



CARE FOR CHILDREN (UK)

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

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CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees	Mr Jonathan Scott Dr Robert Glover OBE Mr Keith Hilton Canon Sue Johns Mr Mark Stolkin Mr Michael Bonehill OBE Mr David Devenish Mr Edward Amies Mr Nick Chance CVO Mr Lorne Armstrong
Company registered number	05538700
Charity registered number	1072199
Registered office	3 The Close Norwich Norfolk NR1 4DH
Company secretary	Mr Andrew George
Executive Director	Dr Robert Glover OBE
Independent auditors	MA Partners Audit LLP Chartered Accountants and Statutory Auditors 7 The Close Norwich Norfolk NR1 4DJ
Bankers	HSBC London Street Norwich Norfolk Bank of China Beijing San Yuan Qiao Sub-Branch No. A1 Shuguang Xili Chaoyang District Beijing, China

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 January 2020 to 31 December 2020. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Executive Summary

The incoming resources for the year were £1,147,332 (2019 - £2,056,691) expenditure for the year was £1,341,430 (2019 - £1,912,208) making a deficit (2019 - surplus) for the year of £194,098 (2019 - £144,483). The Trustees are concerned that the charity made a deficit for the year and continue to monitor the financial position. In 2021 the charity is making a surplus to date.

Structure, governance and management

a. Constitution

Care for Children was incorporated on the 13th of March 1998. The charity was first registered by the Companies House in the UK, and as a Guernsey charity with the Charity Commission Reg No 1072199 on the 29th of October 1998. The company issues two shares following contributions from John Langlois and Robert Glover and issued its Memorandum and Articles of Association on the 13th of March 1998.

The company is a registered charitable company limited by guarantee and was set up by a Memorandum of Association on the 17th of August 2005. The charitable company was established with the intent to pass operations of the Guernsey registered company, Care for Children, to the UK Company, which was undertaken on the 23rd of May 2006, and also to act as 'parent' to the other Group entities (see note 26).

b. Methods of appointment or election of Trustees

The management of the Group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The Trustees delegate the running of the charity to the Executive Director and the Executive Director reports back to the Trustees by sending regular reports by e-mail and attending the majority of the Trustees' meetings with reports on the running of the charity and developments in the projects.

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The current Trustees are responsible for the induction of any new Trustees, which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures and the history of the charity. New Trustees receive a welcome pack which includes copies of the previous year's annual report and accounts; a brief history of the charity; a copy of the governing document and a copy of the Charity Commission guidance *The Essential Trustee: What you need to know* and *Public Benefit: running a charity (PB2)*.

e. Risk management

The Board constantly bears in mind its vulnerability in the event of adverse circumstances, such as the loss of key staff (primarily the Executive Director), the failure to raise sufficient funds to fund its projects and the possibility of the political climate for its projects changing. It has from time to time conducted reviews to assess major risks and put in place procedures to mitigate adverse circumstances.

Significant risks to funding have led to the development of a strategic plan to diversify funding sources, primarily in the United States, United Kingdom and Asia.

In 2020 the senior managers and Board of Trustees have regularly assessed the impact of the COVID 19 global pandemic. Although our 'on the ground' fostering work in the different countries has been reduced our staff teams have still been able to do important work developing our training materials to be used on the My Family website. To date the charity's income and finances have not been significantly adversely affected by COVID 19. The senior managers and Board of Trustees continue to monitor the situation and will take further appropriate action if and where needed.

Plans for future periods

Care for Children will continue to pursue the goals outlined in its' Strategic Plan. The main latest goals are:

Care for Children's main project in China is drawing towards completion having seen 85% of children placed into families; this will make a significant reduction to expenditure in future years. The charity will focus on South East Asia with Thailand, Vietnam and Cambodia each with significantly smaller annual expenditure.

