

CAUDWELL CHILDREN
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

CHARITY REGISTRATION NO.
ENGLAND AND WALES 1079770
SCOTLAND SC043874

COMPANY REGISTRATION NO. 3864620
(ENGLAND AND WALES)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Bennett J Griffiths L Morris J Alexander R Mehta M Griffiths (appointed 16 th February 2022)
Secretary	C Bennett
Charity number	1079770
Charity Registered in Scotland	SC043874
Company number	3864620
Registered office and Charity office	Caudwell International Children's Centre Innovation Way Keele Science & Innovation Park Newcastle-under-Lyme Staffordshire ST5 5NT
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays Bank plc 36 Town Road Hanley Stoke-on-Trent ST1 2PJ
Solicitors	Knight & Sons The Brampton Newcastle-under-Lyme Staffordshire ST5 0QW

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TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees who are the Directors for the purposes of the Companies Act 2006, present their report and financial statements for Caudwell Children for the year ended 31 December 2022. The Trustees confirm that the annual report and financial statements of the Charity comply with current requirements, the requirements of the Charity's governing document and the provision of the Statements or recommended Practice "Accounting and Reporting by Charities" (SORP 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT**CONSTITUTION**

The Charity is a charitable company limited by guarantee and was set up by a Memorandum of Association on 25th October 1999. Its Memorandum and Articles of Association were last amended in 2016. Caudwell Children has no share capital and is a registered charity with the Charity Commission in England & Wales as well as the Charity Commission Scotland.

Caudwell Children owns 100% of the share capital of CCG D&B Ltd. This wholly owned subsidiary operates as a Design and Build Company and is responsible for the design, build and delivery of the Charities new Caudwell International Children's Centre, which opened in September 2018. The management of this subsidiary is carried out on a voluntary basis thus incurring no salary costs and all profits earned are donated back to Caudwell Children

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

Caudwell Children is governed by a Board of Trustees which comprises a Chair and Trustees. The Chair is appointed by the Board from the existing Trustees. Trustees are recruited to ensure a broad mix of skills and backgrounds.

The Trustees are responsible for the governance and support the strategy vision of Caudwell Children developed by the CEO, team and with the children, young people and family engagement groups. The Board comprises of a mix of parent representatives, medically qualified trustees and those with business, people, and legal specific skills.

The Board of Trustees meet twice a year (other meetings, communications occur as required) with the Chief Executive Officer who reviews the progress, priorities strategic direction, charity governance, performance, charity codes of conduct, risk, to ensure compliance, for example. Responsibility for agreeing key areas of activity and policy is delegated to the CEO enabling efficient management and development of the charity, which are report back into Trustee meetings. The day to day running of the Charity and executive responsibility is delegated to the Chief Executive Officer who is supported by a Senior Management Team.

Trustees are appointed for a renewable term of three years and are the directors of the company for the purposes of the Companies Act 2006.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new trustees are required to undertake a comprehensive induction programme and training programme to learn about the work of Caudwell Children to identify opportunities to become more involved with our work. Trustees are invited to attend events, site visits and additional training. All New Trustees meet with the Chief Executive and Senior Team to discuss:

- Their role and responsibilities
- Key documents including the Memorandum and Articles of Association

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

- Strategic plan of Caudwell Children
- The Charities focus on outcomes
- All future plans
- CQC Governance and Responsivities
- ISO Policies and Procedures

A review of governance is carried out annually, to assess the effectiveness of the Trustees and identify any improvements to governance arrangements.

Updates on our work are offered to trustees on a regular basis.

Trustee's Indemnity

Each of the Trustees has the benefit of an indemnity which is a qualifying third-party indemnity as defined by Section 234 of the Companies Act 2006.

Limits of Liability

- Trustee Indemnity
- Corporate Liability
- Employment Practice Liability
- Professional Indemnity
- Fidelity

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Charity is driven forward on a daily basis by its CEO, Trudi Beswick. The CEO and the Senior Officers form the Executive Team. Each member of this team has clearly defined areas of responsibility and accountability. The Executive Team interact informally on a daily basis, the CEO holds weekly meetings and monthly Board meetings to discuss and implement strategic operational issues and to monitor and control the performance of the Charity against the Strategic Plan. 121 meetings are also held with each Senior officer by the CEO every six weeks to focus on projects, careers and future development. These meetings update the charity teams and reporting systems across the charity including the Trustee reports where applicable.

OBJECTIVES AND ACTIVITIES

Vision

A world where all disabled children and their families have choice, opportunity, dignity and understanding.

Mission

Practical and emotional support through compassionate and efficient services.

Motto

Whatever it takes.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIES FOR ACHIEVING OBJECTIVES

The following are the four key strategic objectives for the reporting period 2022.

- Continue to be a leading provider of equipment, treatment, therapies and support to disabled children.
- Raise the profile and awareness of the Charity brand, helping people to understand disabilities and childhood illness and the impact our support makes to individual lives.
- Continue to develop the infrastructure to enable Caudwell Children to fulfil its long term aims.
- Expanding the Services provided and Develop / Create new services to fit new needs.

These objectives are undertaken with the aim of enabling Caudwell Children to provide a continued high-quality service to its target sector of socially excluded individuals.

ACTIVITIES & SERVICES FOR ACHIEVING OUR GOALS

To transform lives:

- Family support services and short break activities, at times of crisis
- Mobility and sensory equipment
- Access to life-saving surgeries and treatments
- Life changing therapy and support programmes for children with brain injuries and their families
- Holistic therapies and support programmes for Autistic children and their families
- Sports equipment to enable talented athletes to participate in competitive sport
- Grow the delivery of our new CCAS service from our new CICC centre
- Attend National & International conferences to raise awareness of our work

OUR ASPIRATIONS

From the very beginning Caudwell Children has always aspired to be recognised as a leading national provider of services for disabled children and an example of best practice in fundraising.

The charity continues to focus on service provision, in particular the way we help and support children and families affected by autism spectrum disorders and how we grow to meet the ever increasing global demand for autism assessments and intervention.

During the year local NHS contracts were won for the delivery of our CCAS Service. This was only limited by the international skills shortage for clinical specialisms including psychology, speech and language therapists and occupational therapists. A continued recruitment drive throughout 2022 maintained the required clinical expertise to deliver the charity's vision for an efficient and cost-effective assessment and intervention pathway. Whilst there has been and continues to be a shortage in the labour market we continued to grow both in resource and impact.

During 2022 all of the MDT (multi-disciplinary clinical team) members continued to develop the CCAS service by carrying out the much-needed ASD assessments both from the CICC and online. Online training for ADIR and ADOS was continued to all new clinical team members. This widened the breadth of skills within the clinical team enabling them to offer support to more children & families both virtually and face-to-face.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

These ongoing developments assist us in our principle that the right pathway and subsequent research will provide vital evidence, improved early intervention pathways, increased independence and better family wellbeing for the millions of people living with autism in the UK and worldwide.

We are pleased to confirm that throughout 2022, Caudwell Children remained registered with the CQC maintaining an overall rating of Good allowing the charity to continue to operate its full in-house autism service. Our continued relationship with the CQC representatives remained remote due to the priority for inspections being assigned to less well-performing healthcare providers. We continue to work towards the achievement of an 'Outstanding' rating upon the next inspection.

During November 2022 the charity also underwent its annual ISO audit which we are pleased to report was another pass with no major or minor issues raised for improvement. This once again underpins the charity's management's dedication and focus when it comes to documented policy and procedures and its desire in looking for and being open to, continuous development and improvement.

Our primary objective has not changed and is still to reach and provide support to every disabled child living in the UK, regardless of disability. But we also feel that we have a critical part to play in the global disability community and by sharing research and best practice with our partners around the world we can potentially help millions of children.

PUBLIC BENEFIT STATEMENT

Directors of a charity have a duty to report in their Annual Report on their charity's public benefit. In setting plans and priorities for areas of work, as Trustees of Caudwell Children we have followed the latest guidance from the Charity Commission on the provision of public benefit, in accordance with section 17 of the Charities Act 2011. In particular, we consider how activities will contribute to meeting the objectives they have set and focus on the services that will deliver the greatest impact to the most disadvantaged disabled children and their families. In delivering these services, we clearly identify the impact to the children and families we work with and monitor short and long term progress. We are passionate about ensuring our services transform lives and that we continue to learn the most effective and efficient ways to support our beneficiaries. We have demonstrated how Caudwell Children delivers its core charitable objective in the Strategic Report section which sets out our objectives and achievements during financial year of 2022.

