

Registered number: 03719101
Charity number: 1084124

COMMUNITY FOSTER CARE
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 2023

Trustees

J Dwight, Chair, as of July 2022
M Straton
J Jansen
C Wade
S Malone
M Cox
J Comerford (appointed 31 March 2022)

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 2023

Solicitors

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

COMMUNITY FOSTER CARE
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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

During this year the rise in the cost of living had a considerable effect on the finances of Community Foster Care. The board of trustees believe in investing in our Staff and Foster Carers and so made strategic decisions to instigate payments to these groups to mitigate the effects of the challenging times. This resulted in a slight loss making year and we forecast another small loss in 2023-2024. These decisions to invest in people have been taken with the knowledge of healthy reserves and a solid marketing strategy.

The effects of the Covid pandemic were still apparent during the year with Community Foster Care striving to assist with the mental Health of Young People, Staff and Carers. We have been assisted in this by an amazing team of psychotherapists who have enabled us to further develop our Therapeutic Fostering approach. This approach has contributed to fantastic stability ratings, meaning that Young People in our care experienced settled, loving environments and thus increased their life chances.

I am proud that our Board of Trustees has pursued the core value of putting our Young People at the heart of all we do. This has been possible due to the great leadership and drive of our C.E.O and the Senior Leadership team, along with our committed and talented staff team. However, without our dedicated carers nothing would be possible and so I express my heartfelt thanks for the amazing work that they carry out each and every day.

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

Date: 5/12/23

COMMUNITY FOSTER CARE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and audited financial statements for the year ended 31st March 2023.

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 (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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

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 organisation continues to embed its Risk Register which is now a live and active part of the organisations conversation. 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. A log of any change to the risk register is recorded with justification.

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 children living with our families, 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

Salaries for the whole staff, including the senior leadership team are benchmarked against the wider market. This work is conducted by the HR officer. This is then reviewed and approved by the board of trustees.

The organisation continues to successfully operate with one Ofsted registration. During the 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. The organisation is seeing the benefit of bringing finance, HR and marketing functions 'in-house'. With each area developing more robust processes.

The organisation awarded a cost-of-living increment and a one off payment (weighted to lower earners) to foster carers and staff in the year. The organisation continues to monitor the competitiveness of its salaries and undertook a benchmarking process in year. It concluded that no member of staff was being under paid for their role.

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 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

At the end of March 2023, we cared for 43 (2022; 368) children and young people on behalf of Local Authorities and, during the year 2022-2023, over 61 (2021-2022; 41) children and young people benefitted from our care.

As the organisation develops its fostering model it increases its work with more complex arrangements where young people may need more support than is set out in the specifications set out by Local Authorities. This work has led to the organisation achieving a stability rate of over 94%. Over the coming year the organisation will continue to develop this work with in its Therapeutic Fostering model.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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
- 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 2022-23

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.

Number of Children living with CFC carers										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
North	14	10	13	13	17	10	20	19	18	16
South	30	34	31	35	33	31	31	24	20	27
Total	44	44	44	48	50	41	51	43	38	43

The number of Children living with CFC families remains consistent. The average over the last 10 years being 44.6. However, the needs of the young people CFC looks after has increased and therefore more resource is needed to ensure stability of arrangements. The organisation ensures that additional resource required is identified and agreed with purchasers.

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FOR THE YEAR ENDED 31 MARCH 2023

Numbers of Fostering Households										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
North	9	15	13	11	13	14	15	14	15	11
South	28	30	35	36	34	37	31	28	26	25
Total	37	45	48	47	47	51	46	42	41	36

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 dividend, with our enquiry numbers increasing year on year.

Financial performance as detailed in this report shows the Charity making a deficit of £46,832 for the year. This performance is in line the budget agreed by the board pre year. However there was a fund for investment budgeted in year. This spend was not realised, however the trustees made a one of payment to all Foster Carers and Staff to help with the Cost of Living crisis which was not budgeted at the beginning of the year.

During 2022/2023 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 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. 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. After a challenging year in 2020-2021, engaging young people face to face, a lot of work has been putting this back in place. In the year many activities took place including successful community events, children's activities and the always popular summer residential.