Care for Children is in the process of digitalising its training materials which will make delivering training much more cost effective and flexible. We will be promoting our completed documentary, called "Children of Shanghai" which not only shows the positive outcomes of family placement but offers a great income generation opportunity. The Executive Director will also have a book "As Many As the Stars" published by Hodder & Stoughton in October 2020.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities

a. Policies and objectives

Mission & Vision

- Care for Children partners with governments in Asia to help create a positive alternative to institutional care through local family-based care for disadvantaged children.
- Care for Children's vision is to see a million children moved from institutional care into families.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance *Public benefit: running a charity (PB2)*.

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives and activities (continued)

b. Strategies for achieving objectives

How Care for Children operates

1. *Strategic*

Care for Children enters strategic partnerships with national government authorities. This takes place in the form of a cooperation agreement with the relevant Ministry that oversees child welfare development.

2. *Developmental*

The cooperation agreement authorises Care for Children's project team to work directly with local government authorities to develop family-based care in the local community, usually operating out of the government-run institution.

3. *Sustainable*

Care for Children's project team develops a training programme tailored specifically for the cultural and political context of the country, retaining institutional staff to place and monitor children in foster families, and in accordance to the United Nations guidelines for the alternative care for children.

Project stages

There are four primary stages to Care for Children's project work:

- Project Stage 1 - Pilot Project (3 years)
- Project Stage 2 - National Roll-out (3+ years)
- Project Stage 3 - Preparation for the Independence (3 years)
- Project Stage 4 - Exit (1-3 years)

Annual strategic review

2020 and into 2021 was a year of exceptional challenges for everyone, everywhere. Care for Children's first response to the COVID 19 pandemic was to raise special funding to support the distribution of hygiene packs to vulnerable children and families in each of our project countries.

However, as soon as it became clearer that COVID was going to last much longer than anyone initially expected, and we all had to begin working from home, we set about using our circumstances as a unique opportunity to speed up work on new developments within the organisation. These included:

- Launching our new vision to see 'a world of children in families'.
- Re-organisation, including devolving leadership to the Asia Training Team.
- Development of the Documentary "Children of Shanghai" for SKY TV.
- Publishing of the book "As Many As The Stars".
- In-house development of an online 'Project Data Tool' to better measure our outcomes.
- Updating our entire foundation and core training materials.
- Beginning the digitalisation process of our training programmes.

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

a. Review of activities

CHINA

The China project successfully moved into a new era of work designed to pioneer Care for Children's digitalisation developments that are critical for our new vision to see 'a world of children in families'. The project team was downsized to focus on specialist roles, now with a focus on overseeing quality control and management of Care for Children's training resources and programmes online. We will maintain some relationships with a small number of experienced and successful projects in China as a legacy of influence and example.

Asia Training Team

The experience from the China team will be captured by including & relocating senior staff to the Asia Training Team which will devolve our training to the region, this will substantially reduce the travel budget.

Leadership Re-organisation

The leadership team will be re-organised into four functions, two outgoing and two incoming:

Incoming

- o Information and Development (Flow of information from projects to fundraising)
- o Income Generation (Funding and Communications)

Outgoing

- o Operations (Finance, Compliance and HR)
- o Training (Asia Training Team, Country Managers and Training Program)

The aim of the re-organisation is to strengthen the Asia regional teams, while building capacity for new developments with governments in new countries and regions. It will focus on keeping the organisation lean and effective, this will include some redundancies and refocus staffing into essential areas of the charity's operation.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)



THAILAND

Care for Children's target groups for training expanded again to include foster family workers from Child Welfare Homes, Shelters for Children and Families, and the Provincial Office of Social Development and Human Security in six provinces: Chiang Mai, Lampang, Nakhon Si Thammarat, Nonthaburi, Khon Kaen and Buriram.

