

Charity Registration No. 1201143

Company registration number 14472135 (England and Wales)

**THE FOSTER CARE CHARITY
ANNUAL REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2024**

THE FOSTER CARE CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr B J N O'Connell	(Appointed 9 November 2022)
	Ms P M Chinneck	(Appointed 9 November 2022)
	Mr S Egerton	(Appointed 1 October 2022)
	Ms D Jackman	(Appointed 1 October 2022)
	Mr K J Monk	(Appointed 9 November 2022)
	Mr J Tudge	(Appointed 9 November 2022)
Secretary	Mr K J Monk	
Charity number	1201143	
Company number	14472135	
Principal office	Penny Hall The Haysfield Spring Lane North Malvern Worcestershire WR14 1GF	
Auditor	Ormerod Rutter Limited Chartered Accountants The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY	

THE FOSTER CARE CHARITY

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THE FOSTER CARE CHARITY
TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements for the period ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply 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)" (effective 1 January 2019).

Incorporation

The charitable company was incorporated on 9 November 2022 and commenced trading on 1 October 2023.

Vision

To make a positive impact on children's lives and enable them to achieve their full potential, have a sense of belonging, and grow as individuals.

Objectives

- To promote the care and welfare of vulnerable children and young adults through the provision of foster care placements and other relevant childcare services and young people's services; and
- To relieve the needs and preserve and protect the welfare of children and young adults in foster care, those who have left the care system and their carers through the provision of advice, support and additional services.

Public benefit

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

THE FOSTER CARE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

Service and Activities

FCC receives referrals of children and young people requiring a foster placement from Local Authorities throughout England. Referrals are dealt with by our Placement Co-ordinator who identifies potential matches and then liaises with our staff and carers and the Local Authority to progress the referral. This agency has a robust Matching procedure which ensures that every child referred is matched to the carer who can best meet their needs.

Every fostering household has provided a family profile, which includes photos and information about themselves and a message to the child or young person requiring a placement.

FCC offers a range of placement types, as follows:

- Short term - FCC provides short-term placements. For example, children and young people may require a short-term placement to aid a return home or to assist them in moving to an adoptive or a permanent placement. A child may be placed in an emergency, pending decisions being made about their future. Foster carers will be working with the placing Authority on objectives within the child's Care Plan and ensuring that the child or young person reaches their individual potential, however long the placement lasts.
- Long Term - FCC offers permanent family placements for children and young people for whom the decision that they require a permanent placement has been made. The aim is to provide a home into adulthood.
- We are an agency that will promote Special Guardianship and adoption for children placed with our foster carers, where this is in the child's best interests and with agreement of all parties.
- Where appropriate, this agency supports, in principle, carers who wish to continue to offer a place for a young person after their 18th birthday. We believe that offering a young person a Staying Put arrangement, where FCC remains involved and supporting the former foster carer, is the most positive way of providing this.
- Staying Put - Staying Put is a governmental initiative to support young people, on reaching the age of 18, to stay with their former foster carers. Whilst not a fostering placement, FCC has a scheme which allows for the former carer to be supported whilst the Staying Put arrangement is in place. This scheme benefits both the young person and the carer.
- Sibling Groups - The agency does assess and approve foster carers who have the emotional strength and physical space to care for a sibling group. We recognise the additional support that looking after a sibling group requires so that each individual child achieves their maximum potential.
- Parent and Child Placements - This Agency provides a Parent and Child placement service. Foster carers are required to have training in this type of provision as well as evidencing their ability to take on this complex task. We have carers who can work with the placing Authority on a parenting assessment and provide evidence for the court report.
- Short Term Placements Under Regulation 42 - Under Regulation 42 of the Fostering Services Regulations 2011, this agency has offered to Local Authorities, foster carers who can work alongside a parent or family member caring for a non-disabled child and who will offer short breaks to enable the child to continue to live at home. Relevant training and support will be offered to carers interested in this area of work.

Examples of activities and events that we have regularly run in the past are poetry or story writing competitions for children, art workshops for children (and subsequent art exhibitions), summer events for carers and children (such as going to see an outdoor children's play and then a barbeque), seasonal meals for carers, winter events for carers and children such as ice skating, etc.

FCC hold a quarterly Childrens Forum and Carers Forum. This is an opportunity to meet with the Director of Child Care and other Senior Leadership Members, providing feedback, consultation and ways to help develop the agency. FCC consider this a vital resource in engaging with the children and carers we support, giving them a voice within the agency.

