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Charity registration number 208607

Company registration number 00398875 (England and Wales)

THE CHILDREN'S FAMILY TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE CHILDREN'S FAMILY TRUST

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THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report and financial statements for the year ended 31 December 2023.

The Trustees, who are also Directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 December 2023. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102).

Objectives and activities

Our objectives:

Established as a Registered Charity in 1945 and operating as a company limited by guarantee, our stated objectives, as set out in our governing Memorandum of Association, are:

1. The relief of children and young persons in need, and in particular those in the care of, or accommodated by, a Local Authority, by
 1. Providing them with, or otherwise assisting in the provision of, a placement or placements in suitable accommodation and providing them with or assisting in the provision of, appropriate Carers, with the aim of providing them with a stable family life.
 1. Providing for their education and establishment in life.
2. The relief of poverty and in particular the assistance of adults who have as children been in Local Authority care.

Our activities:

Our operational work in England is classified as an independent fostering agency. The standards applied by Ofsted are the primary measures of our success and are in the public domain, as are their Inspection Reports evaluating the quality of our work.

Overall, our purpose remains to provide a stable and successful family life for children in the care system with the aim of preparing them for successful adulthood. The Trust's guiding philosophy is that all children have the right to live '*a natural family life*'. Predominantly we do this through the provision of foster care. Most of our income derives from the fees we charge for this service. Traditionally, but not now exclusively, we have experience in providing for sibling groups and permanent placements – reflected in our core values around a '*family for life*'. However, increasingly, we also provide for children needing short-term care where we apply the same principles as if those children were placed on a '*family for life*' basis.

It follows that we continue in the Trust's tradition of putting the interests of our children first, closely followed by those of our Carers and staff.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Public benefit statement:

Local Authorities have a statutory obligation to provide foster placements for those children brought into the State care system and needing to live away from home. Our work, as a Registered Charity, is to provide such placement opportunities on a transparently not-for-profit basis, to do so to the highest professional standards, and to deliver the best outcomes to those placed in our charge. Our placements are open to all Local Authorities, irrespective of location, and our matching process meets all professional best practices in endeavouring to provide an enduring placement for each individual child. As our fees are met by Local Authorities, and we are providing care for any child that they may present and for whom we are able to affect a suitable match, we work on an entirely inclusive and non-discriminatory basis for the public benefit.

Further, we use our charitable resources to extend and enhance our services, and to meet individual needs, particularly where these are for children no longer supported by the public purse. This is demonstrated by the Trust's continuing support of individuals, now adults, who have been in the care of the Trust but who need, from time to time, the support of the Trust through its Lifetime Carers. This intervention has, in the past, helped prevent the involvement of the State in the lives of families.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Our structure:

As an organisation, the Trust is governed by the Board of Trustees. We employ full-time executive, administrative and professional resources, as well as retaining professional advisers such as legal and audit firms.

As a Registered Charity, the Trust is not a profit-making organisation and no benefit may be derived by its Trustees, who are also Members of the Trust. Accordingly, we are classified as a 'voluntary organisation' within the terms of the Children's Act 1989, section 105.

As a charity and as a company limited by guarantee, the Trustees' Report and Financial Statements, and the Memorandum and Articles of Association are publicly available.

We also make them available to appropriate and interested parties, e.g. Local Authorities, existing/prospective Foster Carers, children in placement or on request. The Articles of Association set out the regulations that govern the company's internal affairs.

Apart from the Trustee body being required to meet the appropriate qualifications to act as Trustees and Directors, they and the staff of the Trust, and the retained Foster Carers, Foster Carers' own children over the age of sixteen, baby-sitters, regular visitors to the Foster Carers' homes, any domestic staff, and the members of the Fostering Panel are all subject to the Disclosure and Barring Service (DBS) checks, formally referred to as Criminal Records Bureau (CRB) checks. We extend this process to other key workers within supporting organisations e.g. human resources and information technology. Further, Foster Carers are subject to additional checks as part of their BAAF Form F-based selection process.

All our professional staff are qualified variously holding CQSW/Diploma in Social Work, Practice Teaching Awards, and Post-Graduate Diplomas in Social Work as well as relevant first and post graduate degrees. In addition, the Trust has engaged, on a sessional basis, further fully qualified and highly skilled professionals to deliver training on such topics as safeguarding, therapeutic approaches, first aid and de-escalation techniques for both our staff and fostering families. All our professional Social Work staff are registered with Social Work England, the regulatory body. Several also have experience in working within the private and voluntary sectors. The Social Work teams are supported by our Head Office staff, which includes Administration, HR, Marketing and Media and Finance.

All Foster Carers have passed the TDS induction standards. Throughout the year they are expected to attend a minimum of six mandatory training courses.

