



CARE FOR CHILDREN (UK)

(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

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CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees	Mr Jonathan Scott Dr Robert Glover OBE Mr Keith Hilton (resigned 30 November 2022) Canon Sue Johns Mr Mark Stolkin Mr Michael Bonehill OBE (resigned 8 August 2023) Mr David Devenish Mr Edward Amies Mr Nick Chance CVO Mr Lorne Armstrong Liu Liu (appointed 18 January 2023)
Company registered number	05538700
Charity registered number	1072199
Registered office	3 The Close Norwich Norfolk NR1 4DH
Company secretary	Mr Andrew George
Executive Director	Dr Robert Glover OBE
Independent auditors	MA Partners Audit LLP Chartered Accountants and Statutory Auditors 7 The Close Norwich Norfolk NR1 4DJ
Bankers	HSBC London Street Norwich Norfolk Bank of China Beijing San Yuan Qiao Sub-Branch No. A1 Shuguang Xili Chaoyang District Beijing, China

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 January 2022 to 31 December 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the charity qualify as small under section 383 of the Companies Act 2006, the Group Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Members' liability

The Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

Executive Summary

The incoming resources for the year were £1,526,108 (2021 - £1,466,066) expenditure for the year was £1,509,880 (2021 - £1,373,846) making a surplus for the year of £19,228 (2021 surplus - £92,220).

Structure, governance and management

a. Constitution

Care for Children was incorporated on the 13th of March 1998. The charity was first registered by the Companies House in the UK, and as a Guernsey charity with the Charity Commission Registered Number 1072199 on the 29th of October 1998. The company issues two shares following contributions from John Langlois and Robert Glover and issued its Memorandum and Articles of Association on the 13th of March 1998.

The company is a registered charitable company limited by guarantee and was set up by a Memorandum of Association on the 17th of August 2005. The charitable company was established with the intent to pass operations of the Guernsey registered company, Care for Children, to the UK Company, which was undertaken on the 23rd of May 2006, and also to act as 'parent' to the other Group entities (see note 26).

b. Methods of appointment or election of Trustees

The management of the Group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision-making policies

The Trustees delegate the running of the charity to the Executive Director and the Executive Director reports back to the Trustees by sending regular reports by e-mail and attending the majority of the Trustees' meetings with reports on the running of the charity and developments in the projects.

Details of the charity's subsidiaries are given in note 26. Care for Children USA is a separate entity registered with a 501 c3 in US law.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The current Trustees are responsible for the induction of any new Trustees, which involves awareness of a Trustee's responsibilities, the governing document, administrative procedures and the history of the charity. New Trustees receive a welcome pack which includes copies of the previous year's annual report and accounts; a brief history of the charity; a copy of the governing document and a copy of the Charity Commission guidance *The Essential Trustee: What you need to know* and *Public Benefit: running a charity (PB2)*.

e. Risk management

The Board constantly bears in mind its vulnerability in the event of adverse circumstances, such as the loss of key staff (primarily the Executive Director), the failure to raise sufficient funds to fund its projects and the possibility of the political climate for its projects changing. It has from time to time conducted reviews to assess major risks and put in place procedures to mitigate adverse circumstances.

Significant risks to funding have led to the development of a strategic plan to diversify funding sources, primarily in the United States, United Kingdom and Asia.

In 2021 the senior managers and Board of Trustees have regularly assessed the impact of the COVID 19 global pandemic. Although our 'on the ground' fostering work in the different countries has been reduced our staff teams have still been able to do important work developing our training materials to be used on the My Family website. To date the charity's income and finances have not been significantly adversely affected by COVID 19. The senior managers and Board of Trustees continue to monitor the situation and will take further appropriate action if and where needed.

Plans for future periods

We have several exciting projects on the horizon, each offering a unique opportunity to expand our impact and further our mission:

- Armenia Project
- Middle East Family Placement Conference
- 'My Family' digital training resource
- Succession Plan
- Strategic Plan 2023 - 26

Care for Children always aims to encourage and support governments with a roadmap to social welfare reform developing Family Care as an alternative to institutional care.

