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**REPORT OF THE DIRECTOR AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014
FOR
CFT FOSTERING LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2014**

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CFT FOSTERING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2014**

DIRECTOR: N C Barnsby

REGISTERED OFFICE: The Masters House & College Tower
College Road
Maidstone
Kent
ME15 6YQ

REGISTERED NUMBER: 06297970 (England and Wales)

SENIOR STATUTORY AUDITOR: Alastair Colin Crawford

AUDITORS: Williams Giles Limited
Chartered Accountants
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

BANKERS: Lloyds Bank plc
Earl Street
Maidstone
Kent

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2014**

The director presents his report with the financial statements of the company for the year ended 31 March 2014.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of fostering, education and support to children placed in the care of local authorities.

DIRECTOR

N C Barnsby held office during the whole of the period from 1 April 2013 to the date of this report.

FINANCIAL RISK MANAGEMENT

Price Risk

The level of fees charged continues to be set at levels deemed to be excellent value for money and very competitive. The risk is managed by agreeing prices on an annual basis ahead of the provision of services, where possible.

Credit Risk

Almost all of the customers are Local Authorities and as such this is low risk.

Liquidity Risk

The level of borrowing facilities are actively reviewed by management, the company has adequate facilities to maintain liquidity and this risk is considered to be low.

Cash Flow

The company prepares monthly cash flow projections and monitors funds available to minimise this risk exposure.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

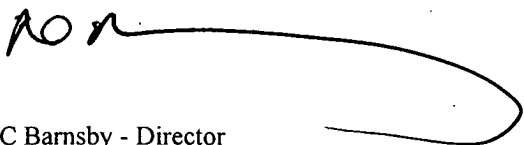
The auditors, Williams Giles Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

CFT FOSTERING LIMITED (REGISTERED NUMBER: 06297970)

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 MARCH 2014**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'N C Barnsby', followed by a long, sweeping horizontal line that curves upwards at the end.

N C Barnsby - Director

12 December 2014

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CFT FOSTERING LIMITED

We have audited the financial statements of CFT Fostering Limited for the year ended 31 March 2014 on pages six to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 a Report of the Auditors 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.

Respective responsibilities of director and auditors

As explained more fully in the Director's Responsibilities Statement set out on page two, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Director to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CFT FOSTERING LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.



Alastair Colin Crawford (Senior Statutory Auditor)
for and on behalf of Williams Giles Limited
Chartered Accountants
12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

12 December 2014

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
TURNOVER		1,029,374	1,211,715
Cost of sales		595,451	687,007
GROSS PROFIT		433,923	524,708
Administrative expenses		343,724	270,456
OPERATING PROFIT and PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	90,199	254,252
Tax on profit on ordinary activities	4	20,288	59,904
PROFIT FOR THE FINANCIAL YEAR		69,911	194,348

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

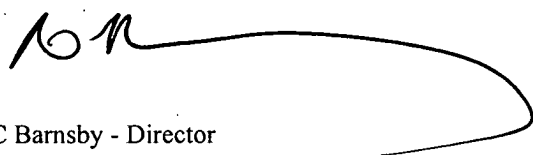
The company has no recognised gains or losses other than the profits for the current year or previous year.

CFT FOSTERING LIMITED (REGISTERED NUMBER: 06297970)

**BALANCE SHEET
31 MARCH 2014**

	Notes	2014 £	2013 £
FIXED ASSETS			
Intangible assets	6	3,600	-
Tangible assets	7	14,838	12,285
		<u>18,438</u>	<u>12,285</u>
CURRENT ASSETS			
Debtors	8	284,398	237,835
Cash at bank and in hand		1,542	11,376
		<u>285,940</u>	<u>249,211</u>
CREDITORS			
Amounts falling due within one year	9	156,984	134,756
NET CURRENT ASSETS		<u>128,956</u>	<u>114,455</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>147,394</u>	<u>126,740</u>
PROVISIONS FOR LIABILITIES	12	1,422	679
NET ASSETS		<u><u>145,972</u></u>	<u><u>126,061</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Profit and loss account	14	145,872	125,961
SHAREHOLDERS' FUNDS	18	<u><u>145,972</u></u>	<u><u>126,061</u></u>

The financial statements were approved by the director on 12 December 2014 and were signed by:



N C Barnsby - Director

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	2014 £	2013 £
Net cash inflow from operating activities	1	9,285	311,840
Taxation		(60,038)	(61,893)
Capital expenditure	2	(10,487)	(9,281)
Equity dividends paid		(50,000)	(200,000)
		<u>(111,240)</u>	<u>40,666</u>
Financing	2	101,406	(213,921)
Decrease in cash in the period		<u>(9,834)</u>	<u>(173,255)</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Decrease in cash in the period		<u>(9,834)</u>	<u>(173,255)</u>
Change in net funds resulting from cash flows		<u>(9,834)</u>	<u>(173,255)</u>
Movement in net funds in the period		<u>(9,834)</u>	<u>(173,255)</u>
Net funds at 1 April		<u>11,376</u>	<u>184,631</u>
Net funds at 31 March		<u>1,542</u>	<u>11,376</u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2014**