These six provinces are part of a government project to further expand the scope of foster care, so that family-based care will not be limited only to provinces that have Child Welfare Homes. 2020 became the first year in which the government included family placement services as part of their annual review of Child Welfare Homes.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)



VIETNAM

The two pilot institutions in Hanoi and Thai Nguyen have been prepared for their first family placements in accordance with Vietnamese law. Following the completion of the core and foundation training programme for all government agencies, this involved direct work with local government, and on-site training at the institutions. The first child assessments took place to identify children suitable for a family placement, and a local recruitment process for foster parents began in each location. By the end of 2020 each pilot project was fully prepared to place the first children into families.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)



CAMBODIA

Following the national family placement conference in Phnom Penh, October 2019, Care for Children has established a permanent presence in the city, working closely with the government to register as an INGO, set up an office, agree a working partnership and launch the project.

We have shown ourselves to be a highly adaptable organisation, able to respond swiftly and effectively to rapidly changing circumstances to keep our primary goals on track despite many rapidly changing and unexpected circumstances.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)



b. Fundraising activities and income generation

Sky Documentaries aired *Children of Shanghai* on June 1st 2021 at 7pm - marking International Children's Day. The hour-long documentary, narrated by Bear Grylls, tells the life-transforming stories of the very first fostered children in China. The documentary focuses on six of the children who moved on from life in orphanages to achieve success as young professionals working in technology, finance, tourism, arts and sports and, in a series of touching reunions, their foster parents recall their battles to help them overcome prejudice and serious developmental difficulties.

The documentary will be launched in the USA later in 2021 at the CAFO Summit in Cincinnati through an agreement with Exploration films. The aim being to show the successful outcomes of Chinese children's lives who have grown up in Chinese families. Care for Children also hope that this will bring a wide introduction to its work profiling how family placement can safeguard and transform children's lives.

Whilst Care for Children have successfully maintained good relationships with past donors, there have been encouraging signs of new substantial donors and it is hoped that the documentary will open up new partnerships with foundations interested in supporting tried and trusted projects to safeguard children's lives in good families.

Project Data Portal

Within this period Care for Children have developed an excellent project data portal that will be able to monitor the data directly from our Country Managers right through to reporting to our supporters. The portal will enhance our monitoring and evaluation and help the training team to review and update our training materials, as well as giving our fundraising team excellent data to report back to our foundation grant information.

Training Material

Our aim has been to develop a comprehensive and wide-reaching training package that is both of good quality and accessible. We will always adapt our training to the particular requirements of each country but as we grow and expand we have been investing in regulating the training that we deliver. This has also provided us with the opportunity to update and refine our existing materials. Our new suite of training materials is divided into 3 key levels, 'Foundation', 'Core' and 'Advanced' training. This year we have successfully completed the 'Foundation' training which is now being translated and delivered in our projects. The 'Foundation' training module outlines the importance of family-based care and Care for Children's unique and proven methodology to implement a sustainable solution into a child welfare system. It also provides an introduction to family-placement and an outline of how the process works as well as introducing some key technical concepts. The full details can be found in our 'Providing a Foundation for family care' brochure.

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance (continued)

Financial review

a. Going concern

The Trustees have considered the financial position of the charity and Group at 31 December 2020. As at the date of this report, the charity has continued to meet its liabilities. The Trustees are confident that the charity can continue its successful track record of securing the funds needed to support its valuable work. This will be achieved by the senior managers and fundraising team applying for grants and donations. The charity's annual budgets and fundraising log demonstrate how the income will be raised to meet all the charitable expenditure and support costs. These financial statements have been prepared on the going concern basis.

b. Reserves policy

The policy of the Board is to seek to build up a reserve of unrestricted funds equivalent to two months normal operating expenses, or £250,000 which ever is the greater, as a buffer against the inevitable cyclical nature of donations raised by fundraising activities. In order to build this unrestricted reserve, funds are set aside in a separate bank deposit account. At this level the Board is confident that it could continue the core activities of the charity during a cyclical reduction of funding, when it would be able to achieve a reduction of its programme of activities consistent with a lower funding level. Due to the difficult COVID circumstances the level of unrestricted funds did fall in 2020, but the charity has further cut expenditure in 2021 and the financial position has improved in 2021 to date.

c. Material investments policy

The charity has the power to deposit or invest in any manner (but to invest only after obtaining such advice from a financial expert as the directors consider necessary and having regard to the suitability of investments and the need for diversification).