ENGAGE – INFLUENCE – IMPLEMENT – EXIT

The documentary is becoming a game changer for countries, it shows the clear outcomes of family life. These are the engagers in our strategy.

We have regional conferences to influence countries to move from institutions to families in Armenia (Middle East). These will be like lighthouse events reaching into countries including Iran, Iraq, Syria, Lebanon, Indonesia and Malaysia. These conferences are the influencers in our strategy.

Once engaged and influenced; the 'My Family' digital and online training resource becomes the tool with which we can implement our strategy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

Once the project work has been successfully implemented, Care for Children continues to work closely with the project country to exit well, freeing resources and time for new project opportunities.

Operational Strategy

1. Strategic

Care for Children enters strategic partnerships with national government authorities. This takes place in the form of a cooperation agreement with the relevant Ministry that oversees child welfare development.

2. Developmental

The cooperation agreement authorises Care for Children's project team to work directly with local government authorities to develop family based care in the local community, usually operating out of the government run institution.

3. Sustainable

Care for Children's project team develops a training programme tailored specifically for the cultural and political context of the country, retaining institutional staff to place and monitor children in foster families, and in accordance to the United Nations guidelines for the alternative care for children.

Project stages

There are four primary stages to Care for Children's project work:

- Project Stage 1 Pilot Project (3 years)
- Project Stage 2 National Roll out (3+ years)
- Project Stage 3 Preparation for the Independence (3 years)
- Project Stage 4 Exit (1-3 years)



