

THE CALDECOTT FOUNDATION LIMITED
CONSOLIDATED FINANCIAL STATEMENTS AND ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2023

Registered Charity No: 307889
Registered Company No: 00419256 (England and Wales)

THE CALDECOTT FOUNDATION LIMITED

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THE CALDECOTT FOUNDATION LIMITED

LEGAL AND ADMINISTRATIVE DETAILS

Trustees	Charles Lister (Chairman) Susan Appleby Jerome Flechais Folasade Phillips (Treasurer) Colin Green (Vice Chair) Maree Thorn Simon Wakeman Caroline Whillans
Secretary	Steve Anderson
Key Management Personnel	Nicholas Barnett Stacey McShane Steve Anderson Damion Napier Tim Allison Kevin Gore Helen Lee
Charity Number	307889
Company Number	00419256
Registered office	Caldecott House Hythe Road Smeeth Ashford Kent TN25 6SP
Independent Auditors	Azets Audit Services First Floor, River House 1 Maidstone Road Sidcup DA14 5RH
Bankers	Barclays Bank Plc 66 High Street Ashford Kent TN24 8TL National Westminster Bank Plc PO Box No. 4NU London W1A 4NU
Solicitors	Kingsfords 2 Elwick Road Ashford Kent. TN23 1PD

THE CALDECOTT FOUNDATION LIMITED

CHAIR OF TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The end of the financial year 2022/23 has coincided with the end of our 5 year strategic planning cycle. This has offered me the opportunity to spend time with Nick Barnett, CEO, fellow Trustees and members of the executive team reflecting on the significant achievements of the organisation over this period. This resulted in an extremely long list, but I wanted to give a little detail on those achievements of which we are most proud.

Each year has seen an increase in the number of children and young people who have been supported by our services - residential care, fostering, education and therapy. During the financial year 2022/23 this reached 120 which is the highest number since 2014/15.

This growth in our services has been supported through an annual programme of investment which has both added capacity and improved the quality of the environment and facilities available for all our children and young people. This investment has covered a vast range of projects from the refurbishment of two existing properties into a dedicated primary school and boarding provision, to new kitchens, bathrooms and bedroom makeovers. The decision taken in 2018 to bring Caldecott Fostering back under our full control and move their offices to Caldecott House has also proved to be hugely successful with our team of staff, foster carers and young people all seeing the benefits.

We have also invested in new training opportunities for our staff supporting them to develop into new roles and careers such as qualified teachers, social workers and therapists. Support for the mental health of our staff has also been bolstered through the introduction of an employee assistance programme, health cash back scheme as well as enhanced support following distressing incidents which of course do occasionally occur.

Following the identification of dry rot in an area of flooring at Caldecott House we took the decision to completely refurbish our two large multipurpose rooms where many of our meetings and internal training take place. After treating the dry rot and replacing the flooring the rooms were redecorated giving them a new lease of life. They were officially reopened in September 2022 by Simon Rodway, Chairman of the Caldecott Association, and renamed the Rendel Rooms in recognition and celebration of The Caldecott Foundation's founder Leila Rendel who died in 1969.

It felt very appropriate that the first event held in the Rendel rooms was a reunion meeting of the Caldecott Association, a group of Caldecott Alumni, many of whom knew Leila Rendel as well as holding fond memories of Caldecott House.

A few months later the Rendel Rooms were the venue for an evening celebrating the fantastic achievements of our young people and the dedication of our staff teams. This event was made particularly special by a very moving presentation from a former resident of Caldecott from the 1980s who described his experience of Caldecott and how his life had been shaped by the love and support that he received whilst in our care. This was a fantastic reminder to everyone working at Caldecott of the lifelong impact of what we do.

At the end of 2023 the Rendel Rooms, and indeed the whole of Caldecott House, took on a new role as Santa's Grotto. Everyone from across our community was invited to join our Christmas celebrations and of course Father Christmas paid a special visit to hand out presents to all of our children and young people.

You will be able to read more about the positive outcomes our young people are achieving in the 'Review of the Year' section but, suffice to say, we are extremely proud of our young people who are all making huge strides. This is not just our opinion but also the opinion expressed time and again by Ofsted who have judged Caldecott to be an 'Outstanding' provider on 28 occasions since 2017. This year was no different and, at the time of writing, all of our registered services were rated 'Good' or 'Outstanding' by Ofsted. I would like to share with you just a few of the many positive comments from the inspectors but perhaps most importantly, comments made to inspectors from our young people, their parents and social workers:

"Children make exceptional progress. They experience skilled care and stable, positive relationships with staff, which they value. Some children have lived in this home for several years, and they consider it to be their home. Children benefit from consistent, structured boundaries and established routines. One child said: 'Everything is fair, things are explained to us, we have our say and staff listen. It is my home.'"

Ofsted Inspection Report, October 2022

THE CALDECOTT FOUNDATION LIMITED

**CHAIR OF TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

Children with a range of complex histories and needs make and sustain exceptional progress as a result of the stable and secure care they receive in this home. One social worker reported: 'The child has made excellent progress since coming to live in the home. Staff have supported him through lots of significant changes in his life. I have more confidence for his plans for the future.'"