In order to remain current in matters affecting the work of the Trust, it has for many years been a member of the National Council for Voluntary Organisations (NCVO), Children England, The Fostering Network, Foster talk and Coram BAAF (British Association for Adoption and Fostering). We have also added our voice to FFP (Fairer Fostering Partnership) which campaigns within the fostering sector on behalf of 'not for profit' fostering agencies as well as our most recent membership of the National Association of Fostering Providers (NAFP). Through membership of these organizations the Trust looks both to learn from developments in good practice relating both to governance and child-care, and to influence the development and implementation of social policy generally and childcare policy and provision specifically.

The Trust is not a member of any larger organization nor has affiliate organizations.

The Trust has a policy and procedure to deal with any complaints and aims to secure early resolution of any such matters. The Trust received no formal complaints in 2023.

Trustees / Registered Office and Charity & Company Details:

These details can be found in the "Reference and Administrative Details of The Charity" on page 11.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Pay Policy for Senior Staff:

The Trust needs to operate in a competitive environment yet balance its responsibility to be prudent with charitable monies. The Trust has a Compensation Policy and uses Compensation Guidelines that are reviewed regularly and set out how it will manage pay for senior staff and all other employees.

The over-arching premise is that basic salary ranges should meet the Trust objectives of attracting, retaining and motivating staff.

The Trust continues to commission the services of an external human resources provider to support our HR Manager. In setting salary ranges for all roles within the organization the Trust looks at a range or relevant benchmarks such as location, charity sector, charity income and number of employees. All proposed salary ranges are agreed by the Board of Trustees. We have reviewed our pay structure and appraisal process during 2023 and are confident that we remain competitive in a very saturated market. This review was overseen and agreed by our board of trustees.

Currently, proposed salary changes by line managers, within the salary range for the role, are signed-off by the Chief Executive. The Chair of Trustees authorizes changes to the Chief Executive's pay.

Achievements and performance

Our achievements and performance in 2023:

The Trust continued to operate highly effectively throughout the year and as a result now cares for more children than ever before in its entire history! The economic climate within which we work has continued to be 'squeezed' mostly as a result of the pandemic and the rise in the number of children coming into care. However, the number of children placed with our fostering families surpassed our KPI's for 2023 and as a result has increased our overall income. Several of our larger contracts were due for retender during 2020 but as a result of the pandemic had been 'extended' or 'refreshed' until 2022 / 2023. This situation is gradually changing with several contracts more recently coming up for retender. These substantial uplifts have contributed significantly to our income in the past year.

We also continue to gain entry to additional contracts, which have supported our expansion plans. These additional successful tender bids including several local authorities within the East Midlands region including Derbyshire, Nottinghamshire, Leicestershire, Northamptonshire and Lincolnshire. At the end of 2023 we had 9 approved Foster families in the East Midlands region with another 1 family in assessment.

Recruitment of Foster Carers in all regions continues to prove extremely challenging following the pandemic and largely as a result of the current economic climate. However, greater focus on marketing and media strategies alongside 'refreshing' elements of our website has proven worthwhile. Targeted recruitment using several social media platforms is proving to be successful as it has two purposes, the first to raise our profile and the second to target those individuals from backgrounds with relevant experience, space and who are geographically well positioned to meet the needs of our current contracts. We continue to recruit very high calibre Carers who choose to foster on a vocational basis who have a mix of skills and experience to provide a varied and diverse range of placements to Local Authorities. Our Fostering Panels are held regionally, and our panel members live locally to our regional offices. As we move into 2024 we have 6 families currently in assessment with several enquiries awaiting feedback.

The number of children we look after remained consistently above 200 throughout 2023 rising and falling on occasion. It is noticeable that most of the referrals we receive across all regions are for children with considerable difficulties who have experienced very traumatic early lives. For this reason alone, the calibre, quality and skills of the Foster Carer is extremely important.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Key operational events and milestones of the year included:

Ofsted: All regions are registered with Ofsted and all Registered Managers appropriately experienced and qualified.

Our North-East Region:

Our North-East region continued its highly valued work throughout 2023. Placement numbers increased reaching 67 by the year end (excluding Staying Put). This arrangement means that whilst the young person remains living with their Foster Family the Trust stops receiving a fostering fee for the placement. The local authority will, in most cases financially support the young person in placement but will not provide the Carer or Trust with any financial support. This represents the Trust with some dilemmas given our ethos of 'Family for Life'. Many of our Carers remain committed to the young person they care for, but this arrangement can potentially cause them some financial hardship, particularly if they do not have another spare bedroom or a second child in placement. Most the children placed in the North East are 'family for life' placements, which tend to be stable and therefore provide a steady income source, which can be relied upon.

Our West Yorkshire Region

Our West Yorkshire office is now well established. The region continued its highly valued work throughout 2023. Placement numbers increased throughout year end and averaged out at 40 with many placements remaining stable and on a family for life basis. However, recruitment of new Foster Carers continues to prove challenging with local authorities in the region offering very competitive packages to potential Carers as well as the promise of always having children available to place.

