

Charity registration number 1201143

Company registration number 14472135 (England and Wales)

**THE FOSTER CARE CHARITY**  
**ANNUAL REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

## **THE FOSTER CARE CHARITY**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr B J N O'Connell Ms P M Chinneck Mr S Egerton Ms D Jackman Mr K J Monk Mr J Tudge
<b>Secretary</b>	Mr K J Monk
<b>Charity number</b>	1201143
<b>Company number</b>	14472135
<b>Principal office</b>	Penny Hall The Haysfield Spring Lane North Malvern Worcestershire WR14 1GF
<b>Auditor</b>	Ormerod Rutter Limited Chartered Accountants The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY
<b>Investment Advisors</b>	EFG Harris Allday 33 Great Charles Street Birmingham West Midlands B15 2TY

# THE FOSTER CARE CHARITY

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# **THE FOSTER CARE CHARITY**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2025**

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The Trustees present their annual report and financial statements for the year ended 31 March 2025.

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 YEAR ENDED 31 MARCH 2025**

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#### 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 YEAR ENDED 31 MARCH 2025

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#### Financial Review

During the year, total incoming resources as shown in the consolidated Statement of Financial Activities were £4,215,480 (2024: £7,303,034).

The net assets held as at 31 March 2025 were £4,704,311 (2024: £4,625,166) of which £0 are currently held in restricted funds.

#### Reserves policy

The trustees aim to hold a level of reserves to cover the potential cost of winding up the charity and have sufficient reserves to explore future charitable opportunities.

The level of reserves 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 charity is a going concern.

#### Plans for future periods

##### Strategic Aims for 2025 – 2026:

- Grow our FCC carer population through new applicants, meeting the increasing numbers of children coming into care. Invest in SSWs to become champions
- Through our support and care offer, ensure the retention of our carers
- Introduce FCC support workers through grant funding to deliver increased support and life story work
- Use Practice Based Research to improve quality and outcomes for our children
- Implement feedback systems to better understand why applicants don't convert to approvals
- Implement our diversification plans to expand our core offer

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.

# THE FOSTER CARE CHARITY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2025**

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### 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 year and up to the date of signature of the financial statements were:

Mr B J N O'Connell  
Ms P M Chinneck  
Mr S Egerton  
Ms D Jackman  
Mr K J Monk  
Mr J Tudge

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 YEAR ENDED 31 MARCH 2025

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#### 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:

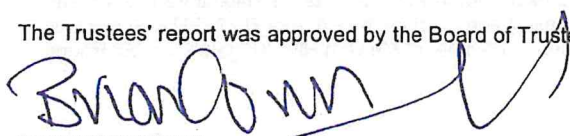
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures 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: 17/9/25

# THE FOSTER CARE CHARITY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE FOSTER CARE CHARITY

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#### Opinion

We have audited the financial statements of The Foster Care Charity (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2025 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 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities 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.

However, the trustees have noted that a subsidiary Foster Care Property Company will not be preparing accounts using the going concern basis. This does not cast significant doubt on the ability of the Group as a whole to continue as a going concern.

#### 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

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### **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**

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#### **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**

18/9/2025

**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 YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025	Unrestricted funds 2024
<b><u>Income and endowments from:</u></b>			
		£	£
Donations and grants	3	5,522	3,460,443
Charitable activities	4	4,140,554	2,716,761
Investments	5	69,404	29,421
Other income	6	-	450
Transfer of net assets from subsidiary		-	1,095,959
<b>Total income</b>		<b>4,215,480</b>	<b>7,303,034</b>
<b><u>Expenditure on:</u></b>			
Raising funds	7	11,893	3,865
Charitable activities	8	4,134,536	2,720,957
<b>Total expenditure</b>		<b>4,146,429</b>	<b>2,724,822</b>
Net gains/(losses) on investments	13	10,094	46,954
<b>Net income and movement in funds</b>		<b>79,145</b>	<b>4,625,166</b>
<b>Reconciliation of funds:</b>			
Fund balances at 1 April 2024		4,625,166	-
<b>Fund balances at 31 March 2025</b>		<b>4,704,311</b>	<b>4,625,166</b>

The Consolidated 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.