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under 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 Group and the charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors


Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, MA Partners Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Dr Robert Glover OBE
(Trustee)

Date: 22 September 2021

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK)

Opinion

We have audited the financial statements of Care for Children (UK) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's 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 requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from 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.

CARE FOR CHILDREN (UK)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

CARE FOR CHILDREN (UK)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

CARE FOR CHILDREN (UK)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MA Partners Audit LLP

MA Partners Audit LLP

Chartered Accountants and Statutory Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 28 September 2021

MA Partners Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CARE FOR CHILDREN (UK)
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	4	773,764	345,225	1,118,989	2,056,101
Investments	5	912	-	912	590
Other income	6	27,431	-	27,431	-
		<u>802,107</u>	<u>345,225</u>	<u>1,147,332</u>	<u>2,056,691</u>
Total income					
Expenditure on:					
Raising funds	7	143,390	-	143,390	283,519
Charitable activities	8	787,862	410,178	1,198,040	1,628,689
		<u>931,252</u>	<u>410,178</u>	<u>1,341,430</u>	<u>1,912,208</u>
Total expenditure					
Net (expenditure)/income		(129,145)	(64,953)	(194,098)	144,483
Transfers between funds	17	41,412	(41,412)	-	-
		<u>(87,733)</u>	<u>(106,365)</u>	<u>(194,098)</u>	<u>144,483</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		238,577	309,049	547,626	403,143
Net movement in funds		(87,733)	(106,365)	(194,098)	144,483
		<u>150,844</u>	<u>202,684</u>	<u>353,528</u>	<u>547,626</u>
Total funds carried forward					

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 23 to 41 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	13	198,129	149,779
		<u>198,129</u>	<u>149,779</u>
Current assets			
Debtors	15	10,764	65,150
Cash at bank and in hand		242,369	462,353
		<u>253,133</u>	<u>527,503</u>
Creditors: amounts falling due within one year	16	(97,735)	(129,656)
Net current assets		155,398	397,847
Total assets less current liabilities		<u>353,527</u>	<u>547,626</u>
Total net assets		<u><u>353,527</u></u>	<u><u>547,626</u></u>
Charity funds			
Restricted funds	17	202,684	309,049
Unrestricted funds	17	150,843	238,577
Total funds		<u><u>353,527</u></u>	<u><u>547,626</u></u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Dr Robert Glover OBE
(Trustee)

Date: 22 September 2021

The notes on pages 23 to 41 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	13	198,129	149,779
		198,129	149,779
Current assets			
Debtors	15	10,764	64,792
Cash at bank and in hand		208,537	416,089
		219,301	480,881
Creditors: amounts falling due within one year	16	(97,227)	(128,400)
Net current assets		122,074	352,481
Total assets less current liabilities		320,203	502,260
Total net assets		320,203	502,260
Charity funds			
Restricted funds	17	183,935	290,300
Unrestricted funds	17	136,268	211,960
Total funds		320,203	502,260

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Dr Robert Glover OBE
(Trustee)

Date: 22 September 2021

The notes on pages 23 to 41 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	20	(112,975)	15,237
Cash flows from investing activities			
Purchase of intangible assets		(107,009)	(82,155)
Net cash used in investing activities		(107,009)	(82,155)
Change in cash and cash equivalents in the year		(219,984)	(66,918)
Cash and cash equivalents at the beginning of the year		462,353	529,271
Cash and cash equivalents at the end of the year	21	242,369	462,353

The notes on pages 23 to 41 form part of these financial statements

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The charity is a company limited by guarantee. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Care for Children (UK) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The Trustees are confident that the charity can continue its successful track record of securing the funds needed to support its valuable work. This will be achieved by the senior managers and fundraising team applying for grants and donations. The charity's annual budgets and fundraising log demonstrate how the income will be raised to meet all the charitable expenditure and support costs. The Trustees therefore consider it appropriate to prepare these financial statements on the going concern basis.