Our West Midlands Region:

2023 was a very successful year for the West Midlands office. We recruited a new Registered Manager who is highly skilled in this role and has many years of experience in fostering. The region continued its highly valued work throughout the year and increased the number of children placed substantially, averaging out at over 79 throughout the year. The region is extremely well established and has a highly skilled staff team who provide excellent support to a highly skilled and experienced group of fostering families.

At the end of the year there were 47 approved Carers. However, several Carers 'retired' from fostering alongside several more ending their fostering careers because of poor health or for personal reasons. By the end of the year there was another 3 prospective Carers in assessment who will be approved throughout 2024. Referrals continue to rise in the region receiving an average of 2000 per month.

The West Midlands team continues to operate in a congested and highly competitive market. However, the region continues to be a major contributor to the placements available to Local Authorities across the region.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Our South-Central Region:

We now have a staff team of 7 in the region including 3 Supervising Social Workers, 1 Principle Social Worker and 2 Administrators and a Registered Manager. The region has continued to grow in a very 'organic' way with several Carers coming our way because of 'word of mouth'. The region now has 24 approved Carers with another 1 in assessment and 26 children in place. The region continued its highly valued work throughout 2023 under some very challenging circumstances regarding recruitment of new foster families and retirement of several families in the region. Placement numbers declined as a result of lack of capacity.

The region receives an average of 500 referrals a month and their profile in the region is well established with local authorities, this has resulted in local authority placement teams specifically requesting placements with several our Carers in the region. It is worthy of note that this region operates in a fiercely competitive market with over 110 IFA's in Hampshire alone. This is more than a third of the IFA's in the United Kingdom!

The region underwent a full inspection by Ofsted in January 2024 and was awarded a judgement of "Good".

Our East Midlands Region:

Our East Midlands region is still very much in its infancy. However, toward the end of 2023 we have 9 approved Carers. There is currently 1 assessment being completed which will be presented to in 2024. The region has a full-time permanent administrator to cover the admin and help with the recruitment for the region. The region also has 1 full time and 1 part time Social Worker alongside 1 Principle Social Worker. During the past year the region has provided invaluable support to our bigger regions in the form of short break care for large sibling groups, thus giving our Carers a much-needed break regularly.

Summary:

Closing placement numbers at 31st December 2023 were at approximately 218 (including some enhanced fees for solo placements etc.)

Progress elsewhere

Our Head Office continues to provide a myriad of services and support to all regions. The team comprises of several highly skilled professionals including our Head of Service, our HR Manager, our Head of Finance and a Marketing & Media Officer, these are all supported by several administrators.

Our Marketing & Media strategies proved invaluable throughout 2023. The acknowledgement and recognition that social media is without doubt enormously important in order to attract the right type of applicant to fostering has never been more evident. Raising our profile with local authorities has been key to our continued reputation as a high-quality provider of placements which is slowly paying off. Initial enquiries from potential applicants via our website and Facebook page continues to increase

We have also made progress in the management of our contracts and in our ability to respond to tendering opportunities, which has been a collaborative effort between Head Office and Social Work staff.

Skyrocket has grown in reputation across the sector and one day online courses were delivered during 2023 along with face to face Registered Manager training courses. There are several more courses already planned for 2024. Skyrocket is shown under Programme Related Investments within the 2023 Statutory Accounts.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review

Our full results are given in the financial statements, later in this report.

The overall surplus for the year amounted to £73,589 (2022: £279,663).

Our income continues to come primarily from our child-care provision to Local Authorities. With an increase in the average number of children placed compared to the previous year our Local Authority income increased by £319,843 to £8,956,790 (2022: £8,636,947) or 3.7% when compared to 2022.

The Trust also provided a mix of Over 18 / Lifetime Carer support of £84,399 (2022: £71,470), which is met out of charitable donations, investment income and reserves.

Our financial asset strength remains principally in property.

It is the policy of the Trust to hold sufficient assets in cash, or in easily converted forms, to meet its forecast cash requirements and in order to fund continuing growth.

Close financial controls are in place to ensure that expenditure is planned and monitored. Decisions on where, when and how to invest internally to secure growth remain difficult judgements in our situation, where long lead-times are needed before results can be seen.

Reserves policy:

Free reserves, or unrestricted funds excluding designated funds (which are held as fixed assets), amounted to £2,577,945 as at 31st December 2023 (2022: £2,504,356). This represents 3.5 months (2022: 3.5 months) of total annual unrestricted expenditure excluding designated and restricted expenditure. The charity has a reserves policy to accumulate reserves equal to six months of total annual unrestricted expenditure excluding designated and restricted expenditure. As we come out of the global pandemic, the charity is continuing to ensure that we continue to work with Local Authorities, submit more tenders and increase the placement numbers. We are also continuing to develop a new region which will bring extra income. This will no doubt help us achieve the reserves that we should have.

The designated funds of £1,145,571 (2022: £1,145,571) are to meet costs in relation to our support to Lifetime Foster Carers.