# THE FOSTER CARE CHARITY

## CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
<b>Fixed Assets</b>					
Tangible assets	15	588,632		600,101	
Investments	16	<u>2,278,077</u>		<u>1,241,026</u>	
		2,866,709		1,841,127	
<b>Current assets</b>					
Debtors	17	399,074		910,491	
Cash at bank and in hand		<u>1,564,303</u>		<u>2,010,239</u>	
		1,963,377		2,920,730	
<b>Creditors: amounts falling due within one year</b>	18	<u>(125,775)</u>		<u>(136,691)</u>	
<b>Net current assets</b>			<u>1,837,602</u>		<u>2,784,039</u>
<b>Total assets less current liabilities</b>			<u>4,704,311</u>		<u>4,625,166</u>
<b>Total net assets</b>			<u>4,704,311</u>		<u>4,625,166</u>
<b>Charity funds</b>					
Unrestricted funds	20	<u>4,704,311</u>		<u>4,625,166</u>	
<b>Total funds</b>			<u>4,704,311</u>		<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 year ended 31 March 2025, 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 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 17/9/25 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 2025

	Notes	2025 £	£	2024 £	£
<b>Fixed Assets</b>					
Tangible assets	15	26,530		36,295	
Investments	16	<u>2,278,077</u>		<u>1,241,026</u>	
		2,304,607		1,277,321	
<b>Current assets</b>					
Debtors	17	399,074		910,491	
Cash at bank and in hand		<u>1,564,303</u>		<u>1,472,868</u>	
		1,963,377		2,383,359	
<b>Creditors: amounts falling due within one year</b>	18	<u>(135,429)</u>		<u>(131,473)</u>	
<b>Net current assets</b>		<u>1,827,948</u>		<u>2,251,886</u>	
<b>Total assets less current liabilities</b>		<u>4,132,555</u>		<u>3,529,207</u>	
<b>Net assets excluding pension liability</b>		<u>4,132,555</u>		<u>3,529,207</u>	
<b>The funds of the charity</b>					
Unrestricted funds	20	<u>4,132,555</u>		<u>3,529,207</u>	
<b>Total funds</b>		<u>4,132,555</u>		<u>3,529,207</u>	

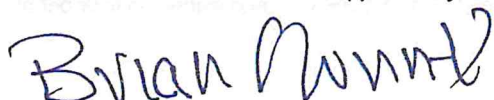
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The trustees have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 17/9/25 and signed on their behalf by:



Mr B J N O'Connell  
Trustee

## THE FOSTER CARE CHARITY

### CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
<b>Cash flows from operating activities</b>			
Cash generated from/(absorbed by) operations	24	515,653	2,691,154
<b>Investing activities</b>			
Purchase of tangible fixed assets		(4,036)	(9,845)
Purchase of investments		(1,242,274)	(643,806)
Proceeds from disposal of investments		215,317	
Investment income received		69,404	46,954
<b>Net cash used in investing activities</b>		(961,589)	(680,915)
<b>Net cash used in financing activities</b>		-	-
<b>Net decrease in cash and cash equivalents</b>		(445,936)	2,010,239
Cash and cash equivalents at beginning of year		2,010,239	-
<b>Cash and cash equivalents at end of year</b>		<u>1,564,303</u>	<u>2,010,239</u>

**THE FOSTER CARE CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

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**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 YEAR ENDED 31 MARCH 2025

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#### 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 YEAR ENDED 31 MARCH 2025

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#### 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 YEAR ENDED 31 MARCH 2025**

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#### **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 YEAR ENDED 31 MARCH 2025

#### 3 Donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	5,522	-
Net assets transferred from The Foster Care Co-Operative Limited	-	3,460,443
	<u>5,522</u>	<u>3,460,443</u>

As of the 10<sup>th</sup> October 2024, the bank balance of 'The Foster Care Property Company Limited' (company no. 04946276) was donated to the charity. The total value of the donations made to The Foster Care Charity during this financial year was £532,351. The donation has been eliminated as part of the consolidation process.