Caudwell Children is established for the public benefit of children in the community, delivered through equipment, treatment, therapies and support of disabled children and young people. The Charity is established for the public benefit under the following purposes:

- Relief of poverty and sickness
- Advancement of education
- Promotion of equality and independence

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

As Trustees we have considered this matter and concluded:

1. That the aims of the organisation continue to be charitable;
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need;
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. That there is no detriment or harm arising from the aims or activities

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The last 12 months saw Caudwell Children build on the service delivery innovations we developed during the COVID-19 pandemic and continue to reach high volumes of disabled and autistic children throughout the year with a wide range of life-changing support.

Using the same direct stakeholder consultation that the charity has instilled since its formation our services continue to adapt and change to meet the needs of disabled and autistic children and their families.

Across the spectrum of the charity's service delivery portfolio we cater for the needs of children and young people with varying aspirations and needs.

In 2022 the holistic support of our Family Support service continued to reach high numbers of families in need, while the Get Sensory service maintained the level of need first identified during the pandemic; meanwhile the Autism Service continues to scale to meet the ever-growing demand and our Short Breaks service has maintained its effective work in local communities.

Since 2005 the charity has delivered services across England, Scotland, Wales and Northern Ireland:

We continue to support families from diverse and hard to reach communities across the UK, endeavouring to ensure no child with additional needs goes without the help they need.

We continue to support a high volume of children with a primary diagnosis of autism but also maintain a wide breadth of pan-disability support, with applications from children living with 51 different conditions being recorded over the last 12 months.

In regards to children reached this is the most successful year ever in our twenty-two-year history.

It is an achievement we are all extremely proud of and is testament to the hard work of the entire charity team, only made possible thanks to our generous donors, volunteers and supporters.

As the world adapts and recovers from the pandemic, the charity's fundraising also showed positive signs of growth in some key areas, while also witnessing the continued strain on the average household finances as the cost of living crisis began to take affect.

The ability to return to traditional face-to-face fundraising allowed our revered events portfolio to bounce back, with the Butterfly Ball London and Monaco returning, as well as a new Portugal edition being added to the calendar.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Collaborations with NHS trusts, local authorities and the Geneva Health Authority also boosted income from contractual service provision. Multi-year partnerships with Careys, The Edward Gostling Foundation, Spirit of 2012 and Energy Redress contributed to a positive overall outcome.

As a result, the charity achieved a 33.5% increase in fundraising income in comparison to 2021 and returned to pre-pandemic income levels.

Our donors allow for life changing support to be given to the most vulnerable in society. Our supporters provide us with the independence to ensure that disabled children and their families' voices are heard within UK Government and across local health and social care providers.

The charity team continue with the ongoing focus on building partnerships with corporate supporters, key national services, grant making bodies and commissioners across the UK.

The development of Caudwell Children and its services have always been based on the needs of disabled children and their families. By listening carefully to beneficiaries, the charity has carefully shaped their growth to try and fill the gaps left by statutory services and other charities.

Where necessary, the charity will use its public profile and influence to highlight the plight of disabled children and carers in continued efforts to positively affect policy and practice both domestically in the UK and Internationally.

During 2022 we continued to find appropriate platforms to ensure the opinions of experts by experience could be heard and continued to collaborate with partner organisations and colleagues from across the voluntary sector to share best practice and raise national or political awareness for topical issues when necessary.

In particular the charity's public and political influence continued with participation in the Institute of Directors (Greater Birmingham), with CEO Trudi Beswick serving as the Inclusion & Diversity Ambassador, the steering committee of the Children 1st Alliance, the new British Standards Institute PAS design standards for neurodiversity, as a Board Member of the Children's Activities Association and the Stakeholder Engagement Ambassador of the Design in Mental Health Network. Enabling the team, families and children to collaborate with other organisations and specialists whilst raising the profile of the needs of children and families, services and awareness.

In Westminster, the charity also maintained active participation in several All Party Parliamentary Groups; for Autism, Cerebral Palsy, and for a Fit & Healthy Childhood as well regularly attending the Council for Disabled Children meetings and contributing as stakeholders for the National Institute for Clinical Excellence (N.I.C.E) again forming partnerships and collaborations.

The Birmingham 2022 Commonwealth Games will be rightly remembered for some stunning sporting performances, but its true legacy is likely to be away from the sporting venues.

In collaboration with Spirit of 2012, K'antu Ensemble, Birmingham 2022 and the greater Birmingham community, Caudwell Children successfully delivered the 'All Roads Lead To Alexander' project representing the breadth of diversity that the Commonwealth has to offer. Through music and art workshops, working with children with special educational needs and disabilities, the project produced an exciting series of performances from local community groups across four local community venues – including a special performance in the heart of Birmingham City Centre during the Games.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Throughout the year the charity team maintained productive working partnerships with organisations including the Birmingham Children's Hospital, National Autistic Society, The Design in Mental Health Network, Garfield Weston Foundation, Edward Gostling Foundation, Children's Activities Association, Westminster Autism Commission, Keele University, University College London Hospital and University Hospital North Midlands.

During the year CEO and Senior Officers have also continued the charity's international influence through relationships with The Milken Institute, The Giving Pledge and The Sikh Human Rights Group, with whom the charity continue to contribute to the United Nations Human Rights Council.

One of the charity's core strengths is being recognised as a national charity with a local heart. This is achieved by working within local communities, to be a safety net for families unable to gain the help they need. This is made possible by the teams work in Northern Ireland, Scotland, England and Wales, ensuring disability and Caudwell Children remains high on the political agenda across all our nations.

The charity has maintained partnerships with Children's hospitals across the UK including Great Ormond Street, Birmingham Children's Hospital, Bristol Children's Hospital, Leeds General, University Hospitals Nottingham, Royal Belfast Hospital for Sick Children, Royal Hospital for Sick Children Yorkhill and University Hospital of Wales. We also continue to be commissioned by Staffordshire County Council to deliver short break activities as part of the Aiming High for Disabled Children strategy.

High profile fundraising events continue to prove an effective vehicle for the charity to raise awareness and funds for its services.

The 2022 edition of Caudwell Children's Butterfly Ball, London sponsored by Careys sparked a paparazzi frenzy around the iconic Leicester Square when the star-studded event arrived at The Londoner Hotel for the first time. Host charity ambassador, Peter Andre, introduced performances from Nicole Scherzinger, Jessie J and Mabel to help deliver another unforgettable event which raised £1.5million profit to help fund the charity's services in 2022.

Later in the summer the charity also took the event to the Quinta do Logo resort on the Algarve for the inaugural Butterfly Ball, Portugal where we were joined by esteemed guests and philanthropists and raised over €300,000. Due to the success of the new gala dinner event we are planning a return for 2023.

The autumn then saw the welcome return of the Cycle with Champions challenge followed the ultra-glamorous Butterfly Ball, Monaco masterminded by Modesta Vzesniauskaite. Returning to the opulent ballroom at the Hôtel Hermitage Monte-Carlo, guests were enthralled by an evening of exquisite entertainment and fine-dining before learning more about the charity and generously donating an incredible €961,000 in the auction.

We would also like to thank the events headline sponsors, Burgess Yachts and Wider.

The passionate and unremitting support of the charity's founder, John Caudwell, and his network of family friends and associates was again a significant contributor to the charity's overall success in helping more families than ever before.

In 2020 John Caudwell launched his innovative new 'Life Changers Circle', an exclusive network of high-value donors who share the same passion for philanthropy and wish to network with like-minded people, with the help of his dedicated Charity Pioneer, Jo-Ann D'costa-manuel.

In 2022 we welcomed the first six members of the Life Changers Circle to a very special unveiling of their 'star' on the dedicated instillation at the Caudwell International Children's Centre. Each member has donated an initial £100,000 to the charity and pledged to donate £1million each over 10 years.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

With special thanks to Life Changers; Mr Avnish & Mrs Anita Goyal, Mr Harry & Mrs Charlotte Fenner, Mr Graeme & Mrs Leanne Carling, Mr Andrew & Mrs Stephanie Sheppard, Mr Lex van Hessen & Ms Tatjana Simic and Ms Quentin Esme Brown.