Ofsted Inspection Report, January 2023

"The children benefit from receiving high standards of care in a nurturing environment. They form trusting relationships with the staff, who understand their individual needs and their complex behaviours... There is a strong commitment to hearing the children's views of the residential provision... When reflecting on the unsafe situations her child might have placed himself in, before becoming a residential pupil, one parent commented, 'He is a changed boy. It's amazing how the staff have contained him so well.'"

Ofsted Inspection Report, February 2023

This incredible record of development, growth and achievement is even more impressive when considered in the context of the unprecedented geo-political and economic changes faced over this period. From the Brexit referendum to Brexit itself, the Covid-19 pandemic, political instability and most recently the war in Ukraine which has had such far-reaching economic impact all, contributing to the current high inflation and cost of living crisis.

We are now working hard to finalise our new strategy which will build on the success of the last five years and ensure that Caldecott will continue as the leader in therapeutic care and education. Our efforts are significantly strengthened by a close and effective working relationship between myself as Chair and Nick Barnett, CEO. Nick has done an incredible job in his role not least in building a highly skilled and experienced team of Executives, Registered Managers (across both residential care and fostering) and School Leaders. On behalf of the Board of Trustees, I would like to take this opportunity to thank Nick and all of the exceptional people who work at Caldecott whose steadfast dedication to helping our children and young people build a future is as impressive as it is inspiring.

.....
Mr Charles Lister, Chairman
19 October 2023

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present herewith their report and the financial statements for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

Objectives and activities

The principal objects for which the Foundation was established as a Company Limited by Guarantee and not having a share capital are:-

- To provide residential care, therapy, education and fostering placements for children and young people who have faced deprivation, cruelty or neglect, and/or who may have emotional, behavioural or educational difficulties.
- To place children and young people at the centre of everything that we do.
- To provide a 'best value', quality service which meets and exceeds the requirements of our purchasers and OFSTED.
- To maximise the quality of our staff through personal development and training.
- To evaluate the potential of providing other services to our client group.
- To operate in surplus, enabling us to re-invest in services and facilities.

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

Public benefit statement

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

Strategic Report (incorporating Review of the year; Financial review and outlook; and Plans for the future)

Review of the year

Our vision is to help children build a future and this year we have certainly seen more young people accessing our services and achieving incredible life changing outcomes than for many decades.

Out of all of our services, Caldecott School has seen the biggest increase in the number of students with school roll approaching our registered capacity of 64 at the end of the academic year. Due to the increasing demand for both our primary and secondary education we are pleased that the Department for Education has approved our application to increase our registered capacity to 85. This will enable us to reach more students directly with our specialist trauma informed support.

In support of this growth, we are continuing to invest in our facilities with two new classrooms being built and equipped this year at our Primary school. We also made a number of changes in our Secondary school including our reception area, office space and staff room. This has enabled us to create a new spacious classroom for our growing Key Stage 3 cohort as well as improving the environment for students, visitors and staff alike.

We are also very grateful to the team at Swiss Re (Folkestone based Insurance Company) who once again chose to support Caldecott through for their annual volunteer day. They completed a number of projects which have enhanced the environment for our students with a new outdoor seating area, a series of large wooden planters and swing seats providing another place for our younger students to enjoy some downtime during the school day.

We are so proud of all our students who completed their BTEC and GCSE courses this year which was the culmination of years of hard work and a monumental achievement. It was with a mixture of emotions that we said goodbye to six students who all moved onto their post 16 education placement at a new school, college or supported internship.

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Review of the year

Our children's homes have provided loving homes for 33 children and young people during the year. We saw 5 young people leave to start a new phase of their life and welcomed 7 children and young people into our community. The highlight of the year for staff and young people alike was our annual Summer Camp holiday where everyone had the opportunity for lots of outdoor adventures including climbing, kayaking and abseiling as well as enjoying each other's company and delicious home cooked food around the campfire in the evening. This was the organisation's 66th Annual Camp, which has run continuously since 1956 with only one year being cancelled due to Covid.

A major development this year was our move to a cloud-based administration system for our children's homes. In the process of moving, we completed a full review of our paperwork with a particular focus on child centred language taking on board the views from the care experienced community. As part of this work we rolled out additional training for staff and although there is still some work to do in order to complete the project the benefits are already being seen.

We have also continued to invest in improving the environment across our children's homes with new bathrooms, kitchens and a garden extension to name just some of the changes made. We have also completed a number of bedroom makeovers with our team creating dream bedrooms that have given our young people an incredibly special place to call their own.

It has also been a busy year at Caldecott Fostering with a number of special events held during the year which have brought everyone together to have fun and socialise. There were 24 children and young people supported during the year by our amazing foster carers with 7 moving onto the next stage of their lives including 3 young people who are now living with members of their family network.

We also commissioned a new bespoke package of therapeutic training for all of our foster carers and staff which has augmented existing training providing our foster carers with exceptional levels of support.

