

**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**CONTENTS**

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	Page
<b>Reference and administrative details of the Company, its Trustees and advisers</b>	1 - 2
<b>Chairman's statement</b>	3
<b>Trustees' report</b>	4 - 12
<b>Independent auditor's report on the financial statements</b>	13 - 17
<b>Statement of financial activities</b>	18
<b>Balance sheet</b>	19
<b>Statement of cash flows</b>	20
<b>Notes to the financial statements</b>	21 - 40

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**Trustees**

M Straton  
J Jansen  
C Wade  
J Dwight, Chair, as of July 2022  
D Conaty (resigned 28 February 2022)  
S Malone  
M Cox

**Company registered number**

03719101

**Charity registered number**

1084124

**Registered office and principal address**

Unit A, 76 Kingsholm Road, Gloucester, Gloucestershire, GL1 3BD

**Company secretary**

J Dwight

**Chief executive officer**

M Kingston

**Registered manager**

E Weaver

**Senior leadership team**

M Kingston  
E Weaver  
S Hart  
D Whitson-Jones

**Independent auditor**

Crowe U.K. LLP, Fourth Floor, St James House, St James Square, Cheltenham, GL50 3PR

**Bankers**

NatWest, 2nd Floor, The Quadrangle, The Promenade, Cheltenham, Gloucestershire, GL50 1PX

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Solicitors**

BPE, St James' House, St James' Square, Cheltenham, Gloucestershire, GL50 3PR

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The COVID-19 pandemic continued to have an adverse effect on Community Foster Care (CFC) this year in terms of additional pressures on staff and carers. Despite this the community continued to utilise new technology and ensured that young people, staff, and carers remained as safe as possible in this period.

Financially the charity finished the year in positive terms and trustees were able to commit to a development fund to be carried forward into next year. The aim of this is to promote innovation and utilise as many resources as possible for the benefit of Young People in the next few years.

We are aware that marketing our services is an essential part of retaining and growing our team of carers, the mainstay of our business. We have, therefore, invested in marketing and are utilising media sources to continue this work.

Strategically our therapeutic approach was further developed and has resulted in excellent progress in enabling Community Foster Care to thrive as a trauma informed organisation.

None of this would be possible without the drive and commitment of our C.E.O and the Senior Leadership Team, along with our dedicated and talented staff team. Our amazing carers have also worked tirelessly to ensure that the aims of our organisation are achieved and that Young People within our care flourish.

Thank you to all involved.

I am excited to embark on my tenure as Chair of Trustees at CFC. The organisation is in a strong position to grow through the implementation of its new strategy. This would not have been possible without the stewardship of Charles Wade, the previous Chair, who has guided the organisation with passion and vigour through some challenging times. I would like to extend my thanks, and those of the wider organisation to Charles for all that he has done, and I am grateful he has agreed to remain a valued member of the board of trustees.



Name: Jennie Dwight  
**Chair of the Board of Directors and Trustees**

Date: 3/11/22

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**COMMUNITY FOSTER CARE**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their report and audited financial statements for the year ended 31st March 2022.

**The Board of Trustees**

Jennie Dwight (Chair)  
Joanna Jansen (Trustee)  
Mariana Straton (Trustee)  
Charles Wade (Trustee)  
Stephenie Malone (Trustee)  
Mary Cox (Trustee)  
Jane Comerford (Trustee)

**Structure, Governance and Management**

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 24 February 1999 (registration number 03719101) and registered as a Charity on 15 December 2000 (Charity number 1084124). The Charity was established under a Memorandum of Association, as amended by Special Resolutions dated 25 November 2009, 1 February 2012, and 30 May 2012, which established the objectives and powers of the charitable company and is governed under its Articles of Association. On the 30 July 2018 these articles were extended to incorporate the work undertaken by Community Family Care and to enable this work to be continued by Community Foster Care.

Recruitment and Appointment of Trustees

The Directors of the Charity are also Trustees for the purposes of Charity law. During the year, one new Trustee has been appointed and one Trustee resigned. After the year end (July 2022) Jennie Dwight was appointed Chair, taking over from Charles Wade, who remains a trustee. The board continues to be made up of seven Trustees. In addition to the Trustees there are two Foster Carers (non-voting) who regularly attend the Board meetings. One from the service in the north and one from the service in the south. Their role is primarily to represent the views of the foster carers.

All of the Charity's work focuses upon children, young people and their families and the Board of Trustees has sought to ensure that the needs of this group are appropriately reflected on the Board. For example, we have Trustees with professional backgrounds in family law, education, fostering, compliance, and employment law. The Board is always seeking to ensure it has the appropriate skill sets required to further develop the Charity.

Community Foster Care ensures that any new Trustee is selected and recruited safely in line with expected practice and regulations.

Trustee Training

All Trustees are required to undertake an induction, along with prospective Trustees, to familiarise themselves with all aspects of the Charity and the context within which it operates.