Total income for the year increased by 33.5% compared to 2021. The CEO and Senior officers maintained a strong focus on maximising the available income to provide for our ongoing services. With every penny raised they continue to drive efficiencies and reduce expenditure where ever possible. It is a core value of all our employees and volunteers to constantly search and obtain the best value for money in all that they do.

This is done with the clear mind-set that the more we save the more services we are able to deliver to greater numbers of disabled children and their families. We are once again extremely proud to have maximised every £1 raised, thus enabling us to provide more than £2.27 worth of goods and services for every £1 raised throughout 2022 and continuing the achievement of more than doubling the pound in every year of the Charities fundraising history. This level of efficiency is further compounded by the Charity's unique situation, with Mr John Caudwell committing an annual personal donation to cover the organisation's management and administration costs; therefore, offering donor's peace of mind that their direct donations are spent directly on the children and families making the best possible impact.

Meanwhile, Caudwell Children continues to work closely with colleagues across the voluntary sector to ensure the most efficient and effective delivery of services. Over the past twelve months the charity has continued effective partnerships with organisations including Edward Gostling Foundation, Tree of Hope, Just4Kids, Variety UK, Independence at Home, Family Fund and NewLife. The team also furthered our links with charitable services close to our Head Office in Staffordshire, with regular interaction with the North Staffs Autism and Asperger Society, Douglas Macmillan Hospice and Parent Voice.

REPORTING BACK ON OUR OBJECTIVES

A founding principle of Caudwell Children was to offer supporters transparency and efficiency.

Devised during the pandemic by CEO, 'The Big Bang' strategy document is an all-encompassing flowchart detailing the inputs and outputs of the charity including service delivery objectives, targets and costs.

Provided to every team member and shared with external stakeholders, The Big Bang provides clarity over the strategic pillars of the charity and the key deliverables for the year.

The useful reference tool also highlighted the extent and breadth of public and political work being undertaken but was not always visible to team members.

As in previous years the team has not slowed down in the pursuit of Caudwell Children holding a substantial and recognised position within the charity market. Continuing to set challenging goals and working through collaborative methods to be identified as the UK leading voluntary provider of treatment, therapies and equipment across the UK.

The scale of our direct work and its impact continues to gain a much wider recognition because of the creation and delivery of efficient, effective and person lead services. We have widened our scope of delivery partners and funding bodies allowing us to deliver new digital training services amongst other new services.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The team's leadership continues to focus on the needs of the children and families and the support of the staff in delivering these services even in the toughest of circumstances.

The digital strategies brought forwards during the pandemic, along with the training and systems put in place have continued through 2022 allowing the charity to continue to respond to the changing impacts of the post-pandemic world.

These new learnings and skills have added to Caudwell Children's future capability to deliver ever changing services and it is this that gives us so much pride in the team.

It is this continued leadership, management and dedication that stands the charity on firm foundations and why it consistently achieves its ambitious targets and has even larger ambitions for the years ahead. Whilst being challenging in scale these future plans aim to be recognised across the sector as a true exemplar of what can be achieved when many disciplines are brought together to focus on the issues at hand. Each year we continue to expand our reach into new communities, which in turn changes the futures of disabled children and their families who continue to be in need of our services.

In order to deliver more and more life changing therapies, we recognise the need to develop our service delivery provision. We also understand the national and global disability landscape and need for increased support and research in to the cause and effect of the most prevalent disabilities.

In order to meet these future goals, we designed, developed, built and opened the Caudwell International Children's Centre in 2019.

This multi award winning, bespoke environment embraces the latest technologies within an integrated infrastructure that has been designed with parent and child collaboration as well as industry leading professionals. The Centre provides a state-of-the-art base for our therapies and creates an environment where controlled, evidenced based research can be undertaken. Our aim for this research is to change the way some conditions are managed, changing the futures of millions of people around the world.

With the build now complete and the centre fully open, the ongoing management of the wholly owned subsidiary CCG D&B Ltd is managed and administered on a purely voluntary basis by the CEO and the CFO of Caudwell Children. This ensures that there will be no subsidiary running costs incurred by the charity and more importantly all profits earned by the subsidiary during the construction phase have been donated back to Caudwell Children.

In order to achieve the ongoing goals and aims of the charity, we seek your support for much more than money alone. We seek your support for a new approach to disability and a lifelong partnership, giving disabled children the chance to lead a full and independent life. Our interventions and support for disabilities will go way beyond the walls of the charity, enabling us to change the disability landscape in the UK which will be achieved through meaningful stakeholder engagement, collaboration and communication.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**OBJECTIVE 1****Continue to be a leading provider of equipment, treatment, therapies and support to disabled children**

As with any good business, it is not just scale on which we measure our success, but the quality of service and the meaningful impact that we have on children's and families' lives.

Our extensive research and engagement function measures individual goal setting and standardised quality of life measures to ensure that we continue to address the needs of the beneficiaries we are here to support.

There are some things that affect quality of life that are unfortunately beyond our control (COVID-19, personal tragedy, housing etc) but we continue to be part of a positive change in most people's lives that access our services.

Overall, of the beneficiaries that completed the quality of life measures research study throughout 2022, 83% of all respondents reported an improvement in quality of life since receiving a service from the charity. 9% of respondents reported no change and 8% reported a decrease.

OBJECTIVE 2**Raise the profile and awareness of the Charity brand, helping people to understand disabilities and childhood illness and the impact our support makes to individual lives**

Collaboration has always underpinned the charity's mission to create a better world for disabled and autistic children. It is through strategic partnerships and networks that the charity is able to reach greater numbers of beneficiaries and ensure the voices of people with lived experience of neurodiversity and disability are heard. In a post-pandemic environment many of the charity's alliances have increased their activity and impact.

Partnerships with the charity founder, John Caudwell, and organisations including the Great British Entrepreneur Awards and the All Party Parliamentary Group for Cerebral Palsy have been important parts of the charity's successful outreach in 2022, which have been complimented with service delivery partnerships with NHS trusts and local authorities and extensive work by the CEO across many organisations aimed at improving environments, systems and policy for disabled people.

OBJECTIVE 3**To develop the infrastructure to enable Caudwell Children to fulfil its long term aims**

Recruitment and workforce retention remains one of the biggest challenges to the charity, as we experience the same shortage of clinical specialties as the whole healthcare network, including psychologists, speech & language therapists and occupational therapists.

Despite the global shortage in qualified clinical staff we continue to provide fantastic career opportunities for a growing number of our 'Purple People' and offer on-the-job training for an increasing amount of students, apprentices and trainees.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

This dedicated and passionate workforce is complemented by a team of equally passionate and skilled volunteers, without whom we would not be able to deliver the same levels of support to our beneficiaries and we are incredibly grateful.

Devised during the pandemic by CEO, 'The Big Bang' is an all-encompassing flowchart detailing the inputs and outputs of the charity including service delivery objectives, targets and costs.

Provided to every team member and shared with external stakeholders, The Big Bang provides clarity over the strategic pillars of the charity and the key deliverables for the year.

The useful reference tool also highlighted the extent and breadth of public and political work being undertaken but was not always visible to team members.

OBJECTIVE 4**Expanding the services provided and Develop / Create new services to fit new needs.**

The last 12 months saw Caudwell Children build on the service delivery innovations we developed during the COVID-19 pandemic and continue to reach high volumes of disabled and autistic children throughout the year with a wide range of life-changing support.

Using the same direct stakeholder consultation that has been instilled in the charity since its formation our services continue to adapt and change to meet the needs of disabled and autistic children and their families.

Across the spectrum of the charity's service delivery portfolio we cater for the needs of children and young people with varying aspirations and needs.

In 2022 the holistic support of our Family Support service continued to reach high numbers of families in need, while the Get Sensory service maintained the level of need first identified during the pandemic; meanwhile the Autism Service continues to scale to meet the ever-growing demand and our Short Breaks service has maintained its effective work in local communities.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**COVID-19 IMPACT STATEMENT ON STRATEGIC REPORT POST YEAR END.**

COVID-19 had a severe adverse impact on the finances of Caudwell Children during the whole of 2020 and most of 2021.