Training has been a key area of development across the organisation with the creation and accreditation of our own 'Teaching Therapeutically' course. This was initially delivered internally, however, as part of our commitment to sharing our experience and expertise we have also offered started to offer this course to local and national schools. We believe that all young people who have experienced trauma deserve the best care and education regardless of which school they attend.

This year saw the completion of the first phase investment into Solar Panels with the aim of reducing our impact on the environment as well as reducing the cost of our electricity bills. This is something which has of course become even more important as a result of the huge increase in the cost of electricity and inflation.

The Board of Trustees has continued to be proactive in identifying and tackling the key risks faced by the organisation and there is more detail on this with the 'Principle Risks and Uncertainties' section. However, it is important to note that professional advice has been sought in regards to the long term risk associated with our KCC pension scheme deficit. The Board's position on this matter is regularly reviewed and we continue to make affordable additional voluntary contributions which will bring down the deficit over the long term.

Finally, we would like to take this opportunity to say a huge thank you to all our wonderful volunteers, donors and supporters whose continued support really does have such a positive impact on the lives of our children and young people.

Financial review

Group income for the year was £10,280,760 (2022: £9,452,058). Group expenditure amounted to £10,326,425 (2022: £9,339,479). The resulting deficit before adjustments to the Pension Scheme was £45,845 compared to a surplus of £112,579 in 2022.

The Group Balance Sheet shows a positive position of £7,230,782 (2022: £1,652,267), and the Balance Sheet for The Caldecott Foundation has improved from £1,813,017 to £7,514,059.

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Cash Flow

The Foundation has been generating significant positive cash flow from its activities for the past several years. These funds have been used in part to enable expansion and improvement of the services we offer across a broad range of what we do. These improvement projects have been designed to raise our efficiencies and positive environmental impact, to invest in training and working conditions for those who work for us, and to improve the offering to the children who depend upon us. Remaining cash has been used to build our free cash reserves towards our target of 3 months of operating costs and to pay down part of our pension scheme deficit in line with professional advice. We expect to see continued progress on all these fronts.

Pension Scheme

The Pension Scheme deficit has decreased in the year by £5.624m to £Nil (2022: decreased by £1.482m to £5.624m), based on the latest actuarial valuation. However, the Foundation does have a historic deficit on the KCC LGPS. This remains a major issue for the Foundation to manage. The Board and Finance Committee have taken professional advice and keep the issue under constant appraisal. We have appropriate plans in place. It is a particularly difficult time for Pension Schemes. Actuarial factors, Interest rates, and Bond Yields have, for some time, behaved in ways which are unusual in the long term. The Caldecott Scheme deficit is a long term deficit which allows us many years to resolve it. Contributions continue to be paid in line with the Actuary's advice.

We have taken specific professional advice on our actions to start paying down our pension scheme deficit with additional voluntary contributions of £180,000 per annum starting 1st April 2021. The advice received is that this is a timely action of a sensible amount, which taken in conjunction with other measures, is appropriate to the size of the challenge over the next several years.

Outlook

The Trustees welcome the great progress made to the financial health of the Foundation over the past several years. We remain conscious of the need to maintain continuous improvement to combat the ever more severe financial constraints which all those engaged in the Care sector face. The excellent standing of our care facilities reflected in our Ofsted ratings is testament to our determination to be ranked with the very best in our field. In this lies our confidence that we will continue to offer outstanding care to the children in our care, whilst also sustaining continued improvement in our financial strength alongside further expansion in our activities.

Investment policy

Any cash deemed to be surplus by the Trustees, other than for the day-to-day running of the charity, is held in assets which are available to the Foundation at short to medium term notice. The trustees regularly review the requirements of the Foundation through cash flow forecasting to ensure that sufficient funds are readily available at short notice to meet day-to-day needs, and that returns are maximised on the remaining funds through longer term investment. To minimise the risk to the charity and its funds, surplus cash is held with a number of UK financial institutions with a good credit rating.

Reserves policy

The Foundation's target is to achieve and maintain unrestricted, undesignated reserves to cover a minimum of 3 months' committed running costs. This equates to approximately £2.4 million based on budgeted running costs for the next 12 months. At the year end, the Foundation had total reserves of £7.514 million before the pension fund provision, much of which is tied up in property which cannot be easily realised. At the year end the Foundation had unrestricted reserves of £946,040 (2022: £963,141). It remains our intention to build free reserves towards the target.

Funds position

At 31 March 2023, restricted funds amounted to £139,671 (2022: £110,069) and further details can be found in note 19 to the financial statements.

At 31 March 2023 designated funds amounted to £6,427,928 (2022: £739,807) and further details can be found in note 20 to the financial statements. The main elements of the designated funds are the fixed asset reserve, amounting to £6,285,040 (2022: £6,206,985) and the LGPS deficit amounting to £Nil (2022: £5,624,000).

As detailed above, the unrestricted fund has a positive balance of £946,460 at 31 March 2023 (2022: £963,141). The Foundation has taken a series of steps to reduce costs and improve financial performance. This progress is expected to continue through the coming year.