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.8 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.9 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Documentary and website - 20 % straight line

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Financial instruments

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

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

- estimated useful life of intangible assets - see note 2.9.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Income from donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	773,764	-	773,764	290,275
Grants	-	345,225	345,225	1,765,826
Total 2020	<u>773,764</u>	<u>345,225</u>	<u>1,118,989</u>	<u>2,056,101</u>
<i>Total 2019</i>	<u>290,275</u>	<u>1,765,826</u>	<u>2,056,101</u>	

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bank interest	<u>912</u>	<u>912</u>	<u>590</u>

6. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Government grants	<u>27,431</u>	<u>27,431</u>	<u>-</u>

Included within grant income is government grant income of £27,431 from the Coronavirus Job Retention Scheme. There are no unfulfilled conditions or other contingencies attaching to grants recognised in income.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Costs of raising voluntary income	40,632	40,632	187,112
Costs of raising voluntary income - wages and salaries	102,758	102,758	96,407
	<u>143,390</u>	<u>143,390</u>	<u>283,519</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Direct costs - Activities	<u>787,862</u>	<u>410,178</u>	<u>1,198,040</u>	<u>1,628,689</u>
<i>Total 2019</i>	<u>26,929</u>	<u>1,601,760</u>	<u>1,628,689</u>	

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Direct costs - Activities	882,051	315,989	1,198,040	1,628,689
<i>Total 2019</i>	<u>1,296,489</u>	<u>332,200</u>	<u>1,628,689</u>	

Analysis of direct costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	741,367	795,337
Project expenses	25,420	178,750
Travel	26,323	188,535
Office rent	82,152	69,040
Direct staff expenses	6,789	64,827
	<u>882,051</u>	<u>1,296,489</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	118,033	130,326
Amortisation	58,659	42,356
Office rent	19,701	20,944
Premises	10,308	5,479
Office expenses and stationery	39,921	78,510
Bank charges and interest	2,494	7,435
Foreign exchange	11,484	2,679
Miscellaneous	4,988	2,338
Governance costs	50,401	42,133
	315,989	332,200

10. Auditors' remuneration

	2020 £	<i>2019 £</i>
Fees payable to the charity's auditor for the audit of the charity's annual accounts	7,200	7,200
Fees payable to the charity's auditor in respect of:		
All non-audit services not included above	1,936	1,887

11. Staff costs

	Group 2020 £	<i>Group 2019 £</i>	Trust 2020 £	<i>Trust 2019 £</i>
Wages and salaries	756,912	801,797	715,322	760,378
Social security costs	175,270	192,163	175,270	192,163
Operating costs of defined benefit pension schemes	29,976	28,111	29,976	28,111
	962,158	1,022,071	920,568	980,652

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

11. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	Group 2020 No.	<i>Group 2019 No.</i>
Management staff	12	12
Project staff	30	36
	<hr/> 42 <hr/>	<hr/> 48 <hr/>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	<i>Group 2019 No.</i>
In the band £80,001 - £90,000	1	1

The total remuneration for key management personnel for the year totalled £257,585 (2019: £256,418).