Despite a continued disruption to society's norms, we managed to hold several mass participation events and raised millions in the process during 2022.

These positive results are continuing into the start of 2023 and whilst we may well need to create some further readjustments to future strategies and timings of planned goals and outcomes we believe these will be much smaller going forwards than they were a year or two ago.

As has been mentioned several times above, this once in a lifetime event has been recognised by our CEO and Senior officers, as an opportunity to review how Caudwell Children's services can be adapted and delivered given these ever-changing external factors. We are extremely pleased by the way the charity has very quickly adapted to the new ways of operating and have brought forward some of the planned developments regarding remote assessments and virtual workshops. Whilst it was always the vision to incorporate technology as much as is appropriate into our future developments, this pandemic has been treated as an opportunity to expedite these visions into firm practices so as to reach as many children and families as possible and not allow them to be further isolated through no fault of their own. We have every confidence in the leadership and team to continue with this approach throughout.

We do believe it is important and correct to assure our many supporters and readers of these statements that we remain as determined as ever to provide our much-needed services in the very best way they can be provided in whatever format is best for the children and families we serve throughout 2023 and beyond safely.

INVESTMENT POLICY AND PERFORMANCE**Investments**

Our policy is to ensure that sufficient funds are secured for 100% of all the family support equipment, treatment and therapies, at the point families enter the services. As a result of the level of committed expenditure, the majority of the funds have been restricted. These separate restricted funds can only be used for the intended services they are restricted to. This leaves free reserves equal to just under seven months of the budgeted general fund expenditure. These are slightly higher than the target of six months but are much lower than the previous two years. These unrestricted reserves are held in case of any sudden decline in income and ensure commitments made to providing services for children can be met (in the form of contractual commitments to staff and premises). Where treatment and therapy is agreed over a specified number of years, monies are restricted in the accounts against individual child cases, which ensures that all monies are available, as and when required. This process is managed in the monthly management accounts by the CEO, and overseen quarterly by Mr Craig Bennett, Company Secretary.

As at 31st December 2022 the charity holds total cash reserves of £9.51m of which £9.26m is deposited in a higher interest bearing instant access accounts. Due to the nature of the reserves currently held for longer term critical therapy and treatment programmes the charity is not in the position to deposit funds into any longer term higher interest accounts.

As Trustees, we take a prudent approach when making decisions about investing the Charity's funds. When investing the Charity's funds, we will aim to strike the right balance between:

- providing the best return on investments with minimal risk;
- having sufficient funds available to allow the Charity to carry out its purposes effectively;
- Maintaining, and if possible, enhancing the value of invested funds whilst they are retained.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**Trustees' Powers of Investment**

The Trustee Act gives trustees wide powers of investment, including shares in companies; land rented or leased out by the Charity to tenants; interest-bearing loans such as government bonds and deposits at banks or building societies; and units in collective schemes, such as unit trusts.

As Trustees, we reserve the right to invest in any or all of such investments. We will not invest in derivatives, private equity schemes, land purchased and developed with a view to sale, works of art, or commodities such as gold or vintage wine, acquired with a view to resale in the future at a profit.

As Trustees, we may delegate the management of the Charity's investments to a specialist either by investing in one or more collective investment schemes, such as unit trusts; or delegating our investment decisions by appointing an investment manager.

Investment Parameters and Restrictions

Our investment parameters and restrictions are reviewed each year and questioned internally on a regular basis. All available options are weighed against our internal policies so as to maximise opportunities whilst minimising risk and ethical concerns.

Given the above the following guidelines remain in place.

- All money to be invested at any particular time shall be agreed by the Charity CEO and Trustees. At no point should the Charity be without sufficient funds to meet its obligations. A regular cash-flow forecast must be prepared and reviewed before additional investments are made.
- Investments should be subject to minimal risk.
- No investment should be made in company securities not listed on a recognised stock exchange or in unit trusts not recognised under the Financial Services Act 2000.
- There should be no holdings in single company investments.

The ethical statement set out below applies to all investments made by the Charity.

Review

The investment policy is reviewed annually by the Board of Trustees and although we are continually looking for investment opportunities our cash flows do not allow us available funds to deposit for the required length of time to benefit from the higher returns. Given the increasing number of children the charity aims to assist and the capital investment required for our new charity building such medium and long-term investments are not practical.

RESERVES POLICY

As Trustees, we regularly review the reserves position to ascertain whether or not the funds being held are adequate for Caudwell Children's work. In doing this we take into consideration the assets required for the provision of the key provision, quality of provision and financial efficiency.

The review looks at the nature of income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves.

A minimum level of unrestricted funds and restricted funds should be maintained, to provide uninterrupted services. Outside of the Capital project reserves, much of the restricted reserves are held for the provision of critical longer-term treatment and therapy programmes.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022
FINANCIAL REVIEW (continued)

Unrestricted reserves

The Charity has historically aimed to maintain free reserves equivalent to no more than six months forward overhead expenditure. At 31st December 2022 unrestricted free reserves (unrestricted funds less amounts included in tangible fixed assets) amounted to £3,547,552 which is equivalent to just under seven months forward overhead expenditure. The increase is lower than the previous two years and is predicted to be back to 6 months in 2023. Through its risk management strategy, the Charity also manages risks associated with cash flow, investment and money markets. Free reserves are maintained so that in the event of a sudden decline in income, contractual commitments to staff and funding partners can be maintained.

The Charity also held £1,170,000 in designated funds. These funds have been designated for the purpose of matching the funding of various projects. These include the final year of a three year project with the The Edward Gostling Foundation to support our Sports Equipment and Equipment programmes.

£1,000,000 was designated for a new project to match fund the installation of Autism friendly communication boards into parks and public spaces across the UK.

Restricted Reserves

In order to meet our strategic objectives and long-term commitments we have specifically raised funds for the following specific purposes:

- The provision of providing therapies and treatment for disabled children
- The provision of specialist equipment for disabled children
- To provide practical and emotional support to disabled children and their families in times of crisis
- To build, equip and provide Autism assessments from a flagship centre for disabled children as an exemplar of good practice

As at the end 2022, £19,792,501 was held in restricted funds of which £16,799,456 is for the sole use of our innovative purpose-built centre for assessment, support and research which will be depreciated over a 25 years period. £416,907 is held for our in-house Autism programme. In addition to these £1,606,701 funds are held for treatment, therapy and equipment provision.

These funds provide core services, ensuring that we can provide equipment and services for the most disadvantaged and vulnerable families. Our fundraising ensures that funds are solely available for the specific purpose of providing treatment, therapy, and equipment and therefore are not compromised by the planned expansion of our charitable activities.

FINANCIAL REVIEW

With the support of our major benefactors, every pound donated is able to be donated directly to Caudwell Children's services supporting children, young people and their families. This coupled with the managements continued focus on efficiency and growth allows for maximum impact to be made by our people centred services on the lives of disabled children and their families. This years' venue for our annual Butterfly Ball was The Londoner Hotel, Leicester Square and generated a gross profit of over £1.5m. We thank our all of our supporters for making a success of this event once again.

The total income increased this year by £2,063,808 compared to 2021. This was driven by the reduction in COVID restrictions and the positive impact of our face-to-face events including the above mentioned Butterfly Ball, London.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Total expenditure increased by £1,880,129 year on year. This was driven by extra events and fundraising as well as an increase in children helped. We continue to focus on reducing costs and increasing efficiencies so as to maximise the positive impact of all donations. We strive to increase the number of families reached across the UK whilst always focusing on value for money and efficiency. To this end we are delighted to announce that the number of children helped in 2022 was 14,291 which equates to a 28.7% increase on 2021.

During the year 2022 the charity did not use any of the Governments Furlough Scheme. A total of £59,788 was claimed by the charity in the year ending December 2021.

Charitable activity in Scotland

As a charity registered in England, Wales and also in Scotland, we deliver our services in all these areas. Caudwell Children offers and provided its services to children across Scotland in 2022 including the provision of the New Get Sensory packs.