THE CALDECOTT FOUNDATION LIMITED

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Going Concern

The Foundation continues to be supported by the company's bankers and meets its day to day working capital requirements through its cash reserves. On this basis, the Trustees consider it appropriate to prepare the accounts on the going concern basis.

Principal risks and uncertainties

The Trustees have identified and evaluated the major strategic, financial and operational risks which the charity faces. Processes are in place to implement and monitor control measures designed to eliminate or reduce the likelihood and/or impact of those risks. Below is a table of our highest risks and a description of the key controls in place to eliminate or reduce the risks posed.

Highest risks	Key controls
Staff recruitment and retention	<p>Regular review of pay and benefits informed by market intelligence and consultation with staff.</p> <p>Focus on Health and Wellbeing. Provision of health cash scheme, employee assistance programme, health checks, wellbeing programmes, occupational health and in house mental health support.</p> <p>Investment in training and recognition of length of service through support to pursue a number of career paths.</p>
Crystallisation of our KCC Pension resulting in the repayment of an unaffordable Cessation Deficit.	<p>Number of active participants monitored monthly by Finance Director and quarterly by the Board.</p> <p>Expert independent advice obtained to inform Board discussion and decision making. This includes affordable repayment options which are evaluated periodically or in response to change.</p> <p>Additional voluntary contributions paid monthly to reduce the deficit over time.</p> <p>Although the scheme has been closed to new entrants, we retain the ability to nominate new employees to the scheme should this be required.</p>
High rate of inflation increasing costs.	<p>Clear communication with Local Authority consortium frameworks in regards to cost increases.</p> <p>Investment into technologies to reduce our electricity and energy costs.</p> <p>Identification of efficiency savings without compromising on the quality of our services.</p>
A high proportion of revenue relating to a small number of Local Authorities customers.	<p>Provision of a range of services creates diversity in revenue sources – residential care, fostering, education and therapy.</p> <p>Accepting young people into our children's homes from all over the UK results in a diverse customer base.</p> <p>Expansion of our fundraising activity through our new fundraising strategy - commencing April 2023.</p> <p>Provision of a weekday boarding service supports students attending Caldecott School from a greater number of Local Authorities areas.</p> <p>Communication with Local Authorities to improve understanding of the high quality services which we deliver and the exceptional outcomes achieved.</p>

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties (continued)

We believe that one of our greatest strengths as an organisation is the level and quality of resources that we make available to support our young people to make progress. Ensuring that we continue to improve is essential to best meeting the needs of our children and young people and maintaining our exceptional reputation with Local Authorities and Ofsted. The key controls we have in place are:

- An experienced and dedicated team of Managers led by our CEO Nick Barnett
- A strong quality improvement team including highly qualified and experienced staff supported by specialist external consultants
- A Model of Care that embeds our core values and ethos into everything we do
- Clear internal policies and procedures, a thorough induction for new staff and a training programme that offers continual learning opportunities and career development for all staff
- A robust governance structure including sub-committees providing oversight of Care & Therapy, Education, Finance and Audit & Risk

Fundraising

The Foundation does not employ any professional fundraisers to fundraise on its behalf but all staff members and any volunteers involved in fundraising activities are trained in accordance with recognised standards so as to ensure that the public, including vulnerable people, are protected from unreasonable or intrusive approaches. The Foundation has not received any complaints about its fund raising activities.

Plans for the future

We will be continuing to build stronger relationships with the Caldecott Association, a group of former staff and young people who used to live with us, and our alumni more generally. We are also looking to further embed the voice of our young people and those with care experience into our decision making. To this end we are very pleased to be recruiting Trustees with relevant experience to fill skills gaps.

Due to the continued high demand for places at Caldecott School we are developing plans to improve the vital facilities which will be needed to support future growth in student numbers. The main focus will be on our catering facilities in both Primary and Secondary School, but we will also be creating a Forest School area on our Smeeth site to improve inclusion for this really important part of our school's alternative curriculum.

In order to fund this important investment, we have created a new fundraising strategy which will be implemented in 2023/24 with a target of raising £200,000 in the first year from charitable trusts & foundations, individual donors and events.

Investment will also continue at Caldecott House with our third large meeting and training room being renovated. This room will be named the 'King' room in recognition of the immense contribution to Caldecott made by James and Tessa King and indeed their whole family. James King was Director of Caldecott between 1967 and 1993 and sadly passed away in 2017. Throughout this time Tessa provided pastoral care, support and love to the children and young people at Caldecott.

We will be offering our 'Teaching Therapeutically' course to even more schools over the next year as well as seeking accreditation for our 'Therapeutic Workshop' course which aims to upskill staff working in children's residential care.

Following the successful first phase of solar panel installation we will be investing in arrays on a further three of our properties. Although the business case for investing in air / ground source heat pumps does not currently produce a reasonable return on investment, we will be investigating other ways that we can reduce the amount of energy required to provide heating and hot water in our properties.