We ensure Trustees are provided with information regarding:

- The obligations of Trustees (rules of engagement)
- The main documents which set out the operational framework for the Charity including the Memorandum and Articles and the Fostering Service (England) Regulations 2011
- The Charity's business strategy.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees & SLT continue to operate within the Scheme of Delegation that was revised in 20-21 year. This Scheme of Delegation set out Terms of Reference for three subgroups, each of which report to the Trustees. Each of these groups has responsibility for, and consideration of two areas of the organisation's strategy. The three Sub-Groups are:

- The Fostering Quality Assurance Group
- Promoting Good Outcomes, People & Safeguarding Group
- Finance and Resources Group

Each of these groups and the Board of Trustees meet three times a year. Therefore, there is formal board involvement with the charity on a monthly basis. There is also provision for an extraordinary Trustee's meeting to be called if it is required. There were no extraordinary Trustees meetings held in the period.

#### Risk Management

The organisations Risk Register was reviewed in the year with oversight from our Accountants, Crowe. This was presented to and adopted by the board in June 2020. Regular reviews of the Risk Register have been embedded in the organisations governance structure and is a standing item on the agenda of each subgroup with each subgroup taking ownership of appropriate identified risks.

The Charity's policies are regularly reviewed in light of new guidance and/or legislation received from the Government. CFC strives for excellence in all its work and is committed to ensuring the appropriate regulations are adhered to which protect the child in placement, the Foster Carers, the staff team and the Board of Trustees. Furthermore, the organisation works with Tri.X to ensure policies are reviewed externally to ensure they are held to the highest standard and in line with changes in legislation or recommended best practice.

A key risk area is the reduction of income from our foster placements. Significant work has been taking place to mitigate this risk, including enhanced financial procedures, a recruitment strategy, ensuring purchasers meet additional ongoing costs identified within placements and routine robust financial monitoring.

Community Foster Care continues to comply with GDPR and engages with the ICO regularly to ensure its guidance is up to date, all staff are appropriately trained and any data breaches or near misses are reported appropriately. The organisation commissioned a gap analysis of its compliance with GDPR legislation which identified some areas of improvement. An action plan is being developed to implement these changes.

The health and safety of employees is constantly under review and procedures are in place to ensure compliance with the health and safety of staff, volunteers, Foster Carers and visitors. The health and safety of children and Foster Carers is given the highest priority and the governance for this is dictated under the Fostering Service (England) Regulations 2011.

#### Covid-19

Although COVID-19 is having less impact on day-to-day life, it is still being felt at Community Foster Care. Learning and impact from the pandemic, has led to developments in how the organisation works, including an evolution of our working style. However, we also ensure face to face meetings take place, where these are seen to be beneficial.

The organisation wasn't immune from the 'great resignation' (a phenomenon, that saw people change roles globally). We experienced higher than normal resignations from staff and Foster Carers. Despite the challenges this created, CFC now has a full complement of staff, and is strategically over staffed in the social work team to allow greater focus on carer recruitment, assessment and in turn approval.

The Trustees and management team monitor this closely and have reviewed contingency processes should they

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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be required.

Organisational Structure

Community Foster Care has a Board of Trustees which is responsible for the strategic direction of the charity and meets as a full Board three times a year. Recruitment of new Trustees is ongoing and continually kept under review by the Board.

The day-to-day responsibility for the provision of the service rests with the Chief Executive, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

The Chief Executive is supported by a Senior Leadership Team which is made up of a Registered Manager, a Service Manager and a Business Development Manager.

In line with the business plan, our fostering service moved from holding two Ofsted registrations to one. This transition was managed in close discussion with Ofsted. This means the organisation operates with one Registered Manager who is overseeing the whole of Community Foster Care's Fostering Services.

After the end of the financial reporting year, we were visited by Ofsted (June 2022). The outcome of the inspection was a good rating in all areas. The inspection report can be found [here](#). In particular Ofsted noted that the organisation is working well under one registration.

The Business Support Team has continued to grow in line with the organisation's business plan. Most significantly the process of recruiting an internal Finance Manager and Finance Business Support Officer. This has been a successful venture and has significantly increased the financial reporting and analysis capability within the organisation. In addition, the organisation continues to invest in Marketing & Recruitment, HR and Administration functions.

The organisation awarded all staff and Foster Carers a cost-of-living increment in year and continues to monitor the competitiveness of its salaries. Pay Scales are also currently under review. This is being conducted by the HR officer who is bench marking against similar organisations seeking to ensure salaries, including those of the senior leadership team are in line with the market. This will continue to include a clear, consistent, incremental pay scale across the organisation.

Public Benefit and Social Impact

A significant public benefit of Community Foster Care is providing opportunities for members of the local community to foster. Community Foster Care believes that good foster carers come from all communities and backgrounds. We actively seek carers from all communities to strengthen our ability to meet the diverse needs of the children in the care population. The work Community Foster Care undertakes is in line with its Memorandum and Articles of Association, the geographical restriction was amended in 2004. The Trustees amended the Memorandum and Articles of Association in May 2017 to bring them in line with recent guidance. The Trustees also noted in early 2018, that the revised Memorandum and Articles of Association should be widened to allow for the wider activities of our parent charity, Community Family Care to be undertaken within Community Foster Care. These revisions were rectified in the special resolution on the 30 July 2018 by the Trustees. This enabled the Trustees to dissolve the parent charity, Community Family Care on [7th May 2019], but the important work of this Charity continues within Community Foster Care.

The Board of Trustees confirms that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

The social impact of the work of the charity is deemed significant. Community Foster Care looks after some of the most disadvantaged children and young people in society. The majority will have experienced some form of abuse and neglect, experienced difficulties with educational attainment and are commonly isolated from their



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**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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peer groups. Through our work, we provide security of family life, encouragement and guidance in education and develop self-esteem to play a more active and constructive role in society.