Our Annual carer Christmas dinners were held across the organisation. We invited guest speakers and recognised some of our longer serving foster carers for 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

This contract was ended early by North Somerset Council in June 2023 for financial reasons. The performance of CFC was not questioned.

Post year end the board held an extraordinary meeting to review the practicalities of continuing the work of Community Family Care & Skyrocket. It was unanimously agreed that during the 23/24 year the organisation would wind up both of these areas to focus on the organisations core work – Fostering.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Financial Review 2022-2023

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. Due to this Community Foster Care has made a loss in 2022-2023.

There was a loss of £46,832 in 2022/23 (2% of turnover).

Turnover for the year was £2,342,560, a 0.57% decrease from the previous year. Community Foster Care's principal funding source is the income from Local Authority contracts. This has decreased/increased from c.£2.23M in 21-22 to c.£x.xxM in 22-23.

The funds available as at 31st March 2023 are £678,343 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. This will be reviewed in the 2023-24 year.

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.£678k which is 31% higher than the funds required by the reserves policy (£517.5K). 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 and the Cost of Living crisis 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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, 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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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: 5/12/23

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

Opinion

We have audited the financial statements of Community Foster Care (the 'charitable company') for the year ended 31 March 2023 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 2023 and of 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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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITY FOSTER CARE
(CONTINUED)

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes 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 Directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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' directors' report and from the requirement to prepare a strategic report.

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

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.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 (FRS 102). 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 charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company's for fraud. The laws and regulations we considered in this context for the UK operations were Ofsted, General Data Protection Regulations, and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

COMMUNITY FOSTER CARE
(A company limited by guarantee)

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

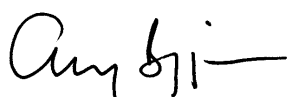
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management.

Our audit procedures to respond to these risks included enquiries of management and the Finance and Resources Committee about their own identification and assessment of the risks of irregularities, review and discussion of non-routine transactions, sample testing on the posting of journals and review of accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Ofsted, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 trustees 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: 19 December 2023

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and grants	4	2,036	2,036	116
Charitable activities:				
Placement income		2,207,102	2,207,102	2,229,968
Early Intervention Services		119,037	119,037	107,685
Investments	5	393	393	205
Other income		13,992	13,992	17,900
Total income		2,342,560	2,342,560	2,355,874
Expenditure on:				
Charitable activities	6	2,389,392	2,389,392	2,339,942
Total expenditure		2,389,392	2,389,392	2,339,942
Net movement in funds		(46,832)	(46,832)	15,932
Reconciliation of funds:				
Total funds brought forward		725,175	725,175	709,243
Net movement in funds		(46,832)	(46,832)	15,932
Total funds carried forward		678,343	678,343	725,175

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

The notes on pages 21 to 38 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	18,861	14,288
Investments	12	5,000	5,000
		<u>23,861</u>	<u>19,288</u>
Current assets			
Debtors	13	397,429	261,300
Cash at bank and in hand		396,400	589,833
		<u>793,829</u>	<u>851,133</u>
Creditors: amounts falling due within one year	14	(139,347)	(145,246)
Net current assets		<u>654,482</u>	<u>705,887</u>
Total net assets		<u><u>678,343</u></u>	<u><u>725,175</u></u>
Charity funds			
Unrestricted funds	15	678,343	725,175
Total funds		<u><u>678,343</u></u>	<u><u>725,175</u></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 and signed on their behalf by:

J Dwight 
Chair of the Board of Directors and Trustees

Date: 5/12/23

The notes on pages 21 to 38 form part of these financial statements.

COMMUNITY FOSTER CARE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	17	(178,239)	(5,075)
Cash flows from investing activities			
Dividends, interests and rents from investments		393	205
Purchase of tangible fixed assets		(15,587)	(4,580)
Net cash used in investing activities		(15,194)	(4,375)
Change in cash and cash equivalents in the year		(193,433)	(9,450)
Cash and cash equivalents at the beginning of the year		589,833	599,283
Cash and cash equivalents at the end of the year	18	396,400	589,833

The notes on pages 21 to 38 form part of these financial statements

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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.

Although the budgeted position for the 23/24 year is set at a further deficit due to significant pressures from the Cost of Living Crisis, the trustees believes its reserves position is strong enough to mitigate the ongoing risk to the charity.