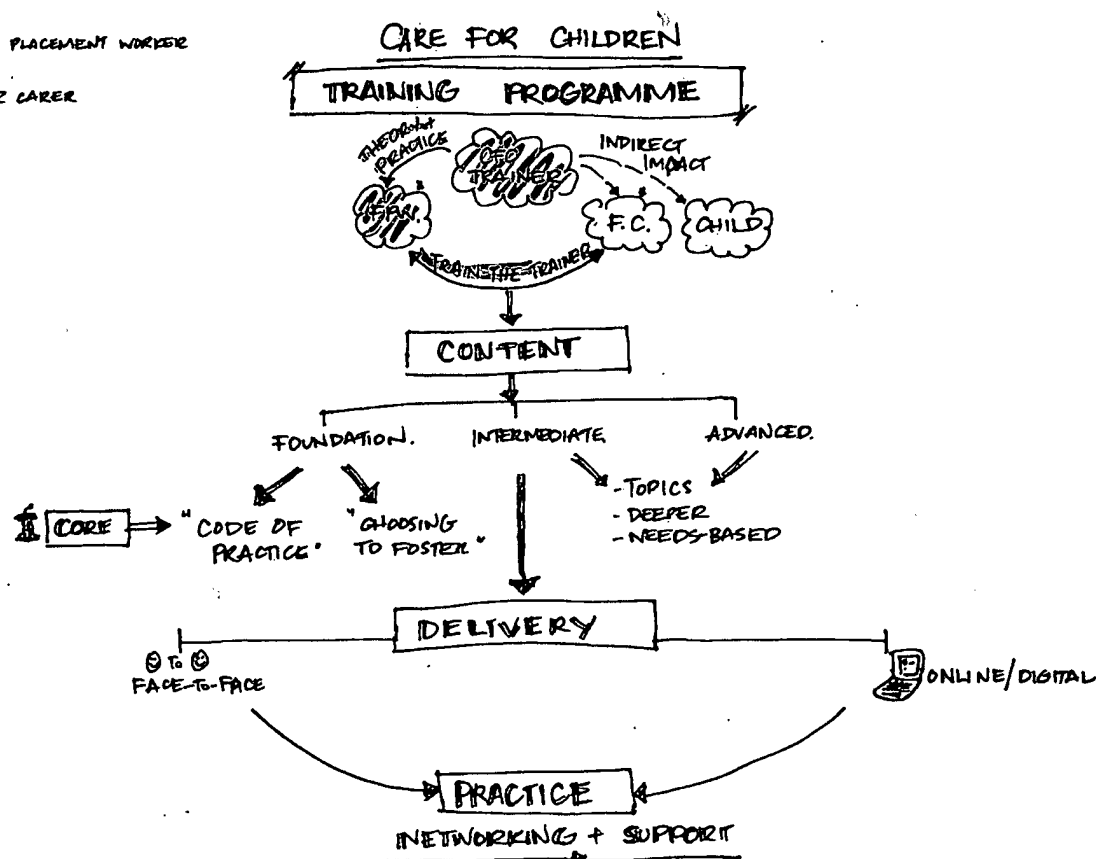
A foster family in Thailand

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

F.P.W. =
FAMILY PLACEMENT WORKER
F.C. =
FOSTER CARER



Succession Plan

We have entered a succession plan with a senior management team that will include a CEO, Training Manager, Finance Manager and Income Generator. Starting with a strategic review in November 2023 with Triaxia Partners in Atlanta Georgia USA, the process will include a safe, professional transition with a clear strategy.

Children of Shanghai

We expect many more direct and indirect fundraising opportunities with this heart-warming film.

Project Data Tool (PDT)

The Project Data Tool is an online facility to gather, manage and use information directly from the project sites into a central resource. The key importance of the PDT is that it allows us to track the expectation of the donor to the grassroot project outcomes, and then report back to all stakeholders.

Reorganisation Asia Regional Team (ART)

Following the successful exit from China, we have relocated some Chinese staff to use their experience and expertise from the China project by being part of the Asia Regional Team, a peripatetic team that will in the future be able to support and train countries in South East Asia. This reorganisation will help focus the main expertise in the region and keep the focus of both training and methodology to place children in the countries we are working. The ART will support the development and delivery of 'My Family', Care for Children's online and digital training resource.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Plans for future periods (continued)

My Family

The charity has commissioned 'Watering Can Media', to work on this dynamic training program. This has given us time to fine tune our scripts, questions and episode structure, and prepare our teams to recruit interviewees and be confident in what we are asking of them. Also, as part of the training package for those working offline or in groups led by a facilitator, we have created content for lesson plans to aid their learning and create group discussion to help the facilitator gauge their understanding of the episode.

We have always felt that it was important to hear first-hand experiences for family carers and helpful to hear how Care for Children has developed over the years. Therefore, we have been planning interviews that will enrich the episode with government officials, social workers, children who were fostered but mainly family carers sharing their experiences. Interviews have now been planned in each of the four countries we work in and we have worked closely with each country managers, our media team and a local filming company to sort out the logistics. There have been logistical challenges related to COVID 19 but we are pleased to report that filming begin in January 2022.

We want our digitalised training to be as engaging and accessible as possible and therefore have been working with an animator to help bring some stories of children's experiences to life. We feel that it is important to hear the child's voice and their experience of family care into our training, as they are at the heart of what we do. It's important to hear the positive impact of family care and belonging as these stories help to embed the teaching within the episode and emphasise the importance of our work. The animator has also created clever and culturally-appropriate episode introduction videos which will link into other animations through the training. Feedback has been given and small changes have been made, as while we want it to be culturally appropriate in Asia we also want it to be generic enough to be used in other continents – should we be invited to work there in the future.



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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives and activities

a. Policies and objectives

Mission & Vision

Mission

- To serve governments of nations to pioneer a positive alternative to institutional care by placing children into local, loving families in the community (fostering and adoption).

Vision

- A world of children in families.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance *Public benefit: running a charity (PB2)*.

Achievements and performance

a. Review of activities

China

Care for Children have successfully completed and exited the China project. Family Placement is now sustainable with local authorities in China. Care for Children retains a small office in Beijing to maintain effective communication with social welfare institutions, organizations and governments in China for the influence it has in Asia.