#### 4 Income from charitable activities

	Charitable activities 2025 £	Charitable activities 2024 £
Fostercare placements	<u>4,140,554</u>	<u>2,716,761</u>

#### 5 Income from investments

	Unrestricted Funds 2025 £	Unrestricted funds 2024 £
Dividend income	20,734	3,842
Bank interest receivable	16,263	8,500
Portfolio investment income receivable	32,407	17,079
	<u>69,404</u>	<u>29,421</u>

#### 6 Other income

	Unrestricted Funds 2025 £	Unrestricted funds 2024 £
Compensation	<u>-</u>	<u>450</u>



# THE FOSTER CARE CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 7 Expenditure on raising funds

	Unrestricted 2025 £	Unrestricted 2024 £
<b>Fundraising and publicity</b>		
Advertising	409	-
Sundry trading costs	4,204	-
Investment management fees	7,280	3,865
	<u>7,689</u>	<u>3,865</u>

### 8 Expenditure on charitable activities

	Activity 2025 £	Activity 2024 £
<b>Direct costs</b>		
Staff costs	657,433	463,589
Other staff costs	36,642	19,205
Fostering costs and allowances	2,289,310	1,526,128
Carer payments	39,426	11,175
Management levy	2,539	4,592
Panel and reviews	12,952	22,042
Professional expenses	5,510	2,006
Support groups	3,097	3,135
Training	21,738	20,974
Subscriptions	19,738	18,107
	<u>3,088,385</u>	<u>2,090,953</u>
<b>Share of support and governance costs (see note 9)</b>		
Support	1,030,651	616,277
Governance	15,500	13,727
	<u>4,134,536</u>	<u>2,720,957</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>4,134,536</u>	<u>2,720,957</u>

# THE FOSTER CARE CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 9 Support costs allocated to activities

	2025 £	2024 £
Staff costs	773,010	397,846
Depreciation	13,800	12,122
Support staff costs	8,755	11,200
Leased cars	18,814	11,346
Premises costs	58,864	45,158
IT costs	49,416	26,918
Professional fees	23,711	11,847
Insurance	27,451	13,460
Marketing	43,234	48,586
Bank charges	1,345	919
Miscellaneous	11,801	36,875
Governance costs	15,950	13,727
	<u>1,046,151</u>	<u>630,004</u>

	2025 £	2024 £
<b>Governance costs comprise:</b>		
Audit fees	7,150	6,720
General governance costs	732	5,328
Meeting costs	4,282	1,679
Legal and professional	3,786	-
	<u>15,950</u>	<u>13,727</u>

### 10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,150	6,720
Depreciation of owned tangible fixed assets	<u>15,505</u>	<u>12,122</u>

### 11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. 1 trustee was reimbursed a total of £627 relating to panel and review costs and, 1 was reimbursed £105 relating to governance costs.

## THE FOSTER CARE CHARITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

#### 12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Group & charity	33	37
Employment costs	2025 £	2024 £
Wages and salaries	1,184,550	720,157
Social security costs	107,556	64,620
Other pension costs	138,337	76,658
	1,430,443	861,435

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 to £70,000	1	-
£90,000 to £100,000	1	-
£120,000 to £130,000	1	-
£140,000 to £150,000	1	-

Key management remuneration (including employer pension costs) in the year totalled £420,886 (2024: £200,437).