Financial Planning

We continue to manage the financial affairs through an annual planning process that aligns operational plans to generating the required resources. This annual plan is reviewed on a quarterly basis to ensure it provides us with the resources to meet the charities goals to achieve the vision. The plan also focuses on raising people's awareness of Caudwell Children, its work, disability and the challenges disabled children and their families face.

Cash forecasting is critical to the charities ongoing success and all funds are held in instant access accounts to allow the CEO and Trustees to be flexible and reactive to the demands on the charity. It is vital that these funds are accessible to provide the equipment, treatment and therapy services and the family support needs.

Whilst Caudwell Children rely heavily upon voluntary income generated through individual giving. This year we have continued to receive support from our corporate supporters as well as regular donations from the public. We have also received funding from individual trusts & foundations, NHS and energy Trusts as well as local authority funding.

The charity is committed to grow its service delivery and therefore its fundraising, whilst continuing to focus on efficiency. Whilst we are proud to deliver the highest quality of services, we are equally proud, if not more so of the efficient manner in which they have been developed and delivered in line with the needs of the young people, children and families, focused on a person-centred approach and all achieved by a tremendously well lead and managed team.

We are extremely grateful to our committed and generous supporters and volunteers who have given their time and or money, and we wish to inspire other supporters to join Caudwell Children's journey to help children, young people and families to receive the support they need so that they can reach their full potential and achieve their ambitions throughout their lifetime. The charity is ensuring the voice of their beneficiaries and stakeholders are heard and can influence change, life plans and societal issues which ensure this can occur.

All donors, supporters and partnerships are very important to the team and of course are the back bone of the success of the charity's outcomes. They are supported and are interacted with, with respect and as their requests denote which are reflected in the ongoing donor strategy.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**Income Growth**

The need to increase fundraising income was identified to cover increased liabilities for treatment, equipment, therapies, family services, Caudwell Children Autism Service and the ongoing running costs of the CICC, whilst laying the foundations for long-term developments. Awareness about disability and of our work in this area is key to meeting the long-term vision and during the year funds have been raised to continue raising awareness and reaching those families most in need.

Costs of generating funds

The cost of generating funds in 2022 was £1,243,780; an increase of £482,222 on 2021. It costs on average 15.1 pence to raise each £1 which is an increase on the 2021 cost of 12.5 pence per £1. We are aware of the need to strengthen and sustain our fundraising whilst continuing to control costs in a challenging economic climate. Throughout 2022 we continued to invest funds to create and enhance a stable long-term giving as well as short-term one-off events with a targeted 4:1 ROI.

COVID-19 IMPACT STATEMENT ON FINANCES POST YEAR END.

As previously stated COVID-19 had a severe adverse impact on the finances of Caudwell Children during the whole of the reporting years of 2020 and 2021.

Despite a continued disruption to society's norms since the start of COVID, we have continued to hold several mass participation events and raised millions in the process.

These positive results are continuing into 2023 and whilst we may well need to create some further readjustments to future strategies and timings of planned goals and outcomes we believe these will be much smaller going forwards than they were two years ago.

The CEO, CFO and Chairman have always kept very tight control on cash flow and expenditure. This strong discipline has served us well in the past, proved invaluable during 2020, 2021 and 2022 and will serve us even better during the years ahead. We had and still do have reserves to fall back on as was always the strategy. These funds are not limitless but they allow the charity some breathing space for the team to assess its position in this new landscape and react accordingly.

Daily operational cash flow analysis is carried out to ensure that all known expenditure is forecasted, minimised and planned for. As has always been the case all expenditure is heavily controlled within tight expenditure authorisation limits allowing only for the vital and necessary costs.

From a "going concern" basis the charity carries out cash flow forecasting based on zero income, guaranteed income and expected income on a six-to-twelve-month time horizon so as to best plan its allowable expenditure.

By employing all of the above processes, the trustees are satisfied that the financial management is well controlled and they and the CEO are fully informed and equipped to manage the current situation we all find ourselves in.

KEY MANAGEMENT PERSONNEL

The board of directors, who are the Trustees, and the CEO supported by the Senior Officers comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Directors give their time freely and no Director received remuneration in the year. All Directors expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of the executive staff is reviewed annually and is increased in line with performance set against pre-defined targets. Executive team members have their salaries benchmarked against similar roles in other organisations of a similar nature. Some key strategic targets need to be managed over several years and as such can be incentivised via long term bonuses in such a way which can lead to fluctuations in staff payroll figures year on year. All non-service delivery costs are covered by a single benefactor and are not taken from fundraising income which enables the charity to be more financially effective and recruit the best candidates to do all the roles within the charity, both fundraising, administration and service delivery.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**RISK MANAGEMENT**

As Trustees, we are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of Caudwell Children. Caudwell Children review their risk management strategy as part of both ISO9001 (2015) and CQC requirements. We, the Trustees, have completed our annual review of the risk management strategy. In the course of this review, we considered:

- the major risks to which Caudwell Children is exposed to
- the potential impact and probability associated with each risk
- existing internal controls and accountability for them
- Mitigating actions needed to reduce each risk to a level that we consider to be acceptable.

Some of the main risk factors for consideration were as follows.

- **Reputational Risk.** Caudwell Children continues to operate in an ethical manner and follows all laws, guidelines and methods of best practice. We, the Trustees are assured that the reputation is in good hands and with the building of the Caudwell International Children's Centre (CICC) its reputation will be taken to a truly global level. Given some of the issues suffered by many charities in past years regarding the use of third parties' services. In order to mitigate risk of guilt by association, Caudwell Children alongside the CEO's long-term strategy developed in 2007, the charity only works with a limited number of long-term third party service providers. We continue to build partnerships with councils and local authorities, grant funded and commissioned services with NHS and Energy trusts to develop and delivering services with their own teams under CQC regulations and ISO standards.
- **Donor Risk.** Caudwell Children continues to develop its donor base through high profile events such as the annual ball, regular events, challenges, social media and PR coverage and fundraising campaigns.

All of these positions are recorded in a risk register, which will continue to be formally reviewed by the Trustees every year and is regularly monitored by the CEO and Senior officers as part of the ISO & CQC process. The major financial risks are each subject to ongoing monitoring and management. Major projects have formal project leads that scrutinise their progress and ensure they are properly planned and implemented overseen in various meetings as noted within this document. The internal audit function delivers a rolling programme of risk-based audits independently assessed annually through our external inspection, which reviews progress of audits and follow-up by management.

The Charity works closely with its appointed Audit team to mitigate financial risk both on its current active programmes and on all future ventures.

Commercial Activities

Throughout 2022, we continued to review and develop plans for trading activities including commercial sponsorships and product sales. We will continue to review trading income and the establishment of a trading company taking into account the general economic climate and looking to maximise brand alignment and positioning.

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**Fundraising Activities**

Following the implementation of the Charities (Protection and Social Investment PSI) Act 2016, the Charity has reviewed its fundraising activities and confirms that it complies with the regulation. The Charity did not make use of any external fundraisers. No complaints were received in respect of its fundraising activities.

Ethical Awareness

As Trustees', our principal responsibility is to act in the best interests of the aims and objectives of the Charity. Caudwell Children's belief is at all times to work with companies who hold similar ethical values to Caudwell Children.

As Trustees, we will take all reasonable steps, to ensure all potential investments, are done so as to avoid investing in or with businesses where:

- such investment might conflict, or be inconsistent, with the aims, objectives or activities of Caudwell Children;
- such investment might hamper the work of Caudwell Children either by alienating financial supporters or potential financial supporters; or by having a material impact on applications from families in need of the Charity's services;
- Such investment is considered to be unethical.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

As Trustees (we are also directors of Caudwell Children for the purposes of company law) we 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 year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, we the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards 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 business

TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

We, the Trustees, are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- We, the Trustees have taken all steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Haysmacintyre LLP offer themselves for re-appointment at the next Annual General Meeting.

Approval

This Trustee's Report, incorporating the Strategic Report, was approved by the Trustees on 23rd November 2023 and signed on its behalf, by:



C Bennett
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF CAUDWELL CHILDREN

Opinion

We have audited the financial statements of Caudwell Children for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Group and Charitable company Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's and parent charitable company's net movement in funds, including the 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF CAUDWELL CHILDREN (continued)

is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 4, 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.