At the end of March 2022, we cared for 36 (2021; 43) children and young people on behalf of Local Authorities and, during the year 2021-2022, over 41 (2020-2021; 74) children and young people benefitted from our care. Although the number of young people in our care was reduced at the end of March, we are encouraged that a number of those young people reached independence in the last quarter of the year, and we continue to see growth of young people in our care since the year end.

### **Fundraising**

The Charity has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

### **Objectives and Activities**

The objects of the Charity as amended on 30 July 2018 are:

1. **OBJECTS**

1.1 The Charity's objects, restricted specifically for the public benefit, are:

- a) To operate a foster care agency in the United Kingdom regarding training and approving Foster Carers in particular but not exclusively from social and economically deprived areas.
- b) To provide relief to children and young people in need and in particular those in the care of, or accommodated by, a local authority by:
  - (i) providing them with, or otherwise assisting in the provision of, a placement or placements in suitable accommodation and providing them with, or assisting in the provision of, appropriate carers with the aim of providing them with a stable family life; and
  - (ii) providing for their education and establishment in life.
- c) To promote and protect the good health of children, young people, adults, and their families who are in need or who are socially and economically disadvantaged in any way and in particular those who have been in the care of, or accommodated by, a Local Authority by:
  - (i) providing training, support and guidance;
  - (ii) providing them with, or otherwise assisting in the provision of, a placement or placements in suitable accommodation and providing them with, or assisting in the provision of, appropriate carers with the aim of improving family life; and
  - (iii) providing for their education and establishment in life.
- d) The relief of poverty and in particular the assistance of children and adults who have as children been in Local Authority care and their families.

A key strand of the Community Foster Care approach is to develop longstanding relationships with communities – often disadvantaged communities. Potential foster carers are targeted from all areas of the community including socially and economically disadvantaged areas. Community Foster Care's approach has been to develop the skills and social capital within these specific neighbourhoods, with a view to enabling families within these communities to provide warm stable homes to children in need of them. This approach sees our interventions building the knowledge and resources within these communities. We have introduced an innovative approach to the recruitment of foster carers.

Community Foster Care aims to provide:

- A commitment to a child centred approach
- High quality foster care in a family setting for children and young people
- Respect for racial, cultural and religious backgrounds of all the children and young people
- Care for the disability, gender and sexuality of foster children during the matching process
- 24-hour support for foster carers

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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- Carers who will respect the children's rights in their homes under the UN Convention on Children's Rights and not administer corporal punishment to any child
- A commitment to the on-going learning and training of foster carers
- A commitment to the on-going learning and training of all Placement Support Workers and Social Workers employed by Community Foster Care and all other support staff.

**Business Planning**

After considerable progress on our previous strategy (2019-2022), SLT, supported by the trustees and wider staff team reviewed and began to implement a new strategy that was based on the success and learning of the previous one. Our new strategy continues to consider six threads. These are:

- Fostering Better Outcomes
- Talented Inspired People
- Empowering Efficient Systems
- Connecting Children with Families
- Effective Use of Resources
- Charity Viability.

Senior Managers have worked closely with the Trustees to develop this ambitious plan for this period. This strategy has built a firm foundation underpinned by our values and purpose, which were reviewed with staff, foster carers and children in 2018. Based on a deep understanding of these we have created a plan that further develops our ability to achieve our purpose.

**Achievements and Performance during 2021-22**

The table below details the number of children placed with our carers at the end of each fiscal year. Planned breaks and staying put arrangements are not included.

<b>Numbers of Children living with CFC carers</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>North</b>	<b>14</b>	<b>10</b>	<b>13</b>	<b>13</b>	<b>17</b>	<b>10</b>	<b>20</b>	<b>19</b>	<b>18</b>
<b>South</b>	<b>30</b>	<b>34</b>	<b>31</b>	<b>35</b>	<b>33</b>	<b>31</b>	<b>31</b>	<b>24</b>	<b>20</b>
<b>Total</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>48</b>	<b>50</b>	<b>41</b>	<b>51</b>	<b>43</b>	<b>38</b>

There is a reduction in the numbers of children living with CFC carers, which the management team have reviewed and implemented plans to grow these numbers. Most notably the main reason for the drop in placements has been that a significant number of young people have moved on for planned and positive reasons i.e. moving into independence. This is something the agency celebrates and is proud of. Similarly, the table below illustrates the number of approved fostering households at the end of each year.

<b>Numbers of Fostering Households</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>North</b>	<b>9</b>	<b>15</b>	<b>13</b>	<b>11</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>14</b>	<b>15</b>
<b>South</b>	<b>28</b>	<b>30</b>	<b>35</b>	<b>36</b>	<b>34</b>	<b>37</b>	<b>31</b>	<b>28</b>	<b>26</b>
<b>Total</b>	<b>37</b>	<b>45</b>	<b>48</b>	<b>47</b>	<b>47</b>	<b>51</b>	<b>46</b>	<b>42</b>	<b>41</b>

The recruitment of carers remains a key issue for Community Foster Care, as it does for all agencies across the country. We continue to invest in a marketing and recruitment officer which has started to show dividends.