#### 13 Gains losses on investments

	Unrestricted funds 2025 £	Unrestricted Funds 2024 £
Gains/(losses) arising on:		
Revaluation of investments	10,094	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 YEAR ENDED 31 MARCH 2025

### 15 Tangible fixed assets - Group

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2024	566,316	30,888	25,019	612,223
Additions	-	4,036	-	4,036
At 31 March 2025	556,316	34,924	25,019	616,259
<b>Depreciation and impairment</b>				
As at 1 April 2024	-	2,819	9,303	12,122
Depreciation charge in the year	-	7,252	8,253	15,505
At 31 March 2025	-	10,071	17,556	27,627
<b>Carrying amount</b>				
At 31 March 2025	556,316	24,853	7,463	588,632
At 31 March 2024	556,316	28,069	15,716	600,101

### Tangible fixed assets - Charity

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At a 1 April 2024	23,398	25,019	48,417
Additions	4,036	-	4,036
At 31 March 2025	27,434	25,019	52,453
<b>Depreciation and impairment</b>			
At 1 April 2024	2,819	9,303	12,122
Depreciation charge in the year	5,547	8,253	13,800
At 31 March 2025	8,366	17,557	25,923
<b>Carrying amount</b>			
At 31 March 2025	19,068	7,462	26,530
At 31 March 2024	20,579	15,716	36,295

# THE FOSTER CARE CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16	Fixed asset investments			Listed	Listed
				investments	investments
	Group & Charity			2025	2024
				£	£
	Cost or valuation				
	As at 1 April 2024			1,241,026	-
	Additions			1,242,274	1,000,000
	Valuation changes			10,478	46,954
	Transfers in			-	208,076
	Income reinvested net of costs			-	25,127
	Reclassification of bank funds				(39,131)
	Disposals			(215,701)	-
	At 31 March 2025			2,278,077	1,241,026

17	Debtors	Group	Charity	Group	Charity
		2025	2025	2024	2024
		£	£	£	£
	Amounts falling due within one year:				
	Trade debtors	337,555	337,555	845,289	845,289
	Other debtors	7,275	7,275	9,206	9,206
	Prepayments and accrued income	54,244	54,244	55,996	55,996
		399,074	399,074	910,491	910,491

18	Creditors	Group	Charity	Group	Charity
		2025	2025	2024	2024
		£	£	£	£
	Amounts falling due within one year:				
	Other taxation and social security	28,467	27,269	29,276	27,238
	Trade creditors	17,374	17,374	15,030	15,030
	Amounts owed to fellow group undertakings	-	12,352	-	-
	Other creditors	54,902	54,902	67,772	67,772
	Accruals and deferred income	25,032	23,532	24,613	21,433
		125,775	135,429	136,691	131,473

19	Retirement benefit schemes	Group	Charity	Group	Charity
		2025	2025	2024	2024
		£	£	£	£
	Defined contribution schemes				
	Charge to profit or loss in respect of defined contribution schemes	138,337	138,337	76,658	76,658

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 YEAR ENDED 31 MARCH 2025

### 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 1 April 2024 £	Incoming resources £	Resources expended £	Gains and losses £	At 31 March 2025 £
General funds	4,625,166	4,215,480	(4,146,429)	10,094	4,704,311

Previous period:	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:

	2025 £	2024 £
Within one year	11,954	24,028
Between two and five years	4,263	16,217
	<u>16,217</u>	<u>40,245</u>

### 22 Related party transactions

There were no disclosable related party transactions during the year.

## THE FOSTER CARE CHARITY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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#### 23 Subsidiaries

As of 13 December 2023, The Foster Care Property Company 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.

Details of the charity's subsidiary at 31 March 2025 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 year of the subsidiary is as follows:

Name of undertaking	Profit/(Loss) for year £	Capital and Reserves £
The Foster Care Property Company Limited	(524,203)	571,756



# THE FOSTER CARE CHARITY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24	Cash generated from operations	2025 £	2024 £
	Surplus for the year	79,145	4,625,166
	Adjustments for:		
	Investment income recognised in statement of financial activities	(69,404)	(29,421)
	Fair value gains and losses on investments	(10,094)	(46,954)
	Depreciation and impairment of tangible fixed assets	15,505	12,122
	Net assets acquired on acquisition	-	(1,095,959)
	Movements in working capital:		
	Decrease in debtors	511,417	(910,491)
	(Decrease) in creditors	(10,916)	136,691
	<b>Cash generated from/(absorbed by) operations</b>	<b>515,653</b>	<b>2,691,154</b>

## 25 Analysis of changes in net funds/(debt)

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