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.

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

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
------------------	---------------------

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.

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.7 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.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 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.

2.11 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.

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Critical accounting estimates and areas of judgement

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:

Critical accounting estimates and assumptions:

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 11 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 and grants

	Unrestricted funds 2023 £	Total funds 2023 £
Donations	36	36
Grants	2,000	2,000
	2,036	2,036

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

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	393	393
	<u>393</u>	<u>393</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest	205	205
	<u>205</u>	<u>205</u>

6. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £
Provision of foster care	2,260,619	2,260,619
Early Intervention Services	128,773	128,773
	<u>2,389,392</u>	<u>2,389,392</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total 2022 £</i>
Provision of foster care	2,233,423	2,233,423
Early Intervention Services	106,519	106,519
	<u>2,339,942</u>	<u>2,339,942</u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2023 £	Depreciation 2023 £	Other costs 2023 £	Total 2023 £
Provision of foster care	902,335	11,014	1,347,270	2,260,619
Early Intervention Services	-	-	128,773	128,773
	<u>902,335</u>	<u>11,014</u>	<u>1,476,043</u>	<u>2,389,392</u>
	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
Provision of foster care	852,854	11,173	1,369,396	2,233,423
Early Intervention Services	-	-	106,519	106,519
	<u>852,854</u>	<u>11,173</u>	<u>1,475,915</u>	<u>2,339,942</u>

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Provision of foster care	1,652,543	608,076	2,260,619
Early Intervention Services	128,773	-	128,773
	<u>1,781,316</u>	<u>608,076</u>	<u>2,389,392</u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Provision of foster care	1,646,765	586,658	2,233,423
Early Intervention Services	106,519	-	106,519
	<u>1,753,284</u>	<u>586,658</u>	<u>2,339,942</u>

Analysis of direct costs

	Provision of foster care 2023 £	Early Intervention Services 2023 £	Total funds 2023 £
Staff costs	407,539	-	407,539
Depreciation	4,975	-	4,975
Foster carers' costs	1,057,605	109,414	1,167,019
Insurance	15,329	-	15,329
Children's care and activities	20,970	12,208	33,178
Travel & subsistence	12,372	1,650	14,022
Staff training	23,630	1,242	24,872
Cleaning	1,691	-	1,691
Premises expenses	26,682	-	26,682
Printing, postage & stationery	4,266	89	4,355
Telephone	6,444	-	6,444
Legal, professional & accountancy	8,890	-	8,890
Social worker	95	-	95
Miscellaneous	5,546	2,008	7,554
Subscriptions	3,536	-	3,536
Equipment maintenance	17,459	-	17,459
Recruitment	9,702	-	9,702
Advertising & promotion	25,812	2,162	27,974
	<u>1,652,543</u>	<u>128,773</u>	<u>1,781,316</u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Provision of foster care 2022 £</i>	<i>Early Intervention Services 2022 £</i>	<i>Total funds 2022 £</i>
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 & activities	23,660	4,828	28,488
Travel and 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 and 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
	<u>1,646,765</u>	<u>106,519</u>	<u>1,753,284</u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Provision of foster care 2023 £	Total funds 2023 £
Staff costs	494,796	494,796
Depreciation	6,039	6,039
Travel and subsistence	17,023	17,023
Cleaning	2,053	2,053
Premises expenses	32,396	32,396
Printing, postage & stationery	497	497
Telephone	7,824	7,824
Legal, professional & accountancy	7,300	7,300
Accountancy & audit	10,200	10,200
Miscellaneous	4,458	4,458
Subscriptions	4,293	4,293
Equipment maintenance	21,197	21,197
	<hr/> 608,076 <hr/>	<hr/> 608,076 <hr/>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

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

Included within support costs above are governance costs of £11,744 (2022: £14,031), which includes £10,200 (2022: £10,200) for audit and accountancy and other support costs of £1,544 (2022: £3,831).

8. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £7,590 (2022 - £6,900), and accounts preparation fee of £1,580 (2022 - £1,445).

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Staff costs

	2023	2022
	£	£
Wages and salaries	796,423	756,575
Social security costs	70,478	64,900
Contribution to defined contribution pension schemes	35,434	31,379
	902,335	852,854

During the year ended 31 March 2023, the charitable company made termination payments to one member of staff amounting to £1,500 (2022: £Nil).