The Trust looks at cash and liquid investments available to meet its known and planned requirements. As at 31st December 2023 the Trust had readily realisable cash reserves of £1,505,922 (2022: £1,002,832) to cover known and planned requirements of £222,808 (2022: £234,628). The known and planned requirements included, but was not limited to, the following:

- Working capital,
- Dilapidations on leased offices,
- Repairs,
- East Midlands office development.

Restricted funds will be spent in line with funding restrictions.

Investment policy and performance:

The Trust splits its investments to provide for capital growth and monthly income to support operations until the time when cash flow becomes reliably positive on a monthly basis. Details of these investments are given in the Financial Statements.

The Trust will explore options for investment advice in 2024.

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

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Risk assessment:

The Trust undertakes a formal Risk Assessment on an annual basis. The Risk Assessment and Risk Register is updated alongside the 5 Year Business Plan. The 5 Year Business Plan takes account of risks identified in the Risk Assessment. Risks are colour coded. Red is critical, Amber is highly important or significant, and Green is minor. Risks are categorised as either Management and Governance, Operational, Financial or External. Controls are in place to reduce or eliminate each identified risk. The mitigation of risk is considered on an ongoing basis by key management. For example, before any operational changes or any developments in activities provided by the Trust, and, within Senior Management and Registered Management meetings. Any newly identified critical risks are flagged up to Trustees either before or at the next planned trustee meeting.

At November 2022 the principal risks facing the charity and the strategies to manage them were as follows:

Risk	Controls
The Trust is unable to respond to placement requests	Communicate closely with commissioners, Explain ethos of the Trust as a permanency provider, Use existing capacity to best effect without compromising quality, Build placement capacity, Work with commissioners to understand their needs.
Local Authorities stance on Staying Put placements	Review potential impact over next 5 years, Maintain dialogue with local authorities concerned, Lobby government via FFP group, Review Budget & 5 Year Plan to earmark potential carer support, Look at staff training to meet needs of Staying Put / Over 18 support.
Government / Local Authority cuts push down fees to unsustainable levels	Review service provision, Review staff utilisation, Find ways of making savings in delivery, Reduce central cost base, Find value suppliers e.g. Insurance, IT, HR, etc., Review policy of limiting the number of placements in each area - increase placement numbers at lower fee, Co-operate with other smaller providers in the sector, Support the development of FFP and develop influence in government / local authorities.
Sector consolidation harms small operators	Monitor changes to the number of agencies operating in the sector, Research possible merger/purchase targets, Get to critical mass and maintain placement numbers, Compete on fee rates and foster carer fees, Continue to build add on services, Monitor LA for tender opportunities.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

Our plans for the future:

The Aims and Objectives for 2024 continue to be about recruitment, retention and raising the profile of the Trust. Recruitment of new Carers is vital if we are to increase our capacity to provide new placements going forward.

However, targeted recruitment in the right geographical areas and identifying the right profile of Carers remains of paramount importance. As a result we have updated our website and plan to run 'targeted' campaigns throughout the coming year.

Retention of Carers continues to be another one of our key objectives going into 2024. As such we have already made additional 'one off' payments to all of our foster families in recognition of the very challenging economic climate they are trying to operate in. We also increased the respite allowance from 2 weeks to 3 weeks from January 2023 and increased their mileage allowance by an additional 20 miles. All of these changes have been enormously welcomed by each of our fostering households.

From April 2023 the mileage allowance for staff was increased from 15ppm to 25ppm in recognition of the costs of travelling, particularly our social work staff who often cover considerable distances to visit our fostering families.

We took the decision at the start of autumn 2022 to close each of our offices one day per week to try to reduce our running costs throughout the winter and into 2023. This plan will remain in place given its success and the cost savings made.

We have also trialled a 4-day week for all staff which we embarked upon in April 2023. The outcomes and feedback from all involved has been incredibly positive and the reduction in working days has not had any negative impacts on outcomes for our children or support for our fostering families. As such, we now plan to formalise this arrangement in the spring of 2024.

We are planning to move toward a more "Trauma Informed" agency during the coming year. This will involve the appointment of a skilled and professional Psychotherapist for a fixed period of time who can provide insight and direction for our stakeholders and organisation as a whole.

Acknowledgements:

This report is an opportunity for us to recognise those that help give us our distinctive quality. This quality results partly from the knowledge that our work is not undertaken for profit but to ensure that children get the care and support they need to become well-adjusted and contributing adults later in life. Our tagline of a 'family for life' underlines our commitment to those who need it that we will help them in their transition to independent adult living with supportive relationships beyond those provided within the state care system.

Our key debt is to our outstanding Foster Carers as it is, they who provide the care to those children entrusted to us. Some of these individuals have provided decades of unflinching selfless service to their extended families, now often including grandchildren, and even great-grandchildren. Others are recent recruits who intend to work as Foster Carers for a set period of their lives. To all of them, for all their skill and dedication, we remain eternally grateful.