Structure, governance and management

The Foundation is a company limited by guarantee and is governed by its Memorandum and Articles of Association. The Council shall consist of the officers of the company, namely the Chair, Deputy Chair and Treasurer; not less than 6 and not more than 25 (including the officers of the company) members of the company. At every Annual General Meeting, one third of the members, excluding the Chair, Deputy Chair and Treasurer, shall retire by rotation. Any retiring member is eligible for immediate re-election. With respect to the Chair, Deputy Chair and Treasurer, at every third Annual General meeting they shall retire from office. They may stand for re-election. However if the Chair and Deputy Chair have completed more than five years in office and the Treasurer has completed more than eight years in office they may not stand for re-election.

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management (continued)

The Trustees, who are also the directors for the purpose of company law, and who served during the year were:

Charles Lister (Chairman)	Folasade Phillips (appointed 20 October 2022) (Treasurer)
Susan Appleby	Maria Sullivan (resigned 10 October 2022)
Jerome Flechais	Maree Thorn
John Fletcher (Treasurer) (resigned 27 July 2023)	Simon Wakeman
Colin Green (Vice Chair)	Caroline Whillans (appointed 20 October 2022)

Appointment and recruitment of Trustees

A recruitment and appointment procedure for Trustees has been adopted. When a Trustee vacancy occurs the Nominations Committee conducts a skills audit and seeks out, by a variety of means including open advertisement, prospective Trustees with the requisite skills and experience. Candidates are invited to meet with the Managing Director and senior managers prior to being interviewed by members of the Nominations Committee. A recommendation is then made to the Board for approval.

Committee structure, induction and training

The Trustees' responsibilities in respect of accounting records, safeguarding of assets and the prevention and detection of fraud and other irregularities are set out in the Statement of Trustees' Responsibilities. Trustee induction and training have been developed. As part of the process of satisfying these obligations, the Foundation has reviewed its present system of internal control to ensure that the controls are appropriate to the Foundation's activities. The Internal Control Manual has been further developed.

During the year the Board of Trustees meets at least 4 times and a number of committees also meet. These include as a minimum:-

- Audit and Risk Committee (3 times a year)
- School Governors (3 times a year)
- Finance Committee (3 times a year)
- Nominations committee (ad hoc basis)
- Care and Therapy Committee (3 times a year)
- Remunerations committee (annually)

Each committee has defined Terms of Reference which have been agreed by the Board of Trustees. Occasionally a task focused group will be convened and disbanded once the task has been achieved.

Day to day management

The day to day management of the charity is delegated to the Senior Management Team consisting of:

Chief Executive Officer	Nicholas Barnett
Head of Education	Karen Norman (resigned 31 August 2022) Stacey McShane (from 1 September 2022)
Head of Finance	Steve Anderson
Referrals and Commissioning Manager	Damion Napier
Business Manager	Tim Allison
Operations Manager	Kevin Gore
Quality Improvement Manager	Helen Lee

Annually, in September, all Trustees and officers of the organisation will declare any relevant pecuniary information which may affect their independence or ability to discharge their duties.

Pay policy for key management personnel

The Trustees consider the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Foundation on a day to day basis. All Trustees give of their time freely and no trustee received remuneration in the year. The pay of the senior staff is reviewed annually and normally increased in accordance with market rates.

THE CALDECOTT FOUNDATION LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Trustees responsibilities

The Trustees (who are also directors of The Caldecott Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the Trustees have 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 auditors are aware of such information.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

By Order of the Board of Trustees
Date: 19 October 2023

Mr Charles Lister, Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CALDECOTT FOUNDATION LIMITED

Opinion

We have audited the financial statements of The Caldecott Foundation Limited (the parent charitable company) and its subsidiaries (the group) for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 31 March 2023, 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 Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

The other information comprises the information included in the Trustees Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CALDECOTT FOUNDATION LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you, 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 directors' remuneration specified by law are not made; 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 set out on page 8, 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 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 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CALDECOTT FOUNDATION LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CALDECOTT FOUNDATION LIMITED

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michelle Wilkes FCA
(Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Statutory Auditor
Date: 16 November 2023

First Floor, River House
1 Maidstone Road
Sidcup
Kent
DA14 5RH

THE CALDECOTT FOUNDATION LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2023 Total £	2022 Total £
Income from:						
Donations and legacies	2	-	10,767	61,178	71,945	20,451
Charitable activities	3	9,541,878	-	654,489	10,196,367	9,428,587
<i>Investment income</i>						
Income from investments		78	-	-	78	59
Interest receivable		11,467	-	-	11,467	102
Other	4	901	-	-	901	2,859
Total Income		9,554,324	10,767	715,667	10,280,758	9,452,058
Expenditure on:						
Raising funds	5	-	968	-	968	771
Charitable activities	5	9,622,014	15,872	687,391	10,325,277	9,338,708
Corporation tax - trading		-	-	-	-	-
Total expenditure	5	9,622,014	16,840	687,391	10,326,245	9,339,479
Net income/(expenditure) before transfers		(67,690)	(6,073)	28,276	(45,487)	112,579
Transfers between funds	20	(41,320)	39,994	1,326	-	-
Net income/(expenditure) after transfers		(109,010)	33,921	29,602	(45,487)	112,579
Other recognised gains / (losses):						
Revaluation gains/(losses) on fixed asset investment	13	-	-	-	-	-
Remeasurement gain on defined benefit pension scheme	17	-	5,624,000	-	5,624,000	1,482,000
Net movement in funds		(109,010)	5,657,920	29,602	5,578,513	1,594,579
Reconciliation of funds:						
Fund balances at 1 April 2022		1,140,528	401,670	110,069	1,652,267	57,688
Fund balances at 31 March 2023		1,031,518	6,059,591	139,671	7,230,780	1,652,267