Asia Training Team (ART)

The Asia Regional Team have supported Care for Children's regional activity in 2022. For example, the team were fully involved with organising and delivering a webinar in Vietnam as well as taking on a crucial role in planning and training at a major conference in Cambodia. In addition to these events, the Asia Regional Team have made major contributions to Care for Children's digital training course 'My Family'.

Thailand

Care for Children Thailand was pleased to sign our fourth Cooperation Agreement with our government partners, the Department of Children and Youth. Our shared focus for the next three-year period is to:

- continue to promote and support that vulnerable children should be cared for in warm and loving families.
- campaign for a national awareness of the importance of providing children with a family environment.
- enhance the knowledge and skills of personnel involved in providing family care services through training, guidance, consultation, the exchange of experiences and the development of learning tools.

In 2022 we joined forces with two like-minded NGOs to set up a project which aims to provide a model for child and family services that prioritises family and community-based care, with a goal to transitioning away from institutional care.

Focusing our efforts on four regions of Thailand, we partnered twelve shelters for children and families and four child welfare homes. That practical workshops and coaching sessions provided valuable opportunities for participants to develop permanency plans for children with a strong emphasis on family-based care.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

It is always exciting to see that by highlighting the strengths and benefits children receive from being in a good local family, a shift in mindset happens and possibilities for family-based solutions open up. Expanding the project's focus down to the local level, the shelters and children's homes invited their networks and partners to workshops and together they began to envisage how they could prevent unnecessary separation, strengthen vulnerable families, and create opportunities for children to be cared for in a loving family.



Vietnam

In 2022, capacity building activities continued and included technical support on assessment and approval of foster carer at Hanoi Project site. Although there was no child placement in 2022, the project teams were able to assess 63 children qualified for foster care and actively recruiting foster parents through community meetings and leaflet distributions. These achievements were made possible thanks to the dedication of 20 project team members who are governmental leaders, social workers, child protection officers at central and local levels.

Our most critical partnership remains with MOLISA and Department of Children Affairs. They have an integral role to play in creating enabling condition to the implementation of Foster Care Model in Vietnam. Throughout the year, Care for Children deepen its engagement with government through high level meeting between the Founder of Care for Children and Vice-Minister of MOLISA, which resulted in a strong commitment of Vietnamese government in prioritising family-based care.

In the last quarter of 2022, Vietnam Project has seen considerable progress towards the close collaboration with Department of Children Affairs by having a joint office with regular working schedule at this unit, directly contributed to effective communication and advocacy on family placement.

In 2022, Vietnam Project made significant miles stone in ending the first stage of Pilot Model with the project evaluation. The evaluation results concluded key lesson learned and recommendations to move the project forwards. Particularly, Vietnam Project will continue work focused on capacity development and family placement while at the same time build-in ways to learn more about what works best at community-level.



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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Cambodia

For the Cambodia project, 2022 was all about setting up and becoming established in the country. In January 2022, Care for Children signed a three-year MOU with the 'Ministry of Social Affairs and Veterans and began our work in Cambodia'. We established an office in the government building and began to build strong relationships with government staff. We also began to recruit and build a well-functioning team. We held a national conference in September to increase awareness and understanding amongst key stakeholders, including the Minister of Social Affairs and Veterans.

We were able to develop very positive relationships with 2 orphanages in Phnom Penh and Siem Reap respectively. We officially become a registered INGO in Cambodia in October and the end of the year we were able to deliver training to key government staff as well as social workers and orphanage workers and were provided with a list of children who were considered eligible to be moved into foster-care.



b. Fundraising activities and income generation

During 2022 Care for Children continued to raise funds from a number of grant giving organisations across the US, UK and Europe, making up nearly 60% of total income. Donations from individuals made up just over a quarter of Care for Children's income, with an increasing proportion coming from Care for Children's Family Champions programme – our committed community of regular givers.

In November 2022 Care for Children's team was invited to screen the Children of Shanghai documentary across seven states of the US, attracting audiences from governmental, academic and faith-based institutions, as well as those from the business sector. We were delighted that UBS, one of our key supporters over the last few years, also organised screenings of the documentary in London, Hong Kong and Singapore.