THE FOSTER CARE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

Financial Review

During the period, total incoming resources as shown in the consolidated Statement of Financial Activities stand at £7,303,034 (of which £3,460,443 were donations from The Foster Care Co-Operative Limited).

The net assets held as at 31 March 2024 were £4,625,166 of which £0 are currently held in restricted funds.

Reserves policy

As at 31 March the minimum level of free reserves to safeguard the Charity's ongoing viability stands at £1.8m against the actual free reserves level of £2.25m.

The calculation is reviewed regularly and discussed at Board meetings. In the event of any significant shortfall detailed plans will be put in place to ensure the reserves are replenished. The aim of the reserves policy is to maximise progress towards meeting our objectives whilst balancing the need for continuity and consistency of the work undertaken by the Foster Care Charity. The trustees are of the view that the charitable company is a going concern.

Plans for future periods

Strategic Aims 2023-2025 financial year:

Four strategic priorities were agreed to deliver Business's Charitable Objectives for the 2023-2025 financial year:

- Launch the Charity and build the brand

The Foster Care Charity was launched on 1st October 2023

- Drive forward the quality of our work and aspire to do better in all we do

A 'Quality Assurance Framework' is in place that uses quality control/quality assurance tools to monitor and identify how the audit of our work can be improved.

- Diversify our core offer

A feasibility study of diversification and growth options was undertaken in February 2024 and is currently being considered.

- Be ambitious and innovative in our inclusivity agenda

Equality and Diversity training is mandatory and is a set agenda item at all regular meetings. E&D specialist trainers have been appointed who can better engage with deaf/hard of hearing carers. The office spaces have been fully renovated to ensure those with mobility and sight and hearing loss can better use the facilities. Proactive marketing to recruit staff/carers and panel members from diverse communities is ongoing, as is the involvement in various local and regional events such as Pride and LGBT groups.

Strategic Aims for 2025 – 2026:

These will be expanded upon at the Charity's Strategic Away Day planned for later in the year and will build upon those listed above.

THE FOSTER CARE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

Structure, governance and management

The charity is a company limited by guarantee and is governed by its articles of association.

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

Mr B J N O'Connell	(Appointed 9 November 2022)
Ms P M Chinneck	(Appointed 9 November 2022)
Mr S Egerton	(Appointed 1 October 2022)
Ms D Jackman	(Appointed 1 October 2022)
Mr K J Monk	(Appointed 9 November 2022)
Mr J Tudge	(Appointed 9 November 2022)
Ms E Hutton	(Appointed 9 November 2022 and resigned 13 September 2023)

The Board currently comprises the following Trustees:

- Brian O'Connell - Chairman of the Board

Brian is a consulting solicitor for a large solicitor's firm based in Worcestershire. He has also sat as a Deputy District Judge for over 20 years. He was also a founder member of the Worcester Duty Solicitor Scheme.

- Jerry Tudge - Trustee and Vice Chair

Jerry is a qualified Building Surveyor and ex-foster carer (with 14 years of experience of fostering) with work experience in the private, NHS and Local Government sectors. Jerry has previously been a member and Vice Chair of both the Welsh and English Fostering Panels.

Although now retired, Jerry was previously the Principal Building Surveyor for Worcestershire County Council.

- Ken Monk - Trustee and Company Secretary

Most of Ken's long working life has been spent in education, teaching English up to Advanced Level, in this country and the U.S.A. Ken has also been involved in our English Fostering Panel for some years.

- Patricia Chinneck - Trustee

Pat comes from an administration background and spent over twenty years working in social care for a 'Children with Disabilities Team' which has given her a good insight in respect to child development and the support they need.

- Donna Jackman - Trustee

Donna has over 35 years of experience as a strategic and operational leader in the field of Children and Family Services. Donna spent many years working with unions, 3rd sector community organisations, NSPCC/Action for Children/Adoption Agencies, and more recently supporting young teenage mothers within a mother and baby support unit.

- Simon Egerton - Trustee

Simon worked for many years as a Director for Clarke Roxburgh (Insurance) and became a Fellow of the Chartered Insurance Institute and Chartered Insurance Broker. Simon was appointed a Magistrate in 2005 and continues to sit predominately in Family Court and served as Chairman of the bench from 2018-2022. Simon was previously a member of Malvern Hills Round Table 1983-2000, Member of Malvern Hills Knights Club (Ex Round Table), and Member of Colwall Rotary Club.