Financial performance as detailed in this report shows the Charity making a surplus of £15,932 for the year. This

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**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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performance is a slight improvement on the budget agreed by the board pre year. The main reasons for this increase are:

- Improved income on forecast.
- Underspend in areas restricted by the pandemic

During 2021/2022 the Charity continued to make use of social media and is continuing to develop its strategy of online recruitment. Our 'organic' following has grown over the year. However, as part of our recruitment strategy we are focusing more heavily on reaching more people who may not be aware of Community Foster Care through 'paid for' advertising on Facebook and Google AdWords.

We have reported on page likes and followers in previous annual reports, however, as our understanding and use of online marketing tools becomes more sophisticated, we are focusing more on our 'reach' to people who don't organically follow us. Our paid-for and organic posts have reached an estimated 1,487,688 people (20-21: est 2,000,000 people) in the reporting period. This reduction is because we implemented better targeting of paid for adverts to reach more appropriate people. As we learn more, refine our approach and utilise our new branding and website we hope to see further benefit.

We have offices in Royal Wootton Bassett, Lancaster and Workington which meet the needs of our carers in these localities. A Social Worker and a Placement Support Worker operate from these offices, which is also a base for training. As we continue to adopt a 'one organisation' approach other key roles are based in these offices.

Our registered office is in Gloucester. Although this office provides for the organisations core functionality, we are increasingly distributing functionality across our footprint and using technology to enable succinct working. The organisation has worked hard to ensure our office spaces are used more effectively, by staff, carers and young people, having moved away from periods of lock downs. It is still a vital part of Community Foster Care's approach to be embedded in our community and as such there are no plans to reduce our office provision.

Community Foster Care is committed to providing a range of activities and support to our children and young people. Although numerous outings and one to one support activities were planned in both our regions during the year many have had to be cancelled or rearranged. The team has been really creative in using technology to continue to support young people during lockdown, but this does mean there has been an underspend on activities in the year.

We were able to reinstate our annual Carer Award events in both regions after they didn't go ahead last year. They were held in recognition of the work our carers undertake and to reward their commitment to the children and young people in their care. There were also several activities at Christmas for all our children.

### **Community Family Care**

Our Family Care section has continued its work in the following areas:

#### **Family/Placement Support Work**

Support Workers support families through family support work at an 'early help' level. Main support themes are supporting with morning/evening routines, managing challenging behaviour in the home, and improving parental confidence in implementing parenting strategies.

Support Workers are also providing regular support to looked after young people living in our foster families in order to support placement stability.

This has continued throughout COVID-19 with most interventions being conducted digitally. However, where a face-to-face contact has been deemed critical to a CYPs safety and/or placement stability a risk assessment has

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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been conducted.

**Art Journal Project**

Support Workers are currently supporting young people on a 1:1 or group basis through the Art Journal project. The sessions are either being completed at school or in a confidential space within the community.

Community Family Care continues to deliver on two block contracts awarded in 18/19:

**Bradford on Avon Youth Services**

A 3.5 year contract to deliver a youth service for Bradford on Avon consisting of

- Centre Based Provision
- Detached work
- 1:1 work
- Participation

This is a continuation of an initial contract that ran from 2018-2021. The current contract runs through until March 2025.

**Family Group Conferences – North Somerset**

Family Group Conference (FGC) service covering North Somerset. The service launched on 1st January 2019 and CFC is commissioned to provide a minimum of 24 completed FGCs per year.

FGCs are an effective tool for supporting families to problem solve for themselves. Referrals are received from Social Workers who have identified families:

- On the verge of family breakdown.
- With a Child who is at risk of becoming Looked After.
- With a Child needing a Child Protection Plan.
- With a Child in Pre-Proceedings.
- With a Child subject to Care Proceedings.

The family must be in agreement with being put forward for an FGC and must consent to a referral. A Co-ordinator is allocated to the family and arranges the FGC, which is a meeting. The meeting is split into different parts. Professionals are present for the initial information giving part, the family are then given time alone to talk and come up with a plan for addressing the issues raised by professionals in the first part of the meeting. The plan needs to be agreed by professionals and is then reviewed after 3 months.

This service was referred to favourably in the North Somerset Council's Ofsted report.

This contract was for an initial period of 3 years with an optional extension of 2 years. North Somerset Council enacted this extension, and the current arrangement continues to December 2023. We are currently in discussions with the Local Authority about their recommissioning intentions.

**Financial Review 2021-2022**

The continued financial pressure on Local Authorities is having a major impact upon the Independent Fostering Sector. The level of turnover in many of the larger foster care agencies is declining. Despite this Community Foster Care has made a surplus in 2021-2022.

There was a Surplus of £15,932 in 2021/22 (0.67% of turnover).

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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Turnover for the year was £2,335,874, a 4.16% decrease from the previous year. Community Foster Care's principal funding source is the income from Local Authority contracts. This has decreased from c.£2.33M in 20-21 to c.£2.23M in 21-22.

The funds available as at 31st March 2022 are £725,175 of which £0 is restricted.

It is vital that the Charity increases the number of Foster Carers to offer more choice to authorities when making placements and to ensure that Community Foster Care maintains its strong ethical matching of children policy, whilst increasing its turnover. The Charity would not be fulfilling its purpose, if pursuing increased turnover compromised the needs of children.

### **Investment Policy**

The organisation doesn't currently have reserves capital to invest for the purposes of capital gain. The Trustees' position is that if there is an excess of reserves this will be invested in furthering the charity's mission.