Children of Shanghai has become an extremely effective tool to introduce Care for Children's vision, track record, and methodology in great detail and depth. Both the organisers and the audiences have found the screening of the film to be one of the most engaging and compelling ways to raise awareness of the charity's work.

At the end of 2022, we held a very successful Christmas gala dinner at Windsor Castle. Through donations from guests, we managed to raise over £250,000.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

Financial review

a. Going concern

The Trustees have considered the financial position of the charity and group at 31 December 2022. As at the date of this report, the charity has continued to meet its liabilities. The Trustees are confident that the charity can continue its successful track record of securing the funds needed to support its valuable work. This will be achieved by the senior managers and fundraising team applying for grants and donations. The charity's annual budgets and fundraising log demonstrate how the income will be raised to meet all the charitable expenditure and support costs. These financial statements have been prepared on the going concern basis.

b. Reserves policy

The policy of the board is to seek to build up a reserve of unrestricted funds equivalent to two months normal operating expenses, or £250,000 whichever is the greater, as a buffer against the inevitable cyclical nature of donations raised by fundraising activities. In order to build this unrestricted reserve, the Company sets aside funds in a separate bank deposit account. At this level the board is confident that it could continue the core activities of the charity during a cyclical reduction of funding, when it would be able to achieve a reduction of its programme of activities consistent with a lower funding level. The financial position has improved in 2022.

c. Material investments policy

The charity has the power to deposit or invest in any manner (but to invest only after obtaining such advice from a financial expert as the directors consider necessary and having regard to the suitability of investments and the need for diversification).

CARE FOR CHILDREN (UK)
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, MA Partners Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Dr Robert Glover OBE
(Trustee)

Date: 20 September 2023

CARE FOR CHILDREN (UK)
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK)

Opinion

We have audited the financial statements of Care for Children (UK) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2022 and of the Group's 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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, 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the parent charitable company and group.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the parent charitable company and group and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the parent charitable company and group complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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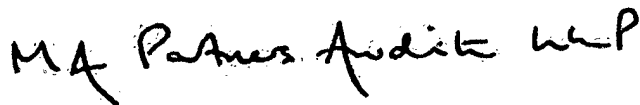
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE FOR CHILDREN (UK) (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company'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 charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



MA Partners Audit LLP
Chartered Accountants and Statutory Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 25 September 2023

MA Partners Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

CARE FOR CHILDREN (UK)
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	729,748	796,224	1,525,972	1,378,379
Investments	5	136	-	136	38
Other income	6	-	-	-	87,649
Total income		729,884	796,224	1,526,108	1,466,066
Expenditure on:					
Raising funds	7	248,327	-	248,327	136,678
Charitable activities	8	521,586	736,967	1,258,553	1,237,168
Total expenditure		769,913	736,967	1,506,880	1,373,846
Net movement in funds		(40,029)	59,257	19,228	92,220
Reconciliation of funds:					
Total funds brought forward		227,794	217,953	445,747	353,527
Net movement in funds		(40,029)	59,257	19,228	92,220
Total funds carried forward		187,765	277,210	464,975	445,747

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

The notes on pages 22 to 39 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	101,454	166,995
		<u>101,454</u>	<u>166,995</u>
Current assets			
Debtors	15	135,596	81,218
Cash at bank and in hand		308,034	243,506
		<u>443,630</u>	<u>324,724</u>
Creditors: amounts falling due within one year	16	(80,109)	(45,972)
Net current assets		<u>363,521</u>	<u>278,752</u>
Total assets less current liabilities		<u>464,975</u>	<u>445,747</u>
Total net assets		<u><u>464,975</u></u>	<u><u>445,747</u></u>
Charity funds			
Restricted funds	17	277,210	217,953
Unrestricted funds	17	187,765	227,794
Total funds		<u><u>464,975</u></u>	<u><u>445,747</u></u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

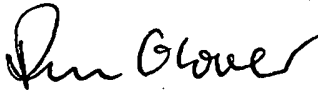
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Dr Robert Glover OBE
(Trustee)