Auditor's responsibilities for the audit of the financial statements

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

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:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF CAUDWELL CHILDREN (continued)

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England, Wales and Scotland, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition and management override of controls. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 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.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

Date: 29 November 2023

CAUDWELL CHILDREN

(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted general funds	Designated funds	Restricted funds	Total 2022	Total 2021
		£	£	£	£	£
	<i>Notes</i>					
<u>Income from:</u>						
Donations & Legacies	2	711,007	-	3,275,681	3,986,688	2,376,103
Raising funds	3	2,950,991	-	1,205,460	4,156,451	3,778,049
Income from Investments	4	78,628	-	-	78,628	3,807
Total		3,740,626	-	4,481,141	8,221,767	6,157,959
<u>Expenditure on:</u>	5					
Raising Funds						
Costs of events	3	979,564	-	264,216	1,243,780	761,558
Charitable activities						
Children in the community		1,041,732	-	3,812,352	4,854,084	3,969,351
Advice and Awareness		1,042,187	-	310,256	1,352,443	839,269
Total		3,063,483	-	4,386,824	7,450,307	5,570,178
Net Income before transfers		677,143	-	94,317	771,460	587,781
Transfers between funds	12	(1,111,705)	1,001,705	110,000	-	-
Net movement in funds		(434,562)	1,001,705	204,317	771,460	587,781
Total funds brought forward		3,982,114	168,295	19,588,184	23,738,593	23,150,812
Total funds carried forward		3,547,552	1,170,000	19,792,501	24,510,053	23,738,593

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above

CAUDWELL CHILDREN

(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

COMPANY NO. 3864620

AS AT 31 DECEMBER 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed Assets					
Tangible assets	9	15,465,547	15,796,004	15,465,547	15,796,004
Investment in CCG D&B Ltd		-	-	1	1
Current assets					
Debtors	10	2,711,607	2,124,796	2,711,606	2,124,796
Cash at bank and in hand		9,509,543	7,933,867	9,509,543	7,929,846
		<u>12,221,150</u>	<u>10,058,663</u>	<u>12,221,149</u>	<u>10,054,642</u>
Creditors: amounts falling due within one year	11	(3,176,644)	(2,116,074)	(3,176,644)	(2,112,054)
Net current assets		<u>9,044,506</u>	<u>7,942,589</u>	<u>9,044,505</u>	<u>7,942,588</u>
Net assets		<u>24,510,053</u>	<u>23,738,593</u>	<u>24,510,053</u>	<u>23,738,593</u>
Income funds					
Restricted funds	12	19,792,501	19,588,184	19,792,501	19,588,184
Designated funds		1,170,000	168,295	1,170,000	168,295
Unrestricted funds		3,547,552	3,982,114	3,547,552	3,982,114
		<u>24,510,053</u>	<u>23,738,593</u>	<u>24,510,053</u>	<u>23,738,593</u>

The net movement in funds for the year relating to the parent charity alone amounted to a Surplus of £771,459 (2021: surplus £645,475)

The financial statements were approved and authorised for issue by the Board of Trustees on: 23 November 2023 and were signed below on its behalf by:



C Bennett
Trustee

CONSOLIDATED STATEMENT OF CASH FLOWS

AS AT 31 DECEMBER 2022

	Notes	Group 2022 £	Group 2021 £
Cash used in operating activities	15	1,545,150	(701,091)
Cash flows from investing activities			
Interest income		78,628	3,807
Purchase of tangible fixed assets		(48,102)	(29,095)
Cash used in investing activities		30,526	(25,288)
Cash flows from financing activities			
Cash used in financing activities		-	-
Increase (decrease) in cash and cash equivalents in the year		1,575,676	(726,379)
Cash and cash equivalents at the beginning of the year		7,933,867	8,660,246
Total cash and cash equivalents at the end of the year		9,509,543	7,933,867
Analysis of cash and cash equivalents		2022	2021
		£	£
Cash in hand		9,509,543	7,933,867
Total cash and cash equivalents		9,509,543	7,933,867

The accompanying notes form part of these financial statements.

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2022**1. ACCOUNTING POLICIES****Basis of Preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Caudwell Children meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

Given the charitable company's favourable fundraising record and the level of free reserves available at the year end, the Trustees consider that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Basis of Consolidation

The financial statements consolidate the results of the charity and its wholly owned subsidiary CCG D&B Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**1. ACCOUNTING POLICIES (continued)****Income**

Income has been recognised gross on the basis of entitlement, probability and measurement.

Donations and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Gifts in Kind income represents various services donated free of charge to charity in relation to all of its activities including the Butterfly Ball. This income is only included in incoming resources when it can be reliably estimated.

Investment Income

Investment income reflects the amount receivable for the year.

Expenditure

Expenditure is recognised on an accruals basis.

Costs of raising funds are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the Charity's profile within the sector. Costs are apportioned on the basis of hours worked.

Expenditure relating to Children in the Community is the element of expenditure directly incurred in performing these activities. Provision is made for grants when approved by the Trustees/Management.

Governance costs include those costs incurred in the governance of the Charity's assets and are primarily associated with constitutional and statutory requirements. Governance costs are now allocated to charitable activities in full.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated at the rate of exchange prevailing at the Balance Sheet date. Foreign exchange gains and losses incurred in respect of service provision are included in the SOFA within charitable activity expenditure for the period in which they are incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The financial threshold for capitalising an asset is £1,000. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	36 months straight line
Value of leasehold	125 years straight line
Buildings	50 years straight line

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**1. ACCOUNTING POLICIES (continued)****Accumulated funds**

Unrestricted funds are general funds that are available for the use at the Trustees' discretion in furtherance of the objectives of the Charity.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise unrestricted funds which have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Pensions

The pension costs in respect of the defined contribution scheme charged in the financial statements represent the contributions payable by the Charity in the year. The scheme is closed to new members. The Charity also operates a stakeholder pension scheme open to all employees.

Taxation

As a registered charity, Caudwell Children is potentially exempt from taxation on its income and gains falling within s505 Income & Corporation Taxes Act 1988 and s256 Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable purposes. No tax charge has arisen in the year

Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**1. ACCOUNTING POLICIES (continued)****Employee benefits**

- **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

- **Employee termination benefits**

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Critical accounting judgements and key sources of estimation uncertainty

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Donations & Legacies

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £
Donations and gifts	694,039	-	1,317,882	2,011,921
Gifts in kind	16,968	-	-	16,968
Grants receivable for core activities	-	-	1,957,799	1,957,799
	<hr/>	<hr/>	<hr/>	<hr/>
	711,007	-	3,275,681	3,986,688
	<hr/>	<hr/>	<hr/>	<hr/>

2021 Comparative Donations & Legacies

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £
Donations and gifts	78,198	-	1,227,246	1,305,444
Gifts in kind	14,691	-	-	14,691
Grants receivable for core activities	-	-	1,055,968	1,055,968
	<hr/>	<hr/>	<hr/>	<hr/>
	92,889	-	2,283,214	2,376,103
	<hr/>	<hr/>	<hr/>	<hr/>

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Other Trading Activities

	2022 £	2021 £
Other Trading Activities	4,156,451	3,778,049
Costs of events	(1,243,780)	(761,558)
	<u>2,912,671</u>	<u>3,016,491</u>

Included within the above is £1,205,460 (2021: £981,579) raised for restricted purposes

4 Income from Investments – unrestricted funds

	2022 £	2021 £
Interest receivable	78,628	3,807
	<u>78,628</u>	<u>3,807</u>

5 Expenditure

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2022 £
Expenditure on raising funds					
Costs of Events	396,330	-	847,450	-	1,243,780
Expenditure on Charitable activities					
Children in the community	48,043	-	-	2,403,183	2,451,226
Activities undertaken directly	1,115,132	378,559	909,167	-	2,402,858
Advice and Awareness	465,391	-	887,052	-	1,352,443
Total	<u>2,024,896</u>	<u>378,559</u>	<u>2,643,669</u>	<u>2,403,183</u>	<u>7,450,307</u>

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2021 Comparative Expenditure

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2021 £
Expenditure on raising funds					
Costs of Events	297,252	-	464,306	-	761,558
Expenditure on Charitable activities					
Children in the community	61,691	-	-	1,807,480	1,869,171
Activities undertaken directly	836,361	515,937	747,882	-	2,100,180
Advice and Awareness	349,048	-	490,221	-	839,269
Total	1,544,352	515,937	1,702,409	1,807,480	5,570,178

Included in the above charitable expenses were Governance costs including amounts payable to the auditors of £22,731 incl. VAT (2021: £20,274).