### **Reserves Policy**

The Trustees continue to examine the Charity's requirements for reserves considering the main risks to the Charity on a yearly basis. We calculate for a combination of adverse events plus the funds needed for a managed close down. These reserves are needed to meet the working capital requirements of the Charity and the Trustees are confident that at this level they would be able to continue the current activities of the Charity in the event of a significant drop in funding. Additionally, in the event that Community Foster Care ceases to operate, the additional reserves will ensure that children and young people enjoy a lengthy transition period into their new placements. This position is currently reviewed annually and was last reviewed in September 2022.

At the end of the year, the reserves available to the Charity were c.£725k which is 40.2% higher than the funds required by the reserves policy. Ordinarily the Trustees and Senior Management Team would be exploring the best ways to invest these additional funds to benefit CYP and families. However, in light of the concern about significant reduction in carer numbers it is felt prudent to hold an enhanced level of reserves for at least the short term.

### **Plans for the Future Periods**

The charity has been operating within its strategic plan to drive the charity forward over the last three years. Underpinned by a renewed belief in the charity's purpose and values this strategy will guide the charity into a period of measured growth. Over the coming three years the charity will prioritise:

- Carer recruitment
- Developing the placement offer
- Ensuring the website, marketing and communication strategy remain live and active
- Securing block purchase contracts for Family Care service developments where available and aligned with our strategic intent.

### **Responsibilities of the Trustees**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources,

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to;

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the Charity's transactions and disclose, with reasonable accuracy at any time, the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and ensuring their proper application in accordance with Charity law and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Members of the Board of Trustees**

Members of the Board of Trustees, who are Directors for the purposes of company law and Trustees for the purposes of Charity law, who served during the year and up to the date of this report are set out on page one of this report.

In accordance with company law, as the Company's Directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- As the directors of the Company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of this information.

**Auditor**

Crowe U.K. LLP have expressed their willingness to continue in office as auditor.

This report has been prepared in accordance with the Statement of Recommended Practice; Accounting and Reporting by Charities and in accordance with the special provisions of Section 415A of the Companies Act 2006 relating to small entities.

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



**J Dwight**

Chair

Date: 3/11/22

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**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE**

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**Opinion**

We have audited the financial statements of Community Foster Care (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.



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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE (CONTINUED)**

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**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:

We obtained an understanding of the legal and regulatory frameworks within which the charity and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity and the group for fraud. The laws and regulations we considered in this context for the UK operations were Ofsted, General Data Protection Regulation and health and safety legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Ofsted, and reading minutes of meetings of those charged with governance.

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records including any material misstatements resulting from fraud, error or non-compliance with law or regulations.

However, owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected even though the audit is properly planned and performed in accordance with the ISAs (UK). No internal control structure, no matter how effective, can eliminate the possibility that errors or irregularities may occur and remain undetected. In addition, because we use selective testing in our audit, we cannot guarantee that errors or irregularities, if present, will be detected. Accordingly, our audit should not be relied upon to disclose all such misstatements or frauds, errors or instances of non-compliance as may exist.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

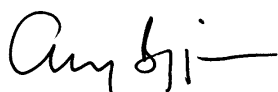
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE (CONTINUED)**

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**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. 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Guy Biggin (Senior statutory auditor)**

for and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 23 December 2022

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>				
Donations	4	116	116	70
Charitable activities:				
Placement income		2,229,968	2,229,968	2,334,783
Early Intervention Services		107,685	107,685	115,371
Investments	5	205	205	12
Other income	6	17,900	17,900	7,940
<b>Total income</b>		<b>2,355,874</b>	<b>2,355,874</b>	<b>2,458,176</b>
<b>Expenditure on:</b>				
Charitable activities	7	2,339,942	2,339,942	2,270,838
<b>Total expenditure</b>		<b>2,339,942</b>	<b>2,339,942</b>	<b>2,270,838</b>
<b>Net movement in funds</b>		<b>15,932</b>	<b>15,932</b>	<b>187,338</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		709,243	709,243	521,905
Net movement in funds		15,932	15,932	187,338
<b>Total funds carried forward</b>	16	<b>725,175</b>	<b>725,175</b>	<b>709,243</b>

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

The notes on pages 21 to 40 form part of these financial statements.

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)  
REGISTERED NUMBER: 03719101

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	14,288	20,881
Investments	13	5,000	5,000
		<u>19,288</u>	<u>25,881</u>
<b>Current assets</b>			
Debtors	14	261,300	240,562
Cash at bank and in hand		589,833	599,283
		<u>851,133</u>	<u>839,845</u>
Creditors: amounts falling due within one year	15	(145,246)	(156,483)
<b>Net current assets</b>		<u>705,887</u>	<u>683,362</u>
<b>Total assets less current liabilities</b>		<u>725,175</u>	<u>709,243</u>
<b>Total net assets</b>		<u>725,175</u>	<u>709,243</u>
<b>Charity funds</b>			
Unrestricted funds	16	725,175	709,243
<b>Total funds</b>		<u>725,175</u>	<u>709,243</u>

