

Charity registration number 1164243

Company registration number 08377270 (England and Wales)

KIDS CARE CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

KIDS CARE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J Arabadjieva Mrs D Lambina Mr T Lambin
Charity number	1164243
Company number	08377270
Registered office	73 Hook Lane Welling United Kingdom DA16 2DW
Independent examiner	Mark Jackson FCA DChA Azets Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP
Bankers	HSBC Canada Place Canary Wharf London United Kingdom E14 5AH

KIDS CARE CHARITY

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KIDS CARE CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

The trustees present their annual report and financial statements for the year ended 31 January 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The charity's objects are:

1. To relieve need and protect and preserve good health among children living in institutional homes in Bulgaria by providing grants of financial assistance to charitable and not for profit organisations working to find suitable foster care placements and adoptive families for such children.
2. The prevention or relief of poverty in Bulgaria among children, young people and families who are at risk of abandoning their children in Bulgaria by providing such grants, items and services to individuals in need as the trustees see fit.

The main activities undertaken in relation to the above objects are:

1. Fundraising activities.
3. Funds raised are used to increase the capacity of partner organizations to find suitable foster care placements for children living in institutional homes in Bulgaria.
4. Grants are also extended towards prevention or relief of poverty in Bulgaria among children and families who are at risk of abandoning their children

The trustees have paid due regard to guidance issued by the Charity Commission on public benefit in deciding what activities the charity should undertake.

Achievements and performance

Kids Care Charity completed another successful year in which we helped many people in need, continued working with our partnership organization Foundation Trotoara and left a slightly better world behind.

Through our partnership with Club Magis, the following was achieved:

- Delivered lasting change for a single mother with three children, who were left on the street after being kicked out from their last rental property. We contributed to the purchase of a small house and solved their long-lasting housing problem
- Through our partnership with Foundation Trotoara, we reached to many new children and young people by organizing various music and visual arts activities and with that, helped them fight depression and find purpose in life. We continued to pay the salary for 1 person who worked with new schools in deprived areas in the south of Bulgaria
- Paid house refurbishment costs for a single mother and solved her long-lasting housing problem
- Met the household needs of over 20 families, including electricity, water, food bills, clothing, medical needs, refurbishment, furniture, electrical appliances and more
- Equipped children for school with all the necessary study materials and backpacks
- Paid summer club fees for children from impoverished families
- Paid kindergarten fees so that mothers can go to work
- Paid for school meals so children do not stay hungry in school
- Enrolled children in sports classes and paid for singing lessons of one talented girl from a single-parent family who cannot afford otherwise

KIDS CARE CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

Huge thanks to all who helped with funds, material donations, volunteering, pro bono legal, accounting and sports coaching services.

We look forward to continuing working with you and improve the lives of children, young people and families in need.

Financial review

It is the policy of the charity that designated funds shall be maintained at a level equivalent to commitments made to partner organisations. Unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between six to twelve month's operational expenditure, plus a reserve for providing ad-hoc emergency financial aid, as needed, which is not included in the committed and designated funds. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees confirm that there are no concerns at this stage as to the going concern nature of the Charity. In arriving at this conclusion, the trustee board has considered the following:

- Kids Care Charity does not rely on any public funding or other governmental aid to fund its activities; instead we are entirely reliant on donations made by individuals.
- We have not seen any decline in the response to our fundraising campaigns since the pandemic; in fact, we noticed that charitable giving slightly increased as we were able to utilise a new fundraising platform (Brightfunds.org) which we didn't use before.
- Almost all of our fundraising is done online using social media (Facebook) and platforms such as Brightfunds.org and JustGiving, so we were not impacted by the lockdowns and social distance restrictions to raise funds.
- We have sufficient cash reserves available (approx. £90k at 18 October 2023) to continue our operations for the next 12 months.

We take this opportunity to express our thanks to all our supporters and volunteers on the ground without whom this would not have been possible. We look forward to continuing working with you and improve the lives of children, young people and families in need.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

KIDS CARE CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

Structure, governance and management

The charity is a company limited by guarantee incorporated in January 2013 and registered with the Charity Commission in October 2015.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs J Arabadjieva

Mrs D Lambina

Mr T Lambin

The trustees are responsible for recruiting and appointing new trustees. All new trustees would be taken through an induction process.

None of the trustees have any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.