We additionally acknowledge that it is our staff team who organise and make this possible, and we would like to take this opportunity to thank them all. In addition to our direct staff we would like to recognise and thank our wider community of retained sessional Social Workers and other specialists, our Fostering Panel, key support firms and consultants of all types who give us the professionalism we need to provide such an excellent quality of care. Finally, as Chairman, I would like to thank the Trustees for their contribution as well as our other financial supporters who fund our growth and help to make the work of the Trust achievable.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustee Training and Induction:

The Trustees have chosen to manage the governance of the Trust as a small but involved group with complementary skills covering our heritage and core values, our professional work, education, and corporate business skills. The Trustees periodically consider whether, and where and when, additional or replacement skills and experiences are required. Recruitment channels have included national advertising, executive search, the use of nationally accepted clearing houses, as well as individual networking to seek out specific skills or expertise. Appointments are made after a process that allows candidates to explore the Trust's work and become familiar with the management team and the Trustees and then by the Trustee body in its entirety. Trustees undergo induction and training in their responsibilities and development affecting both their role and the work of the Trust.

Related parties:

All related party transactions can be seen in note 19 to the Financial Statements.

Auditor

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

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and administrative details of the charity, its trustees and advisers

Charity name:

The Children's Family Trust

Company registration number:

00398875

Charity registered number:

208607

Trustees:

Mr I Brazier
Mrs A Oliver
Mr N Harrison
Dr V Wigfall
Mr D Williams
Dr M Hines
Mr T Gormley

Registered office:

Hanbury Court
Harris Business Park
Stoke Prior
Bromsgrove
Worcestershire
B60 4DJ

Chief Executive Officer:

Mrs M Mulholland

Auditors:

Cognitor Accountancy Limited
12 The Courtyard
Buntsford Drive
Bromsgrove
Worcestershire
B60 3DJ

Solicitors:

BPE Solicitors LLP
St James' House
St James' Square
Cheltenham
GL50 3PR

Bankers:

HSBC Plc
22 Abington Street
Northampton
NN1 2AN

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Trustees Responsibilities

The Trustees (who are also the Directors of the charity for purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102).

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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing those financial statements, we 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 the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS102) 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 business.

The Trustees are responsible for keeping proper 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 requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustee Indemnity insurance is included within Management Liability insurance cover provided by Zurich Insurance with an overall limit of indemnity of £1million. The cost of the Trustee Indemnity insurance is not given as it is not separately identifiable within the overall insurance cover cost.

Statement of Information for Auditors:

In so far as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware, and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions:

The Trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

Each of the has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

THE CHILDREN'S FAMILY TRUST

REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

On behalf of the Board of Trustees



**Ian Brazier
Chairman**

**Hanbury Court
Harris Business Park
Stoke Prior
Bromsgrove
Worcestershire
B60 4DJ**

26 March 2024

THE CHILDREN'S FAMILY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE CHILDREN'S FAMILY TRUST

Opinion

We have audited the financial statements of The Children's Family Trust (the "Trust") for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Trust 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 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 Trust'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 Trust 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 Trust is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the report has been prepared in accordance with applicable legal requirements.

THE CHILDREN'S FAMILY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE CHILDREN'S FAMILY TRUST

Matters on which we are required to report by exception

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

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

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

Responsibilities of the Trustees

As explained more fully in the statement of responsibilities, the , who are also the directors of the 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 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 are responsible for assessing the '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 either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Mark Warman (Senior Statutory Auditor)
for and on behalf of Cognitor Accountancy Limited

Chartered Certified Accountants
Statutory Auditor

26.3.24

12 The Courtyard
Buntsford Drive
Bromsgrove
B60 3DJ

THE CHILDREN'S FAMILY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

		Unrestricted funds	Unrestricted funds designated	Restricted funds	Total	Total
	Notes	2023 £	2023 £	2023 £	2023 £	2022 £
<u>Income from:</u>						
Donations and legacies	2	67,735	-	-	67,735	34,525
<u>Charitable activities</u>						
Foster care local authority fees and recharges		8,956,790	-	-	8,956,790	8,636,947
Student fees		2,400	-	-	2,400	7,400
Investments	3	43,242	-	-	43,242	20,239
Total income		<u>9,070,167</u>	<u>-</u>	<u>-</u>	<u>9,070,167</u>	<u>8,699,111</u>
<u>Expenditure on:</u>						
<u>Raising funds</u>						
Fundraising and publicity	4	301	-	-	301	198
Investment management	4	58,257	-	-	58,257	64,688
		<u>58,558</u>	<u>-</u>	<u>-</u>	<u>58,558</u>	<u>64,886</u>
<u>Charitable activities</u>						
Foster care	5	8,918,457	-	-	8,918,457	8,385,212
Fostering independence	5	1,547	-	-	1,547	3,017
Lifetime carer costs	5	-	82,852	-	82,852	68,453
Total charitable expenditure		<u>8,920,004</u>	<u>82,852</u>	<u>-</u>	<u>9,002,856</u>	<u>8,456,682</u>
Total expenditure		<u>8,978,562</u>	<u>82,852</u>	<u>-</u>	<u>9,061,414</u>	<u>8,521,568</u>
Net gains/(losses) on investments	8	<u>64,836</u>	<u>-</u>	<u>-</u>	<u>64,836</u>	<u>102,120</u>
Gross transfers between funds		<u>(82,852)</u>	<u>82,852</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net income for the year/ Net movement in funds		<u>73,589</u>	<u>-</u>	<u>-</u>	<u>73,589</u>	<u>279,663</u>
Fund balances at 1 January 2023		<u>2,504,356</u>	<u>1,145,571</u>	<u>412</u>	<u>3,650,339</u>	<u>3,370,676</u>
Fund balances at 31 December 2023		<u><u>2,577,945</u></u>	<u><u>1,145,571</u></u>	<u><u>412</u></u>	<u><u>3,723,928</u></u>	<u><u>3,650,339</u></u>