Included in the above Other Costs are Support Costs of £943,363 (2021: £856,126). The support costs are apportioned based on time spent on charity activities.

Net movement in funds	2022	2021
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	378,559	515,937
Auditors' remuneration - audit	22,731	20,274
Pension costs	81,222	70,206
	=====	=====

CAUDWELL CHILDREN
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Grants payable

	Total 2022 £	Total 2021 £
Reconciliation of grants payable		
Commitments at 1 January 2022	1,150,690	1,053,386
Grants awarded in the year	2,403,183	1,807,480
Amounts paid in the year	(1,695,652)	(1,710,176)
 Commitments at 31 December 2022	 <u>1,858,221</u>	 <u>1,150,690</u>
 Commitments at 31 December 2022 are payable as follows:		
Within one year	1,858,221	1,150,690
After more than one year	-	-
	<u>1,858,221</u>	<u>1,150,690</u>

7 Trustees

No Trustees were paid remuneration 2022 (2021 - £Nil). No Trustee Expenses were paid out in 2022 (2021 - £Nil).

8 Staff Costs

Number of employees

The average headcount of employees during the year was:

	2022	2021
 Fundraising and charitable activities	 <u>77</u>	 <u>62</u>
 Wages and salaries	 2,743,284	 2,236,796
Social security costs	274,873	220,633
Other pension costs	81,222	70,206
	<u>3,099,379</u>	<u>2,527,635</u>

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The number of employees whose annual emoluments were £60,000 or more was:

	2022	2021
£60,000 - £70,000	4	5
£70,000 - £80,000	-	1
£80,000 - £90,000	-	1
£90,000 - £100,000	-	1
£100,000 - £110,000	1	-
£110,000 - £120,000	1	-
£130,000 - £140,000	-	1
£140,000 - £150,000	-	1
£170,000 - £180,000	1	-
£240,000 - £250,000	-	1
£370,000 - £380,000	1	-

The above bandings comprise of Basic pay + Bonus + all P11D Benefits.

The Bonus figures include amounts that although earned and accrued within the financial year may not be paid out for several years as they form part of long term cumulative targets.

The Key management personnel of the parent charity comprise the Trustees, the Chief Executive Officer and the Executive team. The total employee benefits of the key management personnel of the charity were, £1,195,425 (2021: £1,228,442)

The above figures comprise of Basic pay + Bonus + all P11D Benefits + employers NIC + employers pension.

The above wages and salaries figures include redundancy payments of £2,519 (2021: £3,264)

There were no outstanding redundancy liabilities as at the year end.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Tangible Fixed Assets – Group and Charity

	Fixture Fittings & Equipment £	Land & Buildings * £	Total Assets £
Cost			
At 1 st January 2022	665,526	16,797,934	17,463,460
Additions	48,102	-	48,102
At 31 December 2022	<u>713,628</u>	<u>16,797,934</u>	<u>17,511,562</u>
Depreciation			
At 1 st January 2022	597,779	1,069,677	1,667,456
Charge for the Year	46,184	332,375	378,559
At 31 December 2022	<u>643,963</u>	<u>1,402,052</u>	<u>2,046,015</u>
Net Book Value			
At 31 st December 2022	<u>69,665</u>	<u>15,395,882</u>	<u>15,465,547</u>
At 31 st December 2021	<u>67,746</u>	<u>15,728,258</u>	<u>15,796,004</u>

10 Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Sales ledger control account	2,268,307	1,861,954	2,268,307	1,861,954
Other debtors	13,605	499	13,605	499
Accrued income	95,692	110,001	95,692	110,001
Prepayments	334,002	152,342	334,002	152,342
Inter-company debtor	-	-	-	-
	<u>2,711,606</u>	<u>2,124,796</u>	<u>2,711,606</u>	<u>2,124,796</u>

Sales Ledger Control Account is high at 31st December 2022 due to a major donation being invoiced in December 2022 and paid in February 2023. See note 14.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Creditors: amounts falling due within one year

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Trade creditors	412,825	170,063	412,824	170,064
Grants payable	1,858,221	1,150,690	1,858,221	1,150,691
Other creditors	15,515	15,468	15,515	15,468
Accruals	791,387	654,323	791,387	650,323
Other tax and social security	69,697	67,124	69,697	67,103
Deferred income	28,999	58,404	28,999	58,404
Inter-company creditor	-	-	1	1
	3,176,644	2,116,072	3,176,644	2,112,054

No deferred income was brought forward and released during the year.

12 Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2022	Movement in funds		Balance at 31 December 2022
	£	Income and Transfers	Expenditure	£
Charity Building	17,131,831	-	332,375	16,799,456
Treatment, Therapy & Equipment (inc Wheelchairs)	1,236,705	1,350,752 *	980,756	1,606,701
Autism Services	521,718	774,344	879,155	416,907
Digital Skills	-5,390	80,375	34,236	40,749
Sports Equipment	109,512	108,942 *	218,454	-
Big Lottery Scotland	1	-	1	-
Local Family Support	167	14,899	3,108	11,958
Short Breaks	34,273	46,985	44,044	37,214
Spirit of 2012	2,955	89,971	91,626	1,300
Warm Homes	2,350	129,971	141,816	(9,495)
SDR & Appeals	341,394	113,048	143,371	311,071
Life Changers Circle	212,668	563,972	200,000	576,640
Admin & Management	-	1,317,882	1,317,882	-
Total	19,588,184	4,591,141	4,386,824	19,792,501

*Includes £110,000 transferred from unrestricted as match funding in relation to the criteria of an awarded Grant.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2021 Comparative movement in restricted funds

	Balance at 1 January 2021	Movement in funds		Balance at 31 December 2021
	£	Income	Expenditure	£
Charity Building	17,618,179	-	486,348	17,131,831
Treatment, Therapy & Equipment (inc Wheelchairs)	1,120,589	703,609*	587,493	1,236,705
Autism Services	592,928	782,263	853,473	521,718
Digital Skills	12,655	66,884	84,929	-5,390
Sports Equipment	91,435	135,456*	117,379	109,512
Big Lottery Scotland	12,979	-	12,978	1
Local Family Support	1,132	1,155	2120	167
Short Breaks	42,446	43,939	52,112	34,273
Spirit of 2012	34,414	33,900	65,359	2,955
Warm Homes	8,037	111,493	117,180	2,350
Big Lottery - GSP	44,510	-	44,510	-
Barclays - GSP	75,188	-	75,188	-
SDR & Appeals	388,671	56,180	103,457	341,394
Life Changers Circle	100,000	212,668	100,000	212,668
Admin & Management	-	1,227,246	1,227,246	-
Total	20,143,163	3,374,793	3,929,772	19,588,184

*Includes £110,000 transferred from unrestricted as match funding in relation to the criteria of an awarded Grant

Charity Building

The Charity made a long-term commitment to develop a purpose-built specialist children's centre; designed in consultation with children and families it is a landmark in inclusive design, demonstrating accessibility for people with both physical disabilities and neurodiverse conditions. In order to meet the costs of the project and ongoing associated costs the Charity undertook specific fundraising and appeals to generate the significant funds required to make the vision a reality. The new building officially opened in 2019 and this restricted fund will reduce in value of the next 50 years as the capital project is depreciated.

Destination Dreams

The Destination Dreams Programme provided a holiday for families whose children have life limiting illnesses. The programme provided families with something to look forward to, enabling children to make friends and have new experiences away from relentless hospital appointments and painful treatment. During our continued annual review of services by our CEO and members of the executive team and driven by increasing costs of delivery and insurance coupled with the constant challenge on fundraising, the difficult decision was made at the December 2018 Trustee Meeting to stop Destination Dreams Service. Also taking into account the availability of the other charity services and the need to develop further family short breaks and family support services.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**Treatment, Equipment, Therapies & Wheelchairs**

The Charity annually raises money to provide children who meet the Charity's criteria nationally with specialist equipment such as powered wheelchairs not provided by statutory funding, pioneering treatment and therapies and from 2020 our specifically designed Get Sensory Packs.

