	<u>95,442</u>

Notes to the Accounts for the year ended 31 December 2012

11 Creditors: Amounts falling due within one year

	2012	2011
	£	£
Due within one year		
Trade creditors	41,729	95,970
PAYE and National Insurance	31,183	38,064
Principality Building Society Mortgage	7,084	16,585
Hire Purchase Agreements	21,621	7,812
Salaries and Pensions Contributions Payable	13,968	20,511
Accruals	49,269	19,448
	<u>164,854</u>	<u>198,390</u>

The Principality Building Society mortgage is secured by a first legal charge on Garth House. The hire purchase agreements are secured on the assets to which they relate.

Included in Accruals is deferred income of £24,094 (2011 - £nil) as follows:

	2012	2011
	£	£
Brought forward	-	-
Additions	24,094	-
Credit to the income and expenditure account	-	-
	<u>24,094</u>	<u>-</u>

The deferred income relates to events taking place after the year end.

12. Creditors: amounts falling due after more than one year:

	2012	2011
	£	£
Hire Purchase Agreements	64,565	30,320
Principality Building Society Mortgage	-	8,526
	<u>64,565</u>	<u>38,846</u>
Of which amounts are repayable:		
Second year	21,270	16,338
Third to fifth year	43,295	22,508
Over five years	-	-
	<u>64,565</u>	<u>38,846</u>

The Principality Building Society mortgage is secured by a first legal charge on Garth House. The hire purchase agreements are secured on the assets to which they relate. The aggregate of secured liabilities as at 31st December 2012 is £93,270 (2011: £63,243).

Notes to the Accounts for the year ended December 2012

13 Operating lease commitments

The charity is committed to making the following payments under non-cancellable operating leases:

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Operating leases that expire:				
Within one year	300	6,516	998	11,132
In the second to fifth year	4,000	667	-	-
	<u>4,300</u>	<u>7,183</u>	<u>998</u>	<u>11,132</u>

14 Unrestricted funds

	General fund	Designated funds	Total
	£	£	£
Balance at 1 Jan 2012	(49,480)	338,548	289,068
Net incoming resources in the year	434,748	-	434,748
Transfers between funds	(35,283)	35,283	-
Fund balance at 31 Dec 2012	<u>349,985</u>	<u>373,831</u>	<u>723,816</u>

15 Designated funds

	Balance at 1 Jan 2012	Incoming resources	Outgoing resources	Transfers	Balance at 31 Dec 2012
	£	£	£	£	£
Fixed Asset Fund	338,548	-	-	(4,717)	333,831
Garth House Fund	-	-	-	15,000	15,000
Parenttalk Fund	-	-	-	25,000	25,000
	<u>338,548</u>	<u>-</u>	<u>-</u>	<u>35,283</u>	<u>373,831</u>

Fixed Assets Fund – Represents the net book value of tangible fixed assets less the bank facilities and hire purchase secured on those assets.

Garth House Fund – For the essential redecoration and repair of our headquarters building.

Parenttalk Fund – To fund the first phase of a new small group multimedia parenting resource.

Notes to the Accounts for the year ended 31 December 2012

16 Restricted funds

	Balance at 1 Jan 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Dec 2012 £
Prepare for Marriage	12,322	-	(2,066)	-	10,256
Resource Production	4,445	-	-	-	4,445
Bereaved Parents Network	677	26,755	(1,656)	-	25,776
Let's Stick Together	75,988	177,093	(253,081)	-	-
DPYK	5,611	-	-	-	5,611
Community Reps.	3,106	100	(816)	-	2,390
Hurt	82	655	-	-	737
Widowed Young	-	895	(222)	-	673
Parenting	-	3,350	-	-	3,350
Fostering and Adoption	-	5,450	-	-	5,450
Holidays	-	3,906	(3,461)	-	445
Welsh Translation	-	2,500	-	-	2,500
Getting Your Kids Through Church	-	2,000	-	-	2,000
	<u>102,231</u>	<u>222,704</u>	<u>(261,302)</u>	<u>-</u>	<u>63,633</u>

Prepare for marriage – The creation of a website and programme to be used to encourage couples to prepare for their marriage.

Resource Production and Distribution – The production of DVD masters and the distribution of the DVD based resource.

Bereaved Parents Network – A network set up to provide support for parents who have experienced the loss of a child.

Let's Stick Together – A one hour presentation aimed at new parents, delivered to post-natal groups, funded by a grant received from Department for Education.

Drug Proof Your Kids (DPYK) – A community based programme that supports parents in addressing issues of drug and alcohol misuse with their children.

Community Representation (Including the Isle of Man - IOM) – A project aimed at ensuring that all Care for the Family's services and resources are delivered directly to those in the communities that need them.

Hurt – Provision of free resources for those who need them.

Widowed Young – For the production and delivery of our bereavement program, "Widowed Young".

Parenting – Developing the Care for the Family Parenting Network across the UK.

Fostering & Adoption – Raising awareness of the need for foster carers and adoptive parents, and providing encouragement and support to those who might consider fostering or adopting a child currently in care.

Notes to the Accounts for the year ended 31 December 2012

17 Restricted funds (continued)

Holidays – Supporting our activity holidays for lone parents and their children.

Welsh Translation – Translating the “Time Out for Early Years” parenting course into the Welsh language.

Getting Your Kids Through Church – An initiative that will help prevent a generation of young people losing their faith.

18 Analysis of net assets between funds

	General funds £	Designated Funds £	Restricted funds £	Total Funds 2012 £	Total Funds 2011 £
Tangible fixed assets	-	427,101	-	427,101	401,792
Cash at bank and in hand	271,442	40,000	63,633	375,075	45,543
Other net current assets/ (liabilities)	78,543	(28,705)	-	49,838	(17,190)
Creditors: Amounts falling due after more than one year	-	(64,565)	-	(64,565)	(38,846)
	<u>349,985</u>	<u>373,831</u>	<u>63,633</u>	<u>787,449</u>	<u>391,299</u>

19 Taxation

As a charity Care for the Family is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

20 Related parties

Norman Adams, a member of the Council of Management, and Rob Parsons and Steve Williams, members of the Executive Team, are trustees of the Salt Trust.

During the year the charity paid a donation of £10,000 to the Salt Trust (2011 - £10,000).

21 Company limited by guarantee

The company is limited by guarantee and so has no share capital. The members of the charitable company have agreed to contribute up to £10 each in the event of the dissolution of the company.

22 Controlling parties

In the opinion of the Council of Management there is no single ultimate controlling party of the charity.