Date: 20 September 2023

The notes on pages 22 to 39 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	101,454	166,995
		<u>101,454</u>	<u>166,995</u>
Current assets			
Debtors	15	135,596	80,852
Cash at bank and in hand		276,752	204,734
		<u>412,348</u>	<u>285,586</u>
Creditors: amounts falling due within one year	16	(78,659)	(45,972)
Net current assets		<u>333,689</u>	<u>239,614</u>
Total assets less current liabilities		<u>435,143</u>	<u>406,609</u>
Total net assets		<u><u>435,143</u></u>	<u><u>406,609</u></u>
Charity funds			
Restricted funds	17	277,211	217,953
Unrestricted funds	17	157,932	188,656
Total funds		<u><u>435,143</u></u>	<u><u>406,609</u></u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05538700

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Dr Robert Glover OBE
(Trustee)

Date: 20 September 2023

The notes on pages 22 to 39 form part of these financial statements.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	20	64,528	35,545
Cash flows from investing activities			
Purchase of intangible assets		-	(34,408)
Net cash provided by/(used in) investing activities		-	(34,408)
Change in cash and cash equivalents in the year		64,528	1,137
Cash and cash equivalents at the beginning of the year		243,506	242,369
Cash and cash equivalents at the end of the year	21	308,034	243,506

The notes on pages 22 to 39 form part of these financial statements

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The charity is a company limited by guarantee. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Care for Children (UK) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The Trustees are confident that the charity can continue its successful track record of securing the funds needed to support its valuable work. This will be achieved by the senior managers and fundraising team applying for grants and donations. The charity's annual budgets and fundraising log demonstrate how the income will be raised to meet all the charitable expenditure and support costs. The Trustees therefore consider it appropriate to prepare these financial statements on the going concern basis.

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 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 on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants are credited to the Consolidated Statement of Financial Activities.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Foreign currencies

The charity's functional and presentational currency is GBP.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.8 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Documentary and website - 20 % straight line

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.16 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 Group and which have not been designated for other purposes.

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

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

3. Critical accounting estimates and areas of judgment

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

- estimated useful life of intangible assets - see note 2.9.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	729,748	-	729,748	680,079
Grants	-	796,224	796,224	698,300
Total 2022	729,748	796,224	1,525,972	1,378,379
<i>Total 2021</i>	<i>680,079</i>	<i>698,300</i>	<i>1,378,379</i>	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	136	136	38

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Government grants	-	-	80,561
Sale of vehicle	-	-	7,088
	-	-	87,649

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Costs of raising voluntary income	189,110	189,110	74,448
Costs of raising voluntary income - wages and salaries	59,217	59,217	62,230
	<u>248,327</u>	<u>248,327</u>	<u>136,678</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Direct costs	<u>521,586</u>	<u>736,967</u>	<u>1,258,553</u>	<u>1,237,168</u>
<i>Total 2021</i>	<u>572,887</u>	<u>664,281</u>	<u>1,237,168</u>	

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Direct costs	975,054	283,499	1,258,553	1,237,168
<i>Total 2021</i>	<i>914,106</i>	<i>323,062</i>	<i>1,237,168</i>	

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	682,011	748,307
Project expenses	156,139	79,533
Travel	74,401	22,293
Office rent	62,503	63,973
	975,054	914,106

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	102,536	106,138
Amortisation	65,541	65,541
Office rent	21,182	21,712
Premises	15,263	13,435
Office expenses and stationery	39,933	60,304
Bank charges and interest	2,584	3,720
Foreign exchange	(8,989)	13,075
Miscellaneous	5,993	2,648
Governance costs	39,456	36,489
	283,499	323,062

10. Auditors' remuneration

	2022 £	2021 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	8,000	7,200
Fees payable to the charity's auditor in respect of: All non-audit services not included above	1,984	2,659

11. Staff costs

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Wages and salaries	628,356	705,167	584,820	666,301
Social security costs	187,359	183,492	187,359	183,492
Operating costs of defined benefit pension schemes	28,049	28,016	28,049	28,016
	843,764	916,675	800,228	877,809

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Staff costs (continued)

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

	Group 2022 No.	<i>Group 2021 No.</i>
Management staff	11	12
Project staff	23	28
	<u>34</u>	<u>40</u>

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

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £80,001 - £90,000	1	1

The total remuneration for key management personnel for the year totalled £255,091 (2021: £257,527).