Included within this category are grants totalling £110,000 from the Edward Gostling Foundation. These amounts are to be match funded by Caudwell Children as part of an ongoing multi-year commitment from the Edward Gostling Foundation which will continue to be highlighted in future accounts.

Autism Services

The Charity annually raises money to provide children who meet the Charity's criteria nationally with holistic therapy and support programmes. This form of funding was ran down through 2017 & 2018 and was replaced by our in house, fully CQC regulated, diagnostic, intervention and research programme, Caudwell Children Autism Service (CCAS) from 2019 onwards. This new wrap around service takes place both online and within the award winning Caudwell International Children's Centre.

Sports Equipment

The Charities Sports Equipment service provides disabled children and young people with the specially adapted equipment they require to take part in competitive and recreational sports at all levels.

Big Lottery Scotland – Investing in Communities -Family Support Glasgow

Providing support to work with disadvantaged families who have one or more disabled child, providing support at diagnosis, providing 6 weeks of intensive support.

Family Support Services

The Charity annually raises money to provide family support services and short break activities, at times of crisis.

Digital Skills

The Charity provides digital skills training to young adults. This training provides young people with the necessary skills to go onto further education or employment.

The short term negative balance was caused by the payment in arrears by the initial funder. Going forward balances are all positive.

Short Breaks

The Charity is commissioned to delivery short break activities by local authorities. These are delivered in numerous locations depending upon the requirement of the contract.

Spirit of 2012

The Charity has been awarded three years funding from the West Midlands Challenge Fund. This funding is being used to support community workshops within the west midlands leading up to the Common Wealth Games to be held within Birmingham in 2023.

Warm Homes

The Charity is working with the Energy Trust on a two-year project to support parents / carers of disabled children living in fuel poverty. The charity is working with energy specialists to create a team of disability energy champions who can reach into the commissioned regions and assist these vulnerable families. This fund is in deficit as at 31st December 2022 due to expenditure made in advance of income received.

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Get Sensory Packs

During 2020 a new sensory pack was developed by the charity to meet the immediate needs of disabled children during lockdown. This project has proved to be a huge success and has received backing and funding from many areas including Barclays Bank and the Big Lottery.

SDR & Individual Treatment Appeals

These funds have been raised to fund high value specialist treatments and associated social and rehabilitation costs for individual children. The charity delivers several streams of support for families accessing SDR and post-operative rehabilitation services by assisting the families in their own fundraising or by providing match-funding grants in partnership with other children's charities and the hospitals or rehab providers delivering the interventions. The charity also supports families where necessary with all the arrangements such as hospital costs, flights, accommodation and ongoing physiotherapy.

Administration & Management

This fund is set up to generate funds for the operating costs of the Charity. This enables monies raised on the other funds to be fully distributed to their causes without the deduction of the running costs of the Charity.

12a. Unrestricted funds

Included within unrestricted funds is £1,170,000 designated funds. This is made up of £60,000 for match funding purposes to be provided by The Edward Gosling Foundation. £50,000 to be retained for website development and £60,000 for the "We Are All Different" campaign. This fund was created via transfers in the years 2018 & 2019 & 2022 from general funds. As at the year end the Charity had unrestricted general funds £3,547,552.

13 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2022 are represented by:				
Tangible fixed assets	69,665	-	15,395,882	15,465,547
Current assets	4,796,309	1,170,000	6,254,841	12,221,150
Creditors: amounts falling due within one year	(1,318,422)	-	(1,858,222)	(3,176,644)
	3,547,552	1,170,000	19,792,501	24,510,053

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

2021 Comparative analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 December 2021 are represented by:				
Tangible fixed assets	67,746	-	15,728,258	15,796,004
Tangible fixed assets under construction	-	-	-	-
Current assets	4,879,751	168,295	5,010,617	10,058,663
Creditors: amounts falling due within one year	(965,383)	-	(1,150,691)	(2,116,074)
	3,982,114	168,295	19,588,184	23,738,593

14 Related parties

Total donations received from John Caudwell during the year were £1,713,560.
 (2021: £1,404,604), including a pledge of £1,317,882 before the year end which was received
 in February 2022.

15 Reconciliation of net movement in funds to net cash flow from opening activities

	Group 2022 £	Group 2021 £
Net movement in funds	771,460	587,781
Add back depreciation charge	378,559	515,937
Less interest receivable	(78,628)	(3,807)
Decrease in debtors	(586,811)	(892,964)
(Decrease) in creditors	1,060,570	(908,038)
Net cash used in operating activities	1,545,150	(701,091)

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

16 Subsidiary

The wholly owned trading subsidiary CCG D&B Ltd was incorporated in the United Kingdom (company number 9436124 in 2015 and pays all of its profits to the charity under the gift aid scheme. CCG D&B Ltd operates as a Design and Build Company with the sole task of managing the construction of the new International Centre for Childhood Disability. The new centre officially opened in 2019 and now houses both the charities administration and delivery of services. CCG D&B Ltd is managed and administered on a purely voluntary basis by the CEO and the CFO of Caudwell Children. This ensures that there will be no subsidiary running costs incurred by the charity and more importantly any profits earned by the subsidiary will be donated back to Caudwell Children. CCG D&B is limited shares which are 100% owned by Caudwell Children. None of the Directors of Caudwell Children sit on the board of CCG D&B Ltd.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2011 £
Total Turnover	<u>1,236</u>	<u>253,566</u>
Total Cost Of Sales	<u>0</u>	<u>4,994</u>
Gross Profit / (Loss)	<u>1,236</u>	<u>248,572</u>
Administrative Expenses	(2,764)	8,261
Profit and Loss on Ordinary Activities before Taxation	<u>4,000</u>	<u>240,311</u>
Gift Aid paid	4,000	298,005
Profit and (Loss) for the Financial Year	<u>0</u>	<u>(57,694)</u>

NOTES TO THE ACCOUNTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

CCG D&B BALANCE SHEET**AS AT 31 DECEMBER 2022**

	2022 £	2021 £
Current assets		
Bank	-	4,021
WIP	-	-
Debtors	1	1
Total Current Assets	<u>1</u>	<u>4,022</u>
Creditors: amounts falling due within one year	-	4,021
Net current assets	<u>1</u>	<u>1</u>
Net assets	<u>1</u>	<u>1</u>
Capital and Reserves		
Called up Share Capital	1	1
Profit and Loss		-
		<u>1</u>

17 Parent Company Disclosures

Income of the charity (the parent company) amounted to £8,221,766 (2021: £6,455,964). Net movement in funds amounted to a surplus of £771,459 (2021: a surplus of £645,475).

CAUDWELL CHILDREN

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

18 Comparative SOFA for 2021

		Unrestricted general funds	Designated funds	Restricted funds	Total 2021	Total 2020
		£	£	£	£	£
	<i>Notes</i>					
Income from:						
Donations & Legacies	2	92,889	-	2,283,214	2,376,103	2,541,718
Raising funds	3	2,796,470	-	981,579	3,778,049	1,118,683
Income from Investments	4	3,807	-	-	3,807	10,026
Total		2,893,166	-	3,264,793	6,157,959	3,670,427
Expenditure on:	5					
Raising Funds						
Costs of events	3	515,513	-	246,045	761,558	656,057
Charitable activities						
Children in the community		574,542	-	3,394,809	3,969,351	3,574,283
Advice and Awareness		550,351	-	288,918	839,269	681,591
Total		1,640,406	-	3,929,772	5,570,178	4,911,931
Net Income before transfers		1,252,760	-	(664,979)	587,781	(1,241,504)
Transfers between funds	12	-	(110,000)	110,000	-	-
Net movement in funds		1,252,760	(110,000)	(554,979)	587,781	(1,241,504)
Total funds brought forward		2,729,354	278,295	20,143,163	23,150,812	24,392,316
Total funds carried forward		3,982,114	168,295	19,588,184	23,738,593	23,150,812