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

All income and expenditure derive from continuing activities.

THE CHILDREN'S FAMILY TRUST

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

FOR THE YEAR ENDED 31 DECEMBER 2023

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

THE CHILDREN'S FAMILY TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9	1,537,530		1,517,571	
Investment properties		-		1,100,000	
Investments	10	6,093		6,093	
		<u>1,543,623</u>		<u>2,623,664</u>	
Current assets					
Debtors	11	1,070,527		516,344	
Cash at bank and in hand		1,505,922		1,002,832	
		<u>2,576,449</u>		<u>1,519,176</u>	
Creditors: amounts falling due within one year	13	(350,143)		(446,501)	
Net current assets		<u>2,226,306</u>		<u>1,072,675</u>	
Total assets less current liabilities		<u>3,769,929</u>		<u>3,696,339</u>	
Creditors: amounts falling due after more than one year	14	(46,000)		(46,000)	
Net assets		<u><u>3,723,928</u></u>		<u><u>3,650,339</u></u>	
Income funds					
Restricted funds	15	412		412	
Unrestricted funds - designated		1,145,571		1,145,571	
General unrestricted funds		2,577,945		2,504,356	
		<u>3,723,928</u>		<u>3,650,339</u>	

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, authorised for issue and signed on its behalf:



Mr I Brazier
Trustee

Company registration number 00398875

THE CHILDREN'S FAMILY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(577,842)		324,836
Investing activities					
Purchase of tangible fixed assets		(301,667)		(5,873)	
Proceeds from disposal of tangible fixed assets		275,000		138,692	
Proceeds from disposal of investments		955,000		110,518	
Investment income received		43,242		20,239	
Net cash generated from investing activities			971,575		263,576
Financing activities					
Repayment of bank loans		(67,247)		(27,490)	
Net cash used in financing activities			(67,247)		(27,490)
Net increase in cash and cash equivalents			326,486		560,922
Cash and cash equivalents at beginning of year			1,002,832		441,910
Cash and cash equivalents at end of year			1,329,318		1,002,832

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The company is a company limited by guarantee. The directors of the company are the trustees named in the "reference and administration details". In the event of the company being wound up, the liabilities in respect of the guarantee is limited to £5 per member of the company.

1.1 Accounting convention

The financial statements have been prepared in accordance with 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 (FRS102) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Children's Family Trust meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 Going concern

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

The trustees have prepared detailed financial and trading performance projections for the ensuing year. Those projections are prepared as far as possible by including only known business that the company is contracted to, or extremely likely to contract to, and carry out during the year. Those projections are reviewed and revised at the end of each reporting period within the company's financial year. On the basis of those projections, the trustees have satisfied themselves, as far as they are reasonably able and unforeseen events aside, that the company is in a position whereby it may adopt a going concern basis of accounting in preparing the annual financial statements.

1.3 Charitable funds

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

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

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earliest of the company being notified of an impending distribution or the legacy being received.

Gifts in kind for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified, and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under gift aid or deeds of covenant is recognised at the time of the donation.

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the reserves.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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:

Buildings	2% straight line
Office improvements	over lease term
Fixtures, fittings and 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.

Only items over £1,000 are capitalised.

1.7 Fixed asset investments

Investments

Investment properties:

Investment properties are included in the balance sheet at their open market value in accordance with the SORP. Gains and losses on disposal and revaluation are charged or credited to the Statement of Financial Activities.

Listed Investments

Listed investments have been stated at mid-market value at the balance sheet date. Realised gains or losses are calculated as the difference between sale proceeds and market value at the previous balance sheet date.

All gains and losses whether realised or unrealised are taken to the Statement of Financial Activities.

Unlisted Investments

Unlisted investments are valued at cost.

Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are recognised at cost less impairment.

1.8 Taxation

The company is a registered charity and as such is not generally liable to taxation.

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.9 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 is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Pension costs

The company has a group pension plan in place with Royal London. Since introduction uptake of the scheme has been very high with 52 employees in the scheme as at 31st December 2023 (2022: 48). The employee contribution rate is 5%. This is standard for all employees. The trust matches employees contribution rates up to 5% of salary.