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

THE CALDECOTT FOUNDATION LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

Comparative information only

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2022 Total £	2021 Total £
Income from:						
Donations and legacies	2	-	6,182	14,269	20,451	77,361
Charitable activities	3	8,852,043	-	576,544	9,428,587	8,573,331
<i>Investment income</i>						
Income from investments		59	-	-	59	2
Interest receivable		102	-	-	102	45
Other	4	2,859	-	-	2,859	70,083
Total Income		8,855,063	6,182	590,813	9,452,058	8,720,822
Expenditure on:						
Raising funds	5	-	771	-	771	482
Charitable activities	5	8,736,374	-	602,334	9,338,708	8,108,830
Corporation tax - trading		-	-	-	-	3,146
Total expenditure	5	8,736,374	771	602,334	9,339,479	8,112,458
Net income/(expenditure) before transfers		118,689	5,411	(11,521)	112,579	608,364
Transfers between funds	20	(136,567)	136,567	-	-	-
Net income/(expenditure) after transfers		(17,878)	141,978	(11,521)	112,579	608,364
Other recognised gains / (losses):						
Revaluation gains/(losses) on fixed asset investment	13	-	-	-	-	(383)
Remeasurement gain on defined benefit pension scheme	17	-	1,482,000	-	1,482,000	(1,313,000)
Net movement in funds		(17,878)	1,623,977	(11,521)	1,594,578	(705,018)
Reconciliation of funds:						
Fund balances at 1 April 2021		1,158,406	(1,222,308)	121,590	57,688	762,707
Fund balances at 31 March 2022		1,140,528	401,670	110,069	1,652,267	57,688

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

THE CALDECOTT FOUNDATION LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	11		30,663		60,863
Tangible assets	12		5,961,328		5,965,551
Investments	13		2,459		2,459
			<u>5,994,450</u>		<u>6,028,873</u>
Current assets					
Debtors	14	646,342		496,473	
Cash at bank and in hand		1,231,866		1,495,615	
		<u>1,878,208</u>		<u>1,992,089</u>	
Creditors: amounts falling due within one year	15	<u>(641,877)</u>		<u>(664,778)</u>	
Net current assets			<u>1,236,331</u>		<u>1,327,311</u>
Total assets less current liabilities			7,230,780		7,356,184
Creditors: amounts falling due after more than one year	16		<u>-</u>		<u>(79,917)</u>
			7,230,780		7,276,267
Defined benefit pension liability	17		-		(5,624,000)
Net funds			<u><u>7,230,780</u></u>		<u><u>1,652,267</u></u>
Funds					
Restricted funds	19		139,671		110,069
Unrestricted funds:					
Designated funds:	20				
Fixed asset reserve		5,916,703		5,868,848	
Pension Liability		-		(5,624,000)	
Extras' fund		<u>142,888</u>		<u>156,822</u>	
			6,059,591		401,670
Other charitable funds			946,458		963,141
Non-charitable funds	13		85,060		177,387
	21		<u><u>7,230,780</u></u>		<u><u>1,652,267</u></u>

The accounts were approved by the Board on 19 October 2023

Mr Charles Lister (Chair)
Trustee

Company Number: 00419256

THE CALDECOTT FOUNDATION LIMITED

CHARITY BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	12		5,961,328		5,965,551
Investments	13		403,459		403,459
			<u>6,364,787</u>		<u>6,369,010</u>
Current assets					
Debtors	14	553,833		432,183	
Cash at bank and in hand		1,140,139		1,275,931	
		<u>1,693,971</u>		<u>1,708,115</u>	
Creditors: amounts falling due within one year	15	<u>(544,701)</u>		<u>(560,190)</u>	
Net current assets			<u>1,149,270</u>		<u>1,147,925</u>
Total assets less current liabilities			7,514,057		7,516,935
Creditors: amounts falling due after more than one year	16		<u>-</u>		<u>(79,917)</u>
			7,514,057		7,437,017
Defined benefit pension liability	17		-		(5,624,000)
Net funds			<u><u>7,514,057</u></u>		<u><u>1,813,017</u></u>
Funds					
Restricted funds	19		139,671		110,069
Unrestricted funds:					
Designated funds:	20				
		6,285,040		6,206,985	
Pension Liability		-		(5,624,000)	
Extras' fund		<u>142,888</u>		<u>156,822</u>	
			6,427,928		739,807
Other charitable funds			946,458		963,141
	21		<u><u>7,514,057</u></u>		<u><u>1,813,017</u></u>