THE FOSTER CARE CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

Senior Leadership Management Structure

The Head office of FCC is based in Malvern, Worcestershire and effectively has oversight for all the company activities; our Business Support, Finance and Human Resources staff are based in Malvern and our Senior Leadership Team meetings and quarterly quality assurance meetings are also held at this office.

Our Senior Leadership Team comprises of: -

- Sumerjit Ram - CEO
- Steve Field - Director of Child Care
- Barbara Bull - DCEO and Head of Human Resources
- Samantha Williams - Head of Business Support Services and IT

Statement of Trustees' responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity 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:

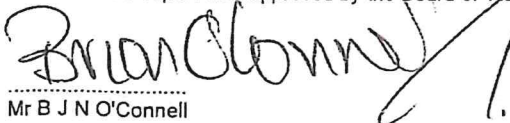
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees and signed on their behalf by:


Mr B J N O'Connell

Date: 29/7/24

THE FOSTER CARE CHARITY
INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE FOSTER CARE CHARITY

Opinion

We have audited the financial statements of The Foster Care Charity (the 'parent charitable company') and its subsidiary (the 'group') for the period ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and related notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and the parent charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

THE FOSTER CARE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE FOSTER CARE CHARITY

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company, we identified the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, and the extent to which non-compliance might have a material effect on the financial statements. Audit procedures performed included discussions with management, review of board meeting minutes, testing of journals, designing and performing audit procedures and challenging assumptions and judgements made by management in relation to accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE FOSTER CARE CHARITY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE FOSTER CARE CHARITY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited

Chartered Accountants
Statutory Auditor

11/8/2024

Ormerod Rutter Limited
Chartered Accountants
The Oakley
Kidderminster Road
Droitwich
Worcestershire

THE FOSTER CARE CHARITY

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

FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024
<u>Income and endowments from:</u>		
Donations and grants	3	£ 3,460,443
Charitable activities	4	2,716,761
Investments	5	29,421
Other income	6	450
Transfer of net assets from subsidiary	23	1,095,959
Total income		7,303,034
<u>Expenditure on:</u>		
Raising funds	7	3,865
Charitable activities	8	2,720,957
Total expenditure		2,724,822
Net gains/(losses) on investments	13	46,954
Net income and movement in funds		4,625,166
Reconciliation of funds:		
Fund balances at 9 November 2022		-
Fund balances at 31 March 2024		4,625,166

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

THE FOSTER CARE CHARITY

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£
Fixed Assets			
Tangible assets	15	600,101	
Investments	16	<u>1,241,026</u>	
			1,841,127
Current assets			
Debtors	17	910,491	
Cash at bank and in hand		<u>2,010,239</u>	
			2,920,730
Creditors: amounts falling due within one year	18	<u>(136,691)</u>	
Net current assets			<u>2,784,039</u>
Total assets less current liabilities			<u>4,625,166</u>
Total net assets			<u>4,625,166</u>
Charity funds			
Unrestricted funds			<u>4,625,166</u>
Total funds			<u>4,625,166</u>

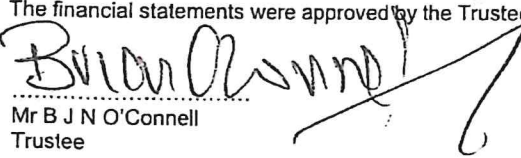
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The trustees 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 trustees have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the period 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 29/7/24 and signed on their behalf by:


Mr B J N O'Connell
Trustee

Company registration number 14472135 (England and Wales)

THE FOSTER CARE CHARITY

COMPANY BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£
Fixed Assets			
Tangible assets	15		36,295
Investments	16		<u>1,241,026</u>
			1,277,321
Current assets			
Debtors	17	910,491	
Cash at bank and in hand		<u>1,472,868</u>	
		2,383,359	
Creditors: amounts falling due within one year	18	<u>(131,473)</u>	
Net current assets			<u>2,251,886</u>
Total assets less current liabilities			<u>3,529,207</u>
Net assets excluding pension liability			<u>3,529,207</u>
The funds of the charity			
Unrestricted funds			<u>3,529,207</u>
Total funds			<u>3,529,207</u>

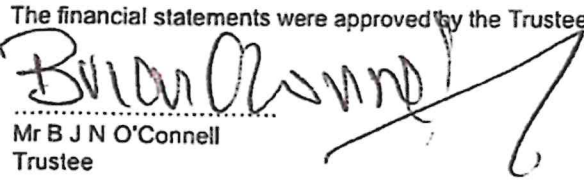
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These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29/7/24 and signed on their behalf by:


Mr B J N O'Connell
Trustee

Company registration number 14472135 (England and Wales)

THE FOSTER CARE CHARITY

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 MARCH 2024

	Notes	2024 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	25		2,691,154
Investing activities			
Purchase of tangible fixed assets		(9,845)	
Purchase of investments tangible fixed assets		(643,806)	
Investment income received		46,954	
Net cash used in investing activities			(680,915)
Net cash used in financing activities			-
Net increase in cash and cash equivalents			2,010,239
Cash and cash equivalents at beginning of period			-
Cash and cash equivalents at end of period			<u>2,010,239</u>

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Foster Care Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is Penny Hall, The Haysfield, Spring Lane North, Malvern, Worcestershire, WR14 1GF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The financial statements consolidate the results of the charity and its wholly owned subsidiary, The Foster Care Property Company Limited, on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements.

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 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, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

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

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 or grantors 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.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

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. Costs of raising funds are those costs incurred in generating voluntary income, and those costs incurred in trading activities that raise funds.

Expenditure on charitable activities includes costs incurred on operations in line with charitable aims and objectives and their associated support and governance costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management.

Governance costs are those costs associated with meeting the constitutional and statutory requirements and include any costs associated with the strategic management of the charity.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	Nil
Fixtures and fittings	20% on cost or 25% reducing balance
Computer equipment	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

1.9 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.

1.10 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.

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.

1.11 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.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.14 Investment income

Investment income is accounted for on an accruals basis.

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.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

3 Donations and grants

Unrestricted
funds
2024
£

Donations from The Foster Care Co-Operative Limited

3,460,443

As of 1 October 2023, the trade, assets and all liabilities of 'The Foster Care Co-Operative Limited' (company no. 03861213) were transferred to the charity. The total value of the donations made to The Foster Care Charity during this financial year was £3,460,443.

4 Income from charitable activities

Unrestricted
funds
2024
£

Fostercare placements

2,716,761

5 Income from investments

Unrestricted
funds
2024

£

Dividend income

3,842

Bank interest receivable

8,500

Portfolio investment income receivable

17,079

29,421

6 Other income

Unrestricted
funds
2024
£

Compensation

450

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

7 Expenditure on raising funds

Unrestricted
2024
£

Investment management fees

3,865

8 Expenditure on charitable activities

Activity
2024
£

Direct costs

Staff costs	463,589
Other staff costs	19,205
Fostering costs and allowances	1,526,128
Carer payments	11,175
Management levy	4,592
Panel and reviews	22,042
Professional expenses	2,006
Support groups	3,135
Training	20,974
Subscriptions	18,107
	<u>2,090,953</u>

Share of support and governance costs (see note 9)

Support	616,277
Governance	13,727
	<u>2,720,957</u>

Analysis by fund

Unrestricted funds	<u>2,720,957</u>
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THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

9 Support costs allocated to activities

	2024 £
Staff costs	397,846
Depreciation	12,122
Support staff costs	11,200
Leased cars	11,346
Premises costs	45,158
IT costs	26,918
Professional fees	11,847
Insurance	13,460
Marketing	48,586
Bank charges	919
Miscellaneous	36,875
Governance costs	13,727
	<u>630,004</u>

Governance costs comprise:

	2024 £
Travel	57
Board meeting costs	1,622
Audit fees	6,720
General governance costs	5,328
	<u>13,727</u>

10 Net movement in funds

	2024 £
The net movement in funds is stated after charging/(crediting):	
Fees payable for the audit of the charity's financial statements	6,720
Depreciation of owned tangible fixed assets	<u>12,122</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period. 7 trustees were reimbursed a total of £1,782 relating to board meeting expenses, 1 was reimbursed £13 for general travelling expenses and 1 was reimbursed £848 for panel & review costs.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

12 Employees

The average monthly number of employees during the period was:

	2024 Number
Group & charity	37
Employment costs	2024 £
Wages and salaries	720,157
Social security costs	64,620
Other pension costs	76,658
	861,435

During the period, the charity made redundancy and termination payments amounting to £17,683 with respect to 2 individual cases.

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

Remuneration of key management personnel

Key management remuneration (including employer pension costs) in the period totalled £200,437.