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

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

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

3/11/22

JADwight

**J Dwight**  
**Chair of the Board of Directors and Trustees**

The notes on pages 21 to 40 form part of these financial statements.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>(5,054)</b>	258,928
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>205</b>	12
Purchase of tangible fixed assets	<b>(4,580)</b>	(7,908)
<b>Net cash used in investing activities</b>	<b>(4,375)</b>	<b>(7,896)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(9,429)</b>	<b>251,032</b>
Cash and cash equivalents at the beginning of the year	<b>599,283</b>	348,251
<b>Cash and cash equivalents at the end of the year</b>	<b>589,854</b>	599,283

The notes on pages 21 to 40 form part of these financial statements

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

Community Foster Care is registered with the Charity Commission for England and Wales (registered number 1084124). The Charity is also a company limited by guarantee (registered number 03719101). Its registered and principal office is Unit A, 76 Kingsholm Road, Gloucester, GL1 3BD.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

**2.2 Going concern**

The Charity has cash resources and no requirement for external funding. The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Trustees have assessed the impact of Covid-19 on the Charity's operations and have implemented measures to mitigate the risk to the Charity. The Trustees continue to monitor the impact of Covid-19 on a regular basis and they continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

**2.3 Income**

Income from donations and fundraising are accounted for on a receipts basis unless the income will be received and its value can be measured with sufficient reliability. Those funds provided for specific purposes are taken to the relevant restricted fund.

Investment income is recognised on a receivable basis. Charitable activities and other income such as grants is accounted for when the Charity is entitled to the income, it is probable the income will be received and the amount can be quantified with reasonable accuracy.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Charitable activities expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity.

Governance costs are those incurred in connection with the compliance of constitutional and statutory requirements and are included within support costs.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	- 25% - 33% on cost
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**2.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment.

**2.7 Debtors**

Trade debtors, other debtors and accrued income are recognised at the settlement amount after impairments. Prepayments are valued at the amount prepaid.

**2.8 Cash at bank and in hand**

Cash at bank and in hand is represented by cash in hand and deposits with financial institutions.



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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.9 Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

**2.10 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, these being investments, debtors, creditors and cash at bank. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

**2.11 Taxation**

As a registered Charity, Community Foster Care is generally exempt from Income Tax and Capital Gains Tax so far as it relates to its main charitable objective but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

**2.12 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

**2.13 Pensions**

The Charity operates a defined contribution pension scheme and makes regular contributions to the individual pension plans on behalf of certain staff. These are a direct charge in the Statement of Financial Activities in the year that the contributions are due.

**2.14 Fund accounting**

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

Designated funds comprise unrestricted funds that 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.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**3. Critical accounting estimates and areas of judgment**

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

**Useful economic lives of tangible fixed assets**

The annual depreciation charge for the tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates, economic utilisation and the physical condition of the assets.

See Note 13 for the carrying amount of tangible assets and Note 2.5 for the useful lives for each class of asset.

**Rebate accruals**

The Charity has arrangements with local authorities whereby rebates are awarded based on turnover exceeding certain thresholds.

The accrual for these rebates are calculated based on turnover using rebate percentages outlined within the contract.

**4. Income from donations**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Donations	116	116

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	70	70

**5. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Bank interest	205	205

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. Investment income (continued)**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Bank interest	12	12

**6. Other incoming resources**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Other income	17,900	<b>17,900</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other income	7,940	7,940

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Provision of foster care	2,233,423	<b>2,233,423</b>
Early Intervention Services	106,519	<b>106,519</b>
	<b>2,339,942</b>	<b>2,339,942</b>

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**7. Analysis of expenditure on charitable activities (continued)**

**Summary by fund type (continued)**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Provision of foster care	2,109,384	2,109,384
Early Intervention Services	161,454	161,454
	<u>2,270,838</u>	<u>2,270,838</u>

**Summary by expenditure type**

	<b>Staff costs 2022 £</b>	<b>Depreciation 2022 £</b>	<b>Other costs 2022 £</b>	<b>Total funds 2022 £</b>
Provision of foster care	852,854	11,173	1,369,396	<b>2,233,423</b>
Early Intervention Services	-	-	106,519	<b>106,519</b>
	<u>852,854</u>	<u>11,173</u>	<u>1,475,915</u>	<u><b>2,339,942</b></u>

	<i>Staff costs 2021 £</i>	<i>Depreciation 2021 £</i>	<i>Other costs 2021 £</i>	<i>Total funds 2021 £</i>
Provision of foster care	777,925	12,360	1,319,099	2,109,384
Early Intervention Services	-	-	161,454	161,454
	<u>777,925</u>	<u>12,360</u>	<u>1,480,553</u>	<u>2,270,838</u>

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Provision of foster care	1,646,765	586,658	<b>2,233,423</b>
Early Intervention Services	106,519	-	<b>106,519</b>
	<u>1,753,284</u>	<u>586,658</u>	<u><b>2,339,942</b></u>
	<u><u>1,753,284</u></u>	<u><u>586,658</u></u>	<u><u><b>2,339,942</b></u></u>
	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Provision of foster care	1,559,614	549,770	2,109,384
Early Intervention Services	161,454	-	161,454
	<u>1,721,068</u>	<u>549,770</u>	<u>2,270,838</u>
	<u><u>1,721,068</u></u>	<u><u>549,770</u></u>	<u><u>2,270,838</u></u>