The accounts were approved by the Board on **19 October 2023**

Mr Charles Lister (Chair)
Trustee

Company Number: 00419256

THE CALDECOTT FOUNDATION LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Net cash flow from operating activities	22	<u>295,325</u>	<u>574,153</u>
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(488,341)	(491,069)
Proceeds on disposal of tangible fixed assets		-	-
Interest and investment income received		11,545	161
Net cash flow from investing activities		<u>(476,796)</u>	<u>(490,908)</u>
Cash flow from financing activities			
Repayments of borrowing		(82,278)	(80,404)
		<u>(82,278)</u>	<u>(80,404)</u>
Net increase in cash and cash equivalents		(263,749)	2,841
Cash and cash equivalents at 1 April 2022		1,495,615	1,492,774
Cash and cash equivalents at 31 March 2023		<u><u>1,231,866</u></u>	<u><u>1,495,615</u></u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,231,866	1,495,615
Cash and cash equivalents at 31 March 2023		<u><u>1,231,866</u></u>	<u><u>1,495,615</u></u>

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(a) Basis of accounting

The Caldecott Foundation Limited is a registered charitable company in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities is to provide residential care, therapy and education for children and young people who have faced deprivation, cruelty or neglect, and who may have emotional, behavioural or educational difficulties.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006* and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Consolidation

In the opinion of the member of the committee, the charitable company and its subsidiary undertakings comprise a small group.

The consolidated financial statements incorporate the results of the charity and its trading subsidiary, Caldecott Fostering Limited, for the year ended 31 March 2022. As a consolidated Statement of Financial Activities is published, a separate Statement of Financial Activities for the parent company is omitted from the group statements by virtue of Section 408 of the Companies Act 2006.

(c) Fund accounting

Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charitable company. Restriction arises when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds represent funds invested in fixed assets. The designated fund balance has been represented to ensure that the fund balance accurately reflects the designation policy adopted by the trustees.

(d) Income recognition

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

(d) Income recognition

Voluntary income, including donations, gifts and grants that provide core funding or are of a general nature, is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Care services and fees are included in the Statement of Financial Activities when receivable;

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes all expenditure incurred by the Foundation to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.; and
- Expenditure on charitable activities comprises those costs incurred by the Foundation in the delivery of its activities and services for beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Other costs have been allocated on the basis of staff time spent.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 6.

(g) Intangible fixed assets

Goodwill on consolidation is amortised over a period of 5 years following year of acquisition.

(h) Tangible fixed assets and depreciation

With the exception of freehold property, tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment losses. Freehold property is stated in the balance sheet at deemed cost being the fair value on the date of transition to FRS102 less any subsequent depreciation and impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Assets costing £1,000 or more are capitalised as tangible fixed assets at the discretion of the Head of Finance and are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Freehold land	Not depreciated
Freehold buildings & improvements	2% or 5% straight line
Fixtures, fittings & equipment	10%, 20% or 33% straight line
Motor Vehicles	20% straight line

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

(i) Fixed asset investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in joint ventures are measured at cost less impairment.

(j) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(k) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Retirement benefits to employees of the Foundation are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The charity also operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Foundation in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary's Department on the basis of quadrennial valuations using a projected unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Foundation in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial losses are recognised immediately in other recognised gains and losses. Actuarial gains are recognised up to a maximum of the previously recognised losses in other recognised gains and losses.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (continued)

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Foundation makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1(h) for the useful economic lives for each class of assets.

LGPS

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Bad debt provision

The value of trade debtors is sensitive to the recoverability in full of any invoices issued to each customer. Once the debt becomes overdue it is chased and periodically reviewed to ensure it is recoverable in full. If a provision is deemed necessary this is included on an annual basis. No provision for bad and doubtful debts is currently included in the accounts.

(o) Going concern

The Foundation continues to be supported by the company's bankers and meets its day to day working capital requirements through its cash reserves. The nature of the Foundation's activities are such that there can be considerable unpredictable variation in the timing of cash inflows. The trustees have prepared projected cash flow information for the period ending 31 March 2023 and beyond. On the basis of this cash flow information, the trustees consider that the Foundation will continue to meet its obligations from its cash reserves. On this basis, the trustees consider it appropriate to prepare the accounts on the going concern basis.

(p) Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

2 DONATIONS AND LEGACIES	2023	2022
	£	£
Designated funds	10,767	6,182
	<u>10,767</u>	<u>6,182</u>
Restricted funds:		
Other restricted donations and gifts	28,178	7,269
Swiss RE Foundation	13,000	7,000
Legacy	10,000	-
Kent Community Foundation	10,000	-
	<u>61,178</u>	<u>14,269</u>
Total	<u>71,945</u>	<u>20,451</u>

3 CHARITABLE ACTIVITIES		Unrestricted funds	Restricted funds	Total 2023	Total 2022
		£	£	£	£
Local Authority Contract	Residential care	4,567,694	-	4,567,694	4,440,421
Local Authority Contract	School	3,866,453	-	3,866,453	3,162,514
Local Authority Contract	Fostering	1,107,733	-	1,107,733	1,249,108
Statutory Funding		-	654,489	654,489	576,544
		<u>9,541,880</u>	<u>654,489</u>	<u>10,196,369</u>	<u>9,428,587</u>