13 Gains losses on investments

	Unrestricted Funds 2024 £
Gains/(losses) arising on:	
Revaluation of investments	46,954

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

15 Tangible fixed assets - Group

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
Additions	-	9,845	-	9,845
Transfers in	-	13,553	25,019	38,572
Acquired on acquisition	556,316	7,490	-	563,806
At 31 March 2024	556,316	30,888	25,019	612,223
Depreciation and impairment				
Depreciation charge in the period	-	2,819	9,303	12,122
At 31 March 2024	-	2,819	9,303	12,122
Carrying amount				
At 31 March 2024	556,316	28,069	15,716	600,101

Tangible fixed assets - Charity

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
Additions	9,845	-	9,845
Transfers in	13,553	25,019	38,572
At 31 March 2024	23,398	25,019	48,417
Depreciation and impairment			
Depreciation charge in the period	2,819	9,303	12,122
At 31 March 2024	2,819	9,303	12,122
Carrying amount			
At 31 March 2024	20,579	15,716	36,295

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

16	Fixed asset investments	Listed investments	
	Group & Charity	£	
	Cost or valuation		
	Additions	1,000,000	
	Valuation changes	46,954	
	Transfers in	208,076	
	Income reinvested net of costs	25,127	
	Reclassification of bank funds	(39,131)	
	At 31 March 2024	<u>1,241,026</u>	
	Carrying amount		
	At 31 March 2024	<u>1,241,026</u>	
17	Debtors	Group	Charity
		2024	2024
	Amounts falling due within one year:	£	£
	Trade debtors	845,289	845,289
	Other debtors	9,206	9,206
	Prepayments and accrued income	55,996	55,996
		<u>910,491</u>	<u>910,491</u>
18	Creditors	Group	Charity
		2024	2024
	Amounts falling due within one year:	£	£
	Other taxation and social security	29,276	27,238
	Trade creditors	15,030	15,030
	Other creditors	67,772	67,772
	Accruals and deferred income	24,613	21,433
		<u>136,691</u>	<u>131,473</u>
19	Retirement benefit schemes	Group	Charity
		2024	2024
	Defined contribution schemes	£	£
	Charge to profit or loss in respect of defined contribution schemes	<u>76,658</u>	<u>76,658</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

20 Unrestricted funds

Group

The unrestricted funds of the group comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include any designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 9 November 2022	Incoming resources	Resources expended	Gains and losses	At 31 March 2024
	£	£	£	£	£
General funds	-	7,303,034	(2,724,822)	46,954	4,625,166

21 Operating lease commitments

At the reporting end date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £
Within one year	24,028
Between two and five years	16,217
	<u>40,245</u>

22 Related party transactions

There were no disclosable related party transactions during the period.

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

23 Subsidiaries

As of 13 December 2023, The Foster Care Co-Operative Properties Limited (company number 04946276), a company limited by guarantee, became a wholly owned subsidiary of the charity by virtue of the controlling interest by The Foster Care Charity, and its results have been included within these consolidated financial statements.

The net assets acquired as of 13 December 2023 amounted to £1,095,959, for which no consideration was paid.

Details of the charity's subsidiary at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business
The Foster Care Property Company Limited	Penny Hall The Haysfield Spring Lane North Malvern Worcestershire WR14 1GF	Property management

The aggregate capital and reserves and the results for the period of the subsidiary is as follows:

Name of undertaking	Profit/(Loss) for period £	Capital and Reserves £
The Foster Care Property Limited	(434)	1,095,959

THE FOSTER CARE CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2024

24 Transfer of trade and assets

The fair value of assets transferred at 30 September 2023 from The Foster Care Co-Operative Limited were as follows:

	Fair Value £
Property, plant and equipment	38,571
Investments	209,309
Trade and other receivables	701,917
Cash and cash equivalents	1,269,709
Trade and other payables	(65,901)
Total identifiable net assets	<u>2,153,605</u>

25 Cash generated from operations

	2024 £
Surplus for the period	4,625,166
Adjustments for:	
Investment income recognised in statement of financial activities	(29,421)
Fair value gains and losses on investments	(46,954)
Depreciation and impairment of tangible fixed assets	12,122
Net assets acquired on acquisition	(1,095,959)
Movements in working capital:	
(Increase) in debtors	(910,491)
Increase in creditors	136,691
Cash generated from/(absorbed by) operations	<u>2,691,154</u>

26 Analysis of changes in net funds/(debt)

The charity and group had no material debt during the year.