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	Provision of foster care 2022 £	Early Intervention Services 2022 £	Total funds 2022 £
Staff costs	385,190	-	385,190
Depreciation	5,046	-	5,046
Foster carers' costs	1,077,011	96,656	1,173,667
Insurance	11,988	-	11,988
Children's care and activities	23,660	4,828	28,488
Travel & subsistence	9,077	1,770	10,847
Staff training	13,088	1,608	14,696
Cleaning	1,691	-	1,691
Premises expenses	25,179	-	25,179
Printing, postage & stationery	2,451	55	2,506
Telephone	8,012	60	8,072
Legal, professional & accountancy	12,983	-	12,983
Social worker	5,697	50	5,747
Miscellaneous	6,407	662	7,069
Subscriptions	3,557	-	3,557
Equipment maintenance	16,095	-	16,095
Recruitment	15,425	-	15,425
Advertising & promotion	24,208	830	25,038
	1,646,765	106,519	1,753,284
	1,646,765	106,519	1,753,284

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs (continued)**

	<i>Provision of foster care 2021 £</i>	<i>Early Intervention Services 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	351,349	-	351,349
Depreciation	5,582	-	5,582
Foster carers' costs	1,046,059	155,385	1,201,444
Insurance	11,686	-	11,686
Children's care & activities	5,817	1,747	7,564
Travel and subsistence	1,548	591	2,139
Staff training	18,754	3,292	22,046
Cleaning	1,634	-	1,634
Premises expenses	24,670	-	24,670
Printing, postage and stationery	4,743	111	4,854
Telephone	7,536	200	7,736
Legal, professional & accountancy	22,526	-	22,526
Miscellaneous	5,834	128	5,962
Subscriptions	4,046	-	4,046
Equipment maintenance	15,095	-	15,095
Recruitment	4,637	-	4,637
Advertising & promotion	28,098	-	28,098
	<u>1,559,614</u>	<u>161,454</u>	<u>1,721,068</u>

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Provision of foster care 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	467,664	<b>467,664</b>
Depreciation	6,127	<b>6,127</b>
Travel and subsistence	13,169	<b>13,169</b>
Cleaning	2,053	<b>2,053</b>
Premises expenses	30,569	<b>30,569</b>
Printing, postage & stationery	275	<b>275</b>
Telephone	9,801	<b>9,801</b>
Legal, professional & accountancy	12,328	<b>12,328</b>
Accountancy & audit	10,200	<b>10,200</b>
Miscellaneous	10,613	<b>10,613</b>
Subscriptions	4,318	<b>4,318</b>
Equipment maintenance	19,541	<b>19,541</b>
	<hr/> 586,658 <hr/>	<hr/> 586,658 <hr/>



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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Provision of foster care 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	426,576	426,576
Depreciation	6,778	6,778
Travel and subsistence	2,596	2,596
Cleaning	1,983	1,983
Premises expenses	29,958	29,958
Printing, postage & stationery	159	159
Telephone	9,392	9,392
Legal, professional & accountancy	20,231	20,231
Accountancy & audit	10,226	10,226
Miscellaneous	13,633	13,633
Subscriptions	4,912	4,912
Equipment maintenance	18,326	18,326
Impairment of Joint Venture	5,000	5,000
	<u>549,770</u>	<u>549,770</u>

Included within support costs above are governance costs of £14,031 (2021: £16,620), which includes £10,200 (2021: £10,226) for audit and accountancy and other support costs of £3,831 (2021: £6,394).

**9. Auditor's remuneration**

The auditor's remuneration amounts to an auditor fee of £6,900 (2021 - £6,600), and accounts preparation fee of £1,445 (2021 - £1,375).

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**10. Staff costs**

	<b>2022</b> £	<i>2021</i> £
Wages and salaries	<b>756,575</b>	688,178
Social security costs	<b>64,900</b>	59,886
Contribution to defined contribution pension schemes	<b>31,379</b>	29,861
	<u><b>852,854</b></u>	<u>777,925</u>

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

	<b>2022</b> No.	<i>2021</i> No.
Senior staff	<b>4</b>	4
Other staff members	<b>27</b>	26
	<u><b>31</b></u>	<u>30</u>

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

	<b>2022</b> No.	<i>2021</i> No.
In the band £70,001 - £80,000	<b>-</b>	1
In the band £80,001 - £90,000	<b>1</b>	-

The remuneration of the key management personnel amounted to £271,147 (2021: £262,747). Key management personnel are defined as the Chief Executive, Registered Manager, Service Manager, and Business Development Manager.

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**12. Tangible fixed assets**

	<b>Office equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2021	<b>47,345</b>
Additions	<b>4,580</b>
At 31 March 2022	<b>51,925</b>
<b>Depreciation</b>	
At 1 April 2021	<b>26,464</b>
Charge for the year	<b>11,173</b>
At 31 March 2022	<b>37,637</b>
<b>Net book value</b>	
At 31 March 2022	<b>14,288</b>
<i>At 31 March 2021</i>	<i>20,881</i>

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**13. Fixed asset investments**

	<b>Investment in participating interests £</b>
<b>Cost</b>	
At 1 April 2021	10,000
	<hr/>
At 31 March 2022	10,000
	<hr/> <hr/>
<b>Impairment</b>	
At 1 April 2021	5,000
	<hr/>
At 31 March 2022	5,000
	<hr/> <hr/>
<b>Net book value</b>	
At 31 March 2022	5,000
	<hr/>
At 31 March 2021	5,000
	<hr/> <hr/>

During 2018 the Charity invested £10,000 in Sky Rocket Partnership. This is a joint venture arrangement but equity accounting has not occurred on the basis that the Charity's share of the net income is immaterial. This will be reviewed annually.