12. Trustees' remuneration and expenses

During the year, one Trustee has been paid remuneration for employment as Executive Director of the charity as follows:

		2022 £	<i>2021 £</i>
Dr Robert Glover OBE	Remuneration	78,027	78,027
	Pension contributions paid	7,803	7,803

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Intangible assets

Group and Trust

	Documentary and website £
Cost	
At 1 January 2022	327,705
At 31 December 2022	327,705
Amortisation	
At 1 January 2022	160,710
Charge for the year	65,541
At 31 December 2022	226,251
Net book value	
At 31 December 2022	101,454
<i>At 31 December 2021</i>	166,995

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Tangible fixed assets

Group and Trust

	Office equipment £
Cost or valuation	
At 1 January 2022	17,090
At 31 December 2022	<u>17,090</u>
Depreciation	
At 1 January 2022	17,090
At 31 December 2022	<u>17,090</u>
Net book value	
At 31 December 2022	<u><u>-</u></u>
At 31 December 2021	<u><u>-</u></u>

15. Debtors

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Due within one year				
Other debtors	100,596	29,686	100,596	29,320
Prepayments and accrued income	35,000	51,532	35,000	51,532
	<u>135,596</u>	<u>81,218</u>	<u>135,596</u>	<u>80,852</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Other taxation and social security	10,812	12,272	10,812	12,272
Other creditors	69,297	33,700	67,847	33,700
	<u>80,109</u>	<u>45,972</u>	<u>78,659</u>	<u>45,972</u>

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General Funds - all funds	<u>227,794</u>	<u>729,884</u>	<u>(769,913)</u>	<u>187,765</u>
Restricted funds				
Developing China family-placement programmes	-	35,000	(35,000)	-
Developing Thailand family-placement programmes	-	21,769	(21,769)	-
Cambodia fund	144,300	450,131	(481,564)	112,867
Vietnam fund	-	54,254	(54,254)	-
PPE	5,142	11,363	(12,405)	4,100
Digitalisation	68,511	223,707	(131,975)	160,243
	<u>217,953</u>	<u>796,224</u>	<u>(736,967)</u>	<u>277,210</u>
Total of funds	<u>445,747</u>	<u>1,526,108</u>	<u>(1,506,880)</u>	<u>464,975</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Statement of funds (continued)

The Cambodia fund is for international meetings and visits to further promote fostering in Cambodia. The Light Foundation Fund represents funding receivable from the Light Foundation to support the launch and development of Care for Children's pilot project in Cambodia. Under the grant agreement, Care for Children will receive a maximum of \$300,000 per year for 3 years.

The Children of Shanghai documentary fund supports the development of a documentary that tells the story of some of the first children in Shanghai that were placed into foster families by Care for Children. The restriction applicable to these funds is met as the charity incurs expenditure on the documentary as there are no restrictions on the intangible asset.

The India and Nepal fund for an exploratory visit to scope out a potential fostering project in those countries, the funds have now been transferred to unrestricted funds.

The PPE fund is to cover the cost of hygiene products to protect from the spread of COVID 19.

Digitalisation Fund is for the development of a website providing a wealth of online resources in family placement to ensure our training is as accessible as possible.

The China Community Centre fund is part of the family-placement programmes for the development of foster care in China, giving orphaned and abandoned children the opportunity of growing up in loving, local families.

The Vietnam fund is for is for the development of foster care in Vietnam.

The Developing Thailand family-placement programmes is for the development of foster care in Thailand.