In addition, the company contributes to 2 individual personal pension schemes which were in place before the company group pension plan. Again, the trust matches employee contribution rates up to 5% of salary.

The annual contributions payable are charged to the Statement of Financial Activities.

1.11 Fund accounting

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

Designated funds compromise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund are set out in the notes to the financial statements,

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors which have been raised by the company for a particular purpose. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements,

Investment income, gains and losses are allocated to the appropriate fund.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and legacies	67,735	34,525

3 Investments

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Rental income	43,242	20,239

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising and publicity		
Seeking donations and legacies	301	198
	198	272

5 Charitable activities

	Foster care	Fostering independence	Lifetime carer costs	Total 2023	Total 2022
	2023	2023	2023		
	£	£	£	£	£
Depreciation and impairment	26,217	-	8,088	34,305	38,850
Families costs	5,769,138	890	61,721	5,831,749	5,516,912
Foster panel and carers recruitment	42,972	-	-	42,972	96,763
Salaries and related	1,590,415	-	-	1,590,415	1,418,478
	7,428,742	890	69,809	7,499,441	7,071,003
Share of support costs (see note 6)	1,386,407	611	12,138	1,399,156	1,304,387
Share of governance costs (see note 6)	103,308	46	905	104,259	81,292
	8,918,457	1,547	82,852	9,002,856	8,456,682
Analysis by fund					
Unrestricted funds	8,918,457	1,547	-	8,920,004	8,388,229
Unrestricted funds - designated	-	-	82,852	82,852	68,453
	8,918,457	1,547	82,852	9,002,856	8,456,682

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Support and governance costs

	Support costs £	Governance costs £	2023 £	2022 £	Basis of allocation
Staff costs	767,113	66,705	833,818	761,447	On time spent
Depreciation	5,636	-	5,636	13,684	Direct usage
General office costs	626,407	2,516	628,923	595,465	Pro rata FTE Staff
Audit fees	-	8,126	8,126	9,013	Governance
Legal and professional	-	16,638	16,638	1,163	Governance
Bank charges	-	3,043	3,043	2,831	Governance
Trustees expenses reimbursed	-	1,820	1,820	604	Governance
Trustee board meetings	-	5,411	5,411	1,472	Governance
	<u>1,399,156</u>	<u>104,259</u>	<u>1,503,415</u>	<u>1,385,679</u>	
Analysed between Charitable activities	<u>1,399,156</u>	<u>104,259</u>	<u>1,503,415</u>	<u>1,385,679</u>	

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Direct charitable purposes	44	45
Management and administration	9	8
Total	<u>53</u>	<u>53</u>

Employment costs

	£	£
Wages and salaries	1,821,786	1,681,342
Social security costs	200,567	174,467
Other pension costs	157,572	147,853
	<u>2,179,925</u>	<u>2,003,662</u>

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Employees

(Continued)

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

	2023 Number	2022 Number
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	1	-
In the band £100,001 - £110,000	1	1

For these employees employers pension contributions amounted to £38,642 (2022: £18,646).

The charity trustees were not paid and did not receive any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional services supplied to the charity (2022: £nil).

The key management personnel of the charity comprise of the trustees, the Chief Executive Officer and the Head of Service. The total employee benefits of the key management personnel were £186,916 (2022 on the same basis £182,915).

8 Net gains/(losses) on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gain/(loss) on sale of investments	64,836	102,120

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

9 Tangible fixed assets

	Buildings	Office improvements	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 January 2023	1,707,155	115,278	271,547	2,093,980
Additions	289,653	3,963	8,051	301,667
Disposals	(275,000)	-	-	(275,000)
At 31 December 2023	1,721,808	119,241	279,598	2,120,647
Depreciation and impairment				
At 1 January 2023	203,355	110,175	262,878	576,408
Depreciation charged in the year	29,624	5,068	6,853	41,545
Eliminated in respect of disposals	(34,836)	-	-	(34,836)
At 31 December 2023	198,143	115,243	269,731	583,117
Carrying amount				
At 31 December 2023	1,523,665	3,998	9,867	1,537,530
At 31 December 2022	1,503,800	5,103	8,668	1,517,571

10 Fixed asset investments

	Programme Related £	Other investments	Total £
Cost or valuation			
At 1 January 2023 & 31 December 2023	6,091	2	6,093
Carrying amount			
At 31 December 2023	6,091	2	6,093
At 31 December 2022	6,091	2	6,093
Other investments comprise:	Notes	2023 £	2022 £
Investments in subsidiaries		2	2

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Fixed asset investments

(Continued)

Unlisted securities

Unlisted securities are held at cost and relate to a National Savings Bond.

Investment in subsidiary

At 31 December 2023 the trust held 100% of the allotted share capital of CFT Trading Ltd, a company registered in England and Wales, which is a dormant company.