Mrs J Arabadjieva

Trustee

Dated: 23 October 2023

KIDS CARE CHARITY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KIDS CARE CHARITY

I report to the trustees on my examination of the financial statements of Kids Care Charity (the charity) for the year ended 31 January 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mark Jackson FCA DChA
Azets

Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP
United Kingdom

Dated: 28 October 2023

KIDS CARE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

Current financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	8,296	33,556	41,852	21,686
<u>Expenditure on:</u>					
Raising funds	4	60	-	60	204
Charitable activities	5	12,785	23,156	35,941	11,734
Total expenditure		12,845	23,156	36,001	11,938
Net (expenditure)/income for the year/ Net movement in funds		(4,549)	10,400	5,851	9,748
Fund balances at 1 February 2022		53,232	3,011	56,243	46,495
Fund balances at 31 January 2023		48,683	13,411	62,094	56,243

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

KIDS CARE CHARITY

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

Prior financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	11,424	10,262	21,686
<u>Expenditure on:</u>				
Raising funds	4	204	-	204
Charitable activities	5	3,084	8,650	11,734
Total expenditure		3,288	8,650	11,938
Net (expenditure)/income for the year/ Net movement in funds		8,136	1,612	9,748
Fund balances at 1 February 2021		45,096	1,399	46,495
Fund balances at 31 January 2022		53,232	3,011	56,243

KIDS CARE CHARITY

BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	11	1,576		4,921	
Cash at bank and in hand		62,078		52,702	
		<u>63,654</u>		<u>57,623</u>	
Creditors: amounts falling due within one year	12	<u>(1,560)</u>		<u>(1,380)</u>	
Net current assets			62,094		56,243
Income funds					
Restricted funds	13		13,411		3,011
Unrestricted funds			48,683		53,232
			<u>62,094</u>		<u>56,243</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 January 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 October 2023

Mrs J Arabadjieva
Trustee

Company registration number 08377270

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

Charity information

Kids Care Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is 73 Hook Lane, Welling, DA16 2DW, United Kingdom.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt a going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless funds have been designated for other purposes.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Charity to that expenditure and it is probable that settlement will be required and the amount of the obligation can be measured reliably. In particular the following policies apply to grants payable:

- Unconditional grants are accrued once the recipient has been notified of the grant award.
- Conditional grants, which are subject to performance conditions, are only accrued when the recipient has been notified of the grant award and any remaining unfulfilled conditions attached to the grant are outside the control of the Charity.

Expenditure includes any attributable VAT which cannot be recovered.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	8,296	33,556	41,852	11,424	10,262	21,686

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Fundraising agents	60	204
	<u>60</u>	<u>204</u>

5 Charitable activities

	2023	2022
	£	£
Club Magis: relief of poverty	23,156	8,650
Community support: Sevda	3,217	-
Community activities	7,821	1,615
Google fees	19	19
Legal & professional fees	48	53
Accountancy fees	1,650	1,380
Bank Charges	30	17
	<u>35,941</u>	<u>11,734</u>
Analysis by fund		
Unrestricted funds	12,785	3,084
Restricted funds	23,156	8,650
	<u>35,941</u>	<u>11,734</u>

6 Support costs

Governance costs includes payments of £1,650 (2022- £1,380) for independent examination fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

8 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Total	-	-

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

8 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Other debtors	1,576	4,921
Bank and cash	62,078	52,702
	<u> </u>	<u> </u>
Measured at cost	63,654	57,623
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at fair value through profit or loss		
Accruals and deferred income	1,560	1,380
	<u> </u>	<u> </u>
Measured at cost	1,560	1,380
	<u> </u>	<u> </u>

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	1,576	4,921
	<u> </u>	<u> </u>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	1,560	1,380
	<u> </u>	<u> </u>

KIDS CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

13 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 February 2021	Income	Expenditure	Balance at 1 February 2022	Income	Expenditure	Balance at 31 January 2023
	£	£	£	£	£	£	£
Relief of poverty: Club Magis	-	10,262	(7,251)	3,011	33,556	(23,156)	13,411
Facebook campaign (burned children)	1,080	-	(1,080)	-	-	-	-
Facebook campaign (single dad)	319	-	(319)	-	-	-	-
	<u>1,399</u>	<u>10,262</u>	<u>(8,650)</u>	<u>3,011</u>	<u>33,556</u>	<u>(23,156)</u>	<u>13,411</u>

The Club Magis fund is to support families in need with practical and financial support. The Facebook campaigns were to provide support for specific families.

14 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 January 2023 are represented by:					
Current assets/(liabilities)	48,683	13,411	62,094	53,232	56,243
	<u>48,683</u>	<u>13,411</u>	<u>62,094</u>	<u>53,232</u>	<u>56,243</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).