12. Trustees' remuneration and expenses

During the year, one Trustee has been paid remuneration for employment as Executive Director of the charity as follows:

		2020 £	<i>2019 £</i>
Dr Robert Glover OBE	Remuneration	78,027	78,027
	Pension contributions paid	7,803	7,803

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Intangible assets

Group and Trust

	Documentary and website £
Cost	
At 1 January 2020	186,288
Additions	107,009
	<hr/>
At 31 December 2020	293,297
	<hr/>
Amortisation	
At 1 January 2020	36,509
Charge for the year	58,659
	<hr/>
At 31 December 2020	95,168
	<hr/>
Net book value	
At 31 December 2020	198,129
	<hr/> <hr/>
<i>At 31 December 2019</i>	149,779
	<hr/> <hr/>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Tangible fixed assets

Group and Trust

	Motor vehicles £	Office equipment £	Total £
Cost or valuation			
At 1 January 2020	13,883	17,090	30,973
At 31 December 2020	13,883	17,090	30,973
Depreciation			
At 1 January 2020	13,883	17,090	30,973
At 31 December 2020	13,883	17,090	30,973
Net book value			
At 31 December 2020	-	-	-
At 31 December 2019	-	-	-

15. Debtors

	Group 2020 £	Group 2019 £	Trust 2020 £	Trust 2019 £
Due within one year				
Other debtors	10,764	60,679	10,764	60,321
Prepayments and accrued income	-	4,471	-	4,471
	10,764	65,150	10,764	64,792

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Creditors: Amounts falling due within one year

	Group 2020 £	<i>Group 2019 £</i>	Trust 2020 £	<i>Trust 2019 £</i>
Other taxation and social security	25,618	14,267	25,618	14,267
Other creditors	72,117	115,389	71,609	114,133
	97,735	129,656	97,227	128,400

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds - all funds	238,577	802,106	(931,252)	41,412	150,843
Restricted funds					
Developing China family- placement programmes	30,618	3,716	(34,334)	-	-
Developing Thailand family- placement programmes	20,811	63,651	(84,462)	-	-
Cambodia fund	120,489	167,086	(108,783)	-	178,792
Vietnam fund	76,969	69,534	(146,503)	-	-
Documentary	41,412	36,096	(36,096)	(41,412)	-
India and Nepal	18,750	-	-	-	18,750
PPE	-	5,142	-	-	5,142
	309,049	345,225	(410,178)	(41,412)	202,684
Total of funds	547,626	1,147,331	(1,341,430)	-	353,527

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds (continued)

The Developing China family-placement programmes IKEA fund supports the development of foster care in China, giving orphaned and abandoned children the opportunity of growing up in loving, local families.

The Developing Thailand family-placement programmes IKEA fund supports the development of foster care in Thailand, giving orphaned and abandoned children the opportunity of growing up in loving, local families.

The Cambodia fund is for international meetings and visits to further promote fostering in Cambodia.

The Vietnam fund is for planning and research to set up a Care for Children fostering project in Vietnam.

The Children of Shanghai documentary fund supports the development of a documentary that tells the story of some of the first children in Shanghai that were placed into foster families by Care for Children. The restriction applicable to these funds is met as the charity incurs expenditure on the documentary as there are no restrictions on the intangible asset. Accordingly a transfer has been made to unrestricted funds.

The India and Nepal fund for an exploratory visit to scope out a potential fostering project in those countries.

The PPE fund is to cover the cost of hygiene products to protect from the spread of COVID 19.

In the prior year, restricted funds to support the development of a website providing a wealth of online resources in family placement / family-based care and for the promotion of fostering in Thailand were utilised.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds					
General Funds - all funds	71,872	290,865	(310,448)	186,288	238,577
Restricted funds					
Developing China family- placement programmes	80,344	854,370	(904,096)	-	30,618
Developing Thailand family- placement programmes	29,841	255,160	(264,190)	-	20,811
Cambodia fund	-	209,903	(89,414)	-	120,489
Vietnam fund	43,399	354,230	(320,660)	-	76,969
Restricted China My Family website	92,000	-	-	(92,000)	-
Documentary	43,537	92,163	-	(94,288)	41,412
India and Nepal	18,750	-	-	-	18,750
Promotion of fostering in Thailand	23,400	-	(23,400)	-	-
	331,271	1,765,826	(1,601,760)	(186,288)	309,049
Total of funds	403,143	1,765,826	(1,912,208)	-	547,626