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

	2023	2022
	No.	No.
Senior staff	4	4
Other staff members	28	27
	32	31

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

	2023	2022
	No.	No.
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

The remuneration of the key management personnel amounted to £299,414 (2022: £271,147). Key management personnel are defined as the Chief Executive, Registered Manager, Service Manager, and Business Development Manager.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no Trustee expenses have been incurred (2022 - £NIL).

COMMUNITY FOSTER CARE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 April 2022	51,925
Additions	15,587
At 31 March 2023	<u>67,512</u>
Depreciation	
At 1 April 2022	37,637
Charge for the year	11,014
At 31 March 2023	<u>48,651</u>
Net book value	
At 31 March 2023	<u><u>18,861</u></u>
At 31 March 2022	<u><u>14,288</u></u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Fixed asset investments

	Investment in participating interests £
Cost or valuation	
At 1 April 2022	10,000
At 31 March 2023	<u>10,000</u>
Impairment	
At 1 April 2022	5,000
At 31 March 2023	<u>5,000</u>
Net book value	
At 31 March 2023	5,000
At 31 March 2022	<u>5,000</u>

During the year ended 31 March 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 year ended 31 March 2021 an impairment loss of £5,000 was recognised in the Statement of Financial Activities.

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	359,855	218,826
Other debtors	4,726	4,334
Prepayments and accrued income	32,848	38,140
	<u>397,429</u>	<u>261,300</u>

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	39,416	33,296
Other taxation and social security	16,365	18,050
Pension fund loan payable	5,981	5,131
Other creditors	21,950	30,830
Accruals and deferred income	55,635	57,939
	139,347	145,246
	2023	2022
	£	£
Deferred income analysis		
Deferred income at 1 April	-	3,940
Resources deferred during the year	8,750	-
Amounts released from previous periods	-	(3,940)
Deferred income at 31 March	8,750	-

Income has been deferred in respect of work to be carried out in the 2023/24 financial year.

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds				
General Funds	725,175	2,342,560	(2,389,392)	678,343

Statement of funds - prior year

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

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

COMMUNITY FOSTER CARE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	18,861	18,861
Fixed asset investments	5,000	5,000
Current assets	793,829	793,829
Creditors due within one year	(139,347)	(139,347)
Total	678,343	678,343

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	14,288	14,288
Fixed asset investments	5,000	5,000
Current assets	851,133	851,133
Creditors due within one year	(145,246)	(145,246)
Total	725,175	725,175

COMMUNITY FOSTER CARE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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

	2023 £	2022 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(46,832)	15,932
Adjustments for:		
Depreciation charges	11,014	11,173
Dividends, interests and rents from investments	(393)	(205)
Increase in debtors	(136,129)	(20,738)
Decrease in creditors	(5,899)	(11,237)
Net cash used in operating activities	(178,239)	(5,075)

18. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	396,400	589,833

19. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	589,833	(193,433)	396,400
Debt due within 1 year	(5,131)	(850)	(5,981)
	584,702	(194,283)	390,419

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20. Pension commitments

The pension cost charge for the period represents contributions payable to the defined contribution scheme and amounted to £35,434 (2022: £31,379).

Contributions totalling £5,981 (2022: £5,131) were payable to the scheme at the year end and are included within creditors.

21. Operating lease commitments

At 31 March 2023 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	12,009	11,729
Later than 1 year and not later than 5 years	-	12,009
	<u>12,009</u>	<u>23,738</u>

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

	2023 £	2022 £
Operating lease rentals	<u>11,729</u>	<u>13,138</u>

22. Related party transactions

During the year, Trustee, M Straton, was paid £6,005 (2022: £5,530) in relation to her work as Agency Decision Maker. £593 remained payable at year end (2022: £Nil).

During the year, Trustee J Jansen, was paid £525 (2022: £669) in relation to her work as an Independent Panel Member. £Nil remained payable at year end (2022: £Nil).

During the year ended 31 March 2018 the charity invested £10,000 in Skyrocket 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. An impairment charge of £5,000 was recognised in the year ended 31 March 2021. This was reviewed in year and no further impairment was required. This will continue to be reviewed annually.