During the prior year an impairment loss of £5,000 was recognised in the Statement of Financial Activities. This was recognised within support costs, see note 8.

**Principal joint ventures**

The following was a joint venture of the Company:

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**14. Debtors**

	<b>2022</b> <b>£</b>	<i>2021</i> <i>£</i>
<b>Due within one year</b>		
Trade debtors	<b>218,826</b>	210,979
Other debtors	<b>4,334</b>	4,334
Prepayments and accrued income	<b>38,140</b>	25,249
	<b>261,300</b>	240,562

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**15. Creditors: Amounts falling due within one year**

	<b>2022</b> £	<i>2021</i> £
Trade creditors	<b>33,296</b>	53,626
Other taxation and social security	<b>18,050</b>	16,919
Pension fund loan payable	<b>5,131</b>	10,709
Other creditors	<b>30,830</b>	13,717
Accruals and deferred income	<b>57,939</b>	61,512
	<hr/> <b>145,246</b> <hr/>	<hr/> 156,483 <hr/>
	<b>2022</b> £	<i>2021</i> £
<b>Deferred income analysis</b>		
Deferred income at 1 April	<b>3,940</b>	3,940
Resources deferred during the year	-	3,940
Amounts released from previous periods	<b>(3,940)</b>	(3,940)
<b>Deferred income at 31 March</b>	<hr/> - <hr/>	<hr/> 3,940 <hr/>

**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Savings Fund	800	-	-	(800)	-
<b>General funds</b>					
General Funds	708,443	2,355,874	(2,339,942)	800	725,175
<b>Total Unrestricted funds</b>	<b>709,243</b>	<b>2,355,874</b>	<b>(2,339,942)</b>	<b>-</b>	<b>725,175</b>

**Statement of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Savings Fund	-	-	-	800	800
<b>General funds</b>					
General Funds	521,905	2,458,176	(2,270,838)	(800)	708,443
<b>Total Unrestricted funds</b>	<b>521,905</b>	<b>2,458,176</b>	<b>(2,270,838)</b>	<b>-</b>	<b>709,243</b>

Designated funds relates to amounts held as a savings fund for a child currently in placement.

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	14,288	<b>14,288</b>
Fixed asset investments	5,000	<b>5,000</b>
Current assets	838,882	<b>838,882</b>
Creditors due within one year	(132,995)	<b>(132,995)</b>
<b>Total</b>	<u>725,175</u>	<u><b>725,175</b></u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	20,881	20,881
Fixed asset investments	5,000	5,000
Current assets	839,845	839,845
Creditors due within one year	(156,483)	(156,483)
<b>Total</b>	<u>709,243</u>	<u>709,243</u>



**COMMUNITY FOSTER CARE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	<b>15,932</b>	187,338
<b>Adjustments for:</b>		
Depreciation charges	<b>11,173</b>	12,360
Dividends, interests and rents from investments	<b>(205)</b>	(12)
Decrease/(increase) in debtors	<b>(8,487)</b>	35,941
Increase/(decrease) in creditors	<b>(23,467)</b>	18,301
Impairment of Joint Venture	-	5,000
<b>Net cash provided by/(used in) operating activities</b>	<b>(5,054)</b>	258,928

**19. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	<b>589,854</b>	599,283
<b>Total cash and cash equivalents</b>	<b>589,854</b>	599,283

**20. Analysis of changes in net debt**

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	599,283	(9,450)	589,833
Debt due within 1 year	(10,709)	5,578	(5,131)
	<b>588,574</b>	<b>(3,872)</b>	<b>584,702</b>

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**COMMUNITY FOSTER CARE**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**21. Pension commitments**

The pension cost charge for the period represents contributions payable to the defined contribution scheme and amounted to £31,379 (2021: £29,861).

Contributions totalling £5,131 (2021: £10,709) were payable to the scheme at the year end and are included within creditors.

**22. Operating lease commitments**

At 31 March 2022 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b> £	2021 £
Not later than 1 year	<b>11,729</b>	13,137
Later than 1 year and not later than 5 years	<b>12,009</b>	23,738
	<b><u>23,738</u></b>	<u>36,875</u>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	<b>2022</b> £	2021 £
Operating lease rentals	<b><u>13,138</u></b>	<u>15,676</u>

**23. Related party transactions**

During the year, Trustee, M Straton, was paid £5,530 (2021: £5,373) in relation to her work as Agency Decision Maker. £nil remained payable at year end (2021: £39).

During the year, Trustee J Jansen, was paid £669 (2021: £1,050) in relation to her work as an Independent Panel Member. £nil remained payable at year end (2021: £nil).

During the prior year, payments totalling £925 were made to L Jones, a related party via D Whitson-Jones, the Business Development Manager, in her capacity as a contractor. £nil remained payable at the prior year end. There was no transactions during 2022.

During 2018 the Charity invested £10,000 in Sky Rocket Partnership. This is a joint venture arrangement but equity accounting has not occurred on the basis that the Charity's share of net income is immaterial. An impairment charge of £5,000 was recognised in the prior year. This will continue to be reviewed annually.