Capital and reserves of the subsidiary undertaking at 31 December 2023 and at 31 December 2022 were as follows:

Share capital	£2
Reserves	£2

All fixed asset investments are held in the UK

Programme Related Investments

Investment in Skyrocket

Cost as at 1 January 2023 and 31 December 2023 6,091

Net book value as at 31 December 2023 6,091

The trust owns a half share of the net assets of Skyrocket Partnership Limited, a company incorporated in England. The joint venture provides training programmes specifically aimed at training and mentoring registered managers in the fostering sector.

The trust recognises the investment in the joint controlled entity at cost less and impairment to date. For the period ended 30 June 2023 the entity recorded a surplus of £3,190 (2022: deficit of £2,072) and had a deficit on reserves of £14,013 (2022 £17,203) at the balance sheet date.

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	937,207	388,048
Other debtors	13,932	10,652
Prepayments and accrued income	119,388	117,644
	<u>1,070,527</u>	<u>516,344</u>

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Loans and overdrafts

	2023 £	2022 £
Bank loans	-	67,247
Payable within one year	-	67,247

The commercial mortgage with HSBC was repaid fully during the financial year.

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	12	-	67,247
Other taxation and social security		59,726	58,647
Trade creditors		44,928	64,003
Other creditors		2	14,319
Accruals and deferred income		245,487	242,285
		350,143	446,501

14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Dilapidations provision	46,000	46,000

The dilapidations provision relates to two properties.

15 Restricted funds

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

Balance at 1 January 2022	Movement in funds		Balance at 1 January 2023	Movement in funds		Balance at 31 December 2023
	Incoming resources			Incoming resources		
£	£		£	£		£
412	-		412	-		412

The restricted funds remaining at the year end were £412. Of this £300 related to a Big Lottery Fund grant received in 2016 of £8,760 to fund media workshops to produce educational videos around the themes of being in foster care and associated issues.

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Movement in funds		Balance at 31 December 2023
	Incoming resources	Balance at January 2023	Incoming resources	Resources expended	
	£	£	£	£	£
Lifetime carer costs	-	-	(82,852)	82,852	-
	-	-	(82,852)	82,852	-

The designated fund provides funds to meet costs in relation to our support to Lifetime Foster Carers. The charity does not receive any direct income to provide the support. The timing of expenditure for these designated funds is likely to be spread over the next 25 to 30 years. The fund is represented by the fixed assets, which include houses owned by the charity and used by carers. The transfer between designated and general funds equates to the value of the lifetime carer costs incurred in the year.

17 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:						
Tangible assets	1,537,530	-	1,537,530	1,517,571	-	1,517,571
Investment properties	-	-	-	1,100,000	-	1,100,000
Investments	6,093	-	6,093	6,093	-	6,093
Current assets/(liabilities)	2,225,893	412	2,226,305	1,072,263	412	1,072,675
Long term liabilities	(46,000)	-	(46,000)	(46,000)	-	(46,000)
	3,723,516	412	3,723,928	3,649,927	412	3,650,339

The majority of the charity's income, and therefore expenditure, continues to relate to foster care placements with local authorities. This is classified as unrestricted income as it is felt that this best reflects the substance of the transactions.

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

18 Trustee Remuneration and Related Party Transactions

The charity was under the control of the Trustees (listed in reference and administrative details) during the current and previous year. No Trustee received any remuneration during the year (2022: £nil).

The Trustees were reimbursed £1,820 (2022: £2,076) for their travel and subsistence costs, included in pursuance of the charity's objectives. The amount reimbursed during the year of £1,820 was in respect of claims received from 4 of the 7 trustees who served during the year (2022: £2,076 in respect of claims received from 5 of the 7 trustees who served during 2022).

The trustees and management have taken steps to ensure all related party transactions are on normal commercial terms.

19 Financial commitments, guarantees and contingent liabilities

At 31 December 2023 there were no new financial commitments, guarantees or contingent liabilities requiring disclosure (2022: £nil).

20 Capital commitments	2023 £	2022 £
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	433,484	-

21 Events after the reporting date

There are no events requiring disclosure after the balance sheet date.

22 Operating lease commitments

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

	2023 £	2022 £
Within one year	127,558	116,724
Between two and five years	326,607	379,894
In over five years	-	37,163
	454,165	533,781

THE CHILDREN'S FAMILY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23	Cash generated from operations	2023 £	2022 £	
	Surplus for the year	73,589	279,663	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(43,242)	(20,239)	
	Gain on disposal of investments	(64,836)	(102,120)	
	Depreciation and impairment of tangible fixed assets	39,941	52,534	
	Movements in working capital:			
	(Increase)/decrease in debtors	(554,183)	43,816	
	(Decrease)/increase in creditors	(29,111)	71,182	
	Cash (absorbed by)/generated from operations	(577,842)	324,836	
24	Analysis of changes in net funds	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
	Cash at bank and in hand	1,002,832	503,090	1,505,922
	Loans falling due within one year	(67,247)	67,247	-
		935,585	570,337	1,505,922