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
General funds	238,577	802,106	(931,252)	41,412	150,843
Restricted funds	309,049	345,225	(410,178)	(41,412)	202,684
	<u>547,626</u>	<u>1,147,331</u>	<u>(1,341,430)</u>	<u>-</u>	<u>353,527</u>

Summary of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2019 £
General funds	71,872	290,865	(310,448)	186,288	238,577
Restricted funds	331,271	1,765,826	(1,601,760)	(186,288)	309,049
	<u>403,143</u>	<u>2,056,691</u>	<u>(1,912,208)</u>	<u>-</u>	<u>547,626</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Intangible fixed assets	198,129	-	198,129
Current assets	50,449	202,684	253,133
Creditors due within one year	(97,735)	-	(97,735)
Total	<u>150,843</u>	<u>202,684</u>	<u>353,527</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Intangible fixed assets	149,779	-	149,779
Current assets	218,454	309,049	527,503
Creditors due within one year	(129,656)	-	(129,656)
Total	238,577	309,049	547,626

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	<i>Group 2019 £</i>
Net income/expenditure for the period (as per Statement of Financial Activities)	(194,098)	144,483
Adjustments for:		
Depreciation charges	-	2,925
Amortisation charges	58,659	36,509
Decrease in debtors	54,385	41,638
Decrease in creditors	(31,921)	(210,318)
Net cash provided by/(used in) operating activities	(112,975)	15,237

21. Analysis of cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>
Cash in hand	242,369	462,353
Total cash and cash equivalents	242,369	462,353

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	462,353	(219,984)	242,369
	<u>462,353</u>	<u>(219,984)</u>	<u>242,369</u>

23. Pension commitments

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £29,976. Contributions of £3,464 were payable to the funds at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 December 2020 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	<u>4,080</u>	<u>29,404</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

25. Related party transactions

During the year remuneration of £40,000 (2019: £40,000) and rent and medical insurance of £Nil (2019: £5,846) was paid to Thomas Abbott, an employee of the charity. Thomas Abbott is a close family member of Trustee and Executive Director, Robert Glover.

During the year, remuneration of £1,888 (2019: £Nil) was paid to Lois Hall, an employee of the charity. Lois Hall is a close family member of Trustee and Executive Director, Robert Glover.

During the year, remuneration of £20,000 (2019: £20,000) was paid to Elizabeth Glover, an employee of the charity. Elizabeth Glover is a close family member of Trustee and Executive Director, Robert Glover.

During the year, the charity was invoiced £17,833 (2019: £Nil) by Johnny Hall for services provided. Johnny Hall is a close family member of Trustee and Executive Director, Robert Glover.

During the year, remuneration of £1,477 (2019: £11,693) was paid to Johnny Hall. Johnny Hall is a close family member of Trustee and Executive Director, Robert Glover.

During the year, £Nil (2019: £43,000) was received from a foundation which Mark Stolkin, a Trustee, is connected to.

26. Principal subsidiaries

Details of the material subsidiaries of the group are as follows:

Care for Children (US)

Subsidiary name	Care for Children (US)
Basis of control	Control over subsidiary at board level

Total assets as at 31 December 2020	£26,256
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Total liabilities as at 31 December 2020	£(508)
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Total equity as at 31 December 2020	£25,748
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Turnover for the year ended 31 December 2020	£547,212
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Expenditure for the year ended 31 December 2020	£(555,101)
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Loss for the year ended 31 December 2020	£(7,889)
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in addition, the following companies are non-material subsidiaries of the group (the results of which are also included in the consolidated accounts):

Care for Children (H K) Limited
Grace Training (HK) Limited
My Family (Beijing) Company Limited