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds					
General Funds - all funds	150,843	767,766	(709,565)	18,750	227,794
Restricted funds					
Cambodia fund	178,792	332,737	(367,229)	-	144,300
Documentary	-	51,783	(51,783)	-	-
India and Nepal	18,750	-	-	(18,750)	-
PPE	5,142	-	-	-	5,142
Digitalisation	-	124,668	(56,157)	-	68,511
China Community Centre	-	17,152	(17,152)	-	-
Vietnam family placement programmes	-	87,015	(87,015)	-	-
Promotion of fostering in Thailand	-	84,945	(84,945)	-	-
	202,684	698,300	(664,281)	(18,750)	217,953
Total of funds	353,527	1,466,066	(1,373,846)	-	445,747

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
General funds	227,794	729,884	(769,913)	187,765
Restricted funds	217,953	796,224	(736,967)	277,210
	<u>445,747</u>	<u>1,526,108</u>	<u>(1,506,880)</u>	<u>464,975</u>

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2021 £
General funds	150,843	767,766	(709,565)	18,750	227,794
Restricted funds	202,684	698,300	(664,281)	(18,750)	217,953
	<u>353,527</u>	<u>1,466,066</u>	<u>(1,373,846)</u>	<u>-</u>	<u>445,747</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Intangible fixed assets	101,454	-	101,454
Current assets	166,420	277,210	443,630
Creditors due within one year	(80,109)	-	(80,109)
Total	<u>187,765</u>	<u>277,210</u>	<u>464,975</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Intangible fixed assets	166,995	-	166,995
Current assets	106,771	217,953	324,724
Creditors due within one year	(45,972)	-	(45,972)
Total	<u>227,794</u>	<u>217,953</u>	<u>445,747</u>

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

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	<u>19,228</u>	<u>92,220</u>
Adjustments for:		
Amortisation charges	65,541	65,542
Increase in debtors	(54,378)	(70,454)
(Decrease) / Increase in creditors	34,137	(51,763)
Net cash provided by operating activities	<u>64,528</u>	<u>35,545</u>

21. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	308,034	243,506
Total cash and cash equivalents	<u>308,034</u>	<u>243,506</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	243,506	64,528	308,034
	<u>243,506</u>	<u>64,528</u>	<u>308,034</u>

23. Pension commitments

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £28,016. Contributions of £2,968 were payable to the funds at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 December 2022 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £
Not later than 1 year	7,084
Later than 1 year and not later than 5 years	8,991
	<u>16,075</u>

CARE FOR CHILDREN (UK)
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

25. Related party transactions

During the year remuneration including pension of £47,475 (2021: £42,200) was paid to Thomas Abbott, an employee of the charity. Thomas Abbott is a close family member of Trustee and Executive Director, Robert Glover.

During the year, remuneration of £nil (2021: £170) was paid to Lois Hall, an employee of the charity. Lois Hall is a close family member of Trustee and Executive Director, Robert Glover.

During the year, remuneration of £20,000 (2021: £20,000) was paid to Elizabeth Glover, an employee of the charity. Elizabeth Glover is a close family member of Trustee and Executive Director, Robert Glover.

During the year, the charity was invoiced £27,615 (2021: £16,533) by Johnny Hall for services provided. Johnny Hall is a close family member of Trustee and Executive Director, Robert Glover.

During the year, £302,916 (2021: £245,052) was received from donations, fundraising and grants, from Trustees and board members.

26. Principal subsidiaries

Details of the material subsidiary of the group are as follows:

Care for Children (US)

Subsidiary name

Care for Children (US)

Basis of control

Control over subsidiary at board level

Total assets as at 31 December 2022

£27,259

Total liabilities as at 31 December 2022

£(1,450)

Total equity as at 31 December 2022

£25,809

Turnover for the year ended 31 December 2022

£868,762

Expenditure for the year ended 31 December 2022

£(882,696)

Loss for the year ended 31 December 2022

£(13,934)

in addition, the following companies are non-material subsidiaries of the group (the results of which are also included in the consolidated accounts):

Care for Children (H K) Limited

Grace Training (HK) Limited

My Family (Beijing) Company Limited