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	90,199	254,252
Depreciation charges	4,335	2,434
(Increase)/decrease in debtors	(60,798)	21,129
(Decrease)/increase in creditors	(24,451)	34,025
Net cash inflow from operating activities	9,285	311,840

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014 £	2013 £
Capital expenditure		
Purchase of intangible fixed assets	(3,600)	-
Purchase of tangible fixed assets	(6,887)	(9,281)
Net cash outflow for capital expenditure	(10,487)	(9,281)
Financing		
Loans to group undertakings	30,040	(213,921)
Loan repayments in year	71,366	-
Net cash inflow/(outflow) from financing	101,406	(213,921)

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.13 £	Cash flow £	At 31.3.14 £
Net cash:			
Cash at bank and in hand	11,376	(9,834)	1,542
	<u>11,376</u>	<u>(9,834)</u>	<u>1,542</u>
Total	11,376	(9,834)	1,542

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable standards.

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents amounts receivable for services exempt of VAT.

Software development

Assets are amortised over their useful economic life from the date the assets are brought into use.

At the year end 31 March 2014 the software was not in use.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Improvements to property	- 10% on cost
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. STAFF COSTS

	2014 £	2013 £
Wages and salaries	186,293	165,702
Social security costs	16,826	14,868
	<u>203,119</u>	<u>180,570</u>

The average monthly number of employees during the year was as follows:

	2014	2013
Social	7	7
Finance	1	1
	<u>8</u>	<u>8</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

3. OPERATING PROFIT

The operating profit is stated after charging:

	2014	2013
	£	£
Other operating leases	26,848	18,108
Depreciation - owned assets	4,334	2,435
Auditors' remuneration	6,000	6,000
	<u> </u>	<u> </u>

Director's remuneration	-	-
	<u> </u>	<u> </u>

4. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2014	2013
	£	£
Current tax:		
UK corporation tax	19,168	59,719
Interest on overdue tax	377	11
	<u> </u>	<u> </u>
Total current tax	19,545	59,730
Deferred tax	743	174
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	20,288	59,904
	<u> </u>	<u> </u>

5. DIVIDENDS

	2014	2013
	£	£
Interim	50,000	200,000
	<u> </u>	<u> </u>

6. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	3,600
At 31 March 2014	<u>3,600</u>
NET BOOK VALUE	
At 31 March 2014	<u>3,600</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

7. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2013	7,008	6,346	14,617	27,971
Additions	-	1,774	5,113	6,887
At 31 March 2014	7,008	8,120	19,730	34,858
DEPRECIATION				
At 1 April 2013	113	3,715	11,858	15,686
Charge for year	701	1,058	2,575	4,334
At 31 March 2014	814	4,773	14,433	20,020
NET BOOK VALUE				
At 31 March 2014	6,194	3,347	5,297	14,838
At 31 March 2013	6,895	2,631	2,759	12,285

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade debtors	59,678	4,274
Amounts owed by group undertakings	207,304	221,539
Prepayments	17,416	12,022
	<u>284,398</u>	<u>237,835</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Trade creditors	32,808	49,324
Amounts owed to group undertakings	87,172	-
Tax	19,229	59,722
Social security and other taxes	4,329	5,171
Other creditors	333	723
Accrued expenses	13,113	19,816
	<u>156,984</u>	<u>134,756</u>

10. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2014 £	2013 £	2014 £	2013 £
Expiring:				
Within one year	-	-	346	346
Between one and five years	25,200	-	838	838
	<u>25,200</u>	<u>-</u>	<u>1,184</u>	<u>1,184</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

11. SECURED DEBTS

Lloyds Banking Group hold a formal charge detailed as a Deed of Admission dated 27 February 2013 to an Omnibus Guarantee and Set-Off Agreement dated 22 July 2010 securing all monies due or to become due to the company.

Lloyds Banking Group also hold a Debenture dated 27 February 2013 securing all monies due or to become due to the company.

12. PROVISIONS FOR LIABILITIES

	2014 £	2013 £
Deferred tax	<u>1,422</u>	<u>679</u>
		Deferred tax
		£
Balance at 1 April 2013		679
Movement in year		<u>743</u>
Balance at 31 March 2014		<u>1,422</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014 £	2013 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

14. RESERVES

	Profit and loss account £
At 1 April 2013	125,961
Profit for the year	69,911
Dividends	<u>(50,000)</u>
At 31 March 2014	<u>145,872</u>

15. ULTIMATE PARENT COMPANY

The immediate and ultimate parent company is Futures For Children Limited, a company incorporated in England and Wales, by virtue of its shareholding.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2014

16. RELATED PARTY DISCLOSURES

Fitsystems Limited

A company owned by Mr N Barnsby's Son.

During the year £31,114 was paid in respect of computer services and equipment on an arms length basis.

	2014	2013
	£	£
Amount due from/(to) related party at the balance sheet date	<u>1,505</u>	<u>(1,029)</u>

17. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2014	2013
	£	£
Profit for the financial year	69,911	194,348
Dividends	<u>(50,000)</u>	<u>(200,000)</u>
Net addition/(reduction) to shareholders' funds	19,911	(5,652)
Opening shareholders' funds	<u>126,061</u>	<u>131,713</u>
Closing shareholders' funds	<u>145,972</u>	<u>126,061</u>