4 OTHER INCOME	2023	2022
	£	£
Other income	901	2,859
	<u>901</u>	<u>2,859</u>

5 EXPENDITURE	Staff Costs	Direct costs	Support costs	Total 2023	Total 2022
	£	£	£	£	£
Costs of raising funds					
Fundraising	-	968	-	968	771
	<u>-</u>	<u>968</u>	<u>-</u>	<u>968</u>	<u>771</u>
Charitable activities					
Residential care	2,920,156	1,552,759	996,209	5,469,124	5,009,477
School	1,719,071	1,634,057	426,947	3,780,075	3,165,107
Fostering	380,918	606,501	88,659	1,076,078	1,164,124
Taxation	-	-	-	-	-
Total charitable activities	<u>5,020,145</u>	<u>3,793,317</u>	<u>1,511,815</u>	<u>10,325,277</u>	<u>9,338,708</u>
Total expenditure	<u>5,020,145</u>	<u>3,794,285</u>	<u>1,511,815</u>	<u>10,326,245</u>	<u>9,339,479</u>

Included in direct costs and support costs are staff costs of £532,630 (2022: £472,015) which are allocated above.

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

6 SUPPORT COSTS	Residential care £	School £	Fostering £	Total 2022 £	Total 2022 £
Management	794,311	340,420	41,554	1,176,285	1,009,845
Finance	110,801	47,486	6,051	164,338	153,179
IT	47,463	20,341	28,801	96,605	89,753
Human resources and training	43,634	18,700	12,253	74,587	65,224
	<u>996,209</u>	<u>426,947</u>	<u>88,659</u>	<u>1,511,815</u>	<u>1,318,001</u>

7 GOVERNANCE COSTS	2023 £	2022 £
Staff costs	81,131	71,900
Travel and subsistence	337	-
Independent reports and trustee recruitment	8,200	3,110
Auditors' remuneration	25,020	19,800
Auditors' remuneration - prior year under provision	1,020	2,840
Auditors' remuneration - subsidiary	10,050	7,140
Legal fees	10,771	2,297
	<u>136,529</u>	<u>107,087</u>

Governance costs are included within support costs detailed above and have been allocated on the basis of time spent in respect of staff costs and direct apportionment basis for other costs.

8 NET MOVEMENT IN FUNDS	2023 £	2022 £
This is stated after charging		
Depreciation of tangible fixed assets	492,566	404,708
Amortisation	30,200	30,200
Auditors' remuneration (including subsidiary)	36,090	29,780
	<u>558,856</u>	<u>464,688</u>

9 TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

One of the trustees (or any persons connected with them) received remuneration during the year, or were reimbursed expenses for a total of £337 (2022:nil).

10 EMPLOYEES

Number of employees

The number of employees, by headcount, during the year was:

	2023 Number	2022 Number
Senior management team	6	6
School	51	50
Residential care	70	75
Fostering	9	8
Administration	12	11
Support services	6	7
	<u>154</u>	<u>157</u>

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

10 EMPLOYEES

Employment costs	2023	2022
	£	£
Wages and salary costs	4,676,196	4,332,887
Social Security costs	480,902	419,591
Apprenticeship levy	6,696	5,951
Pension costs - defined benefit	241,963	244,928
Pension costs - defined contribution	147,018	124,811
	<u>5,552,775</u>	<u>5,128,168</u>

The number of employees whose annual emoluments were £60,000 or more were:

	2023	2022
£60,001 - £70,000	5	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£100,001 - £110,000	1	1

Of the employees whose emoluments exceed £60,000, 1 (2022: 1) has retirement benefits accruing under defined benefit pension schemes and 6 (2022: 4) have retirement benefits accruing under defined contribution schemes.

The senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Foundation on a day to day basis and are detailed on page 1. The aggregate remuneration paid to the key management personnel totalled £617,317 (2022: £474,741).

11 INTANGIBLE ASSETS

Group	Goodwill	Total
	£	£
Cost / deemed cost		
As at 1 April 2022 and at 31 March 2023	<u>151,463</u>	<u>151,463</u>
Amortisation		
As at 1 April 2022	90,600	90,600
Charge for period	30,200	30,200
At 31 March 2023	<u>120,800</u>	<u>120,800</u>
Net book values		
At 31 March 2023	<u>30,663</u>	<u>30,663</u>
At 31 March 2022	<u>60,863</u>	<u>60,863</u>

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

12 TANGIBLE ASSETS	Land and buildings	Improvements to buildings	Fixtures, fittings and equipment	Motor Vehicles	Total
Group and Charity	£	£	£	£	£
Cost / deemed cost					
As at 1 April 2022	7,652,623	600,539	1,751,969	178,340	10,183,471
Additions	-	112,895	368,911	6,535	488,341
Disposals	-	-	(247,746)	-	(247,746)
At 31 March 2023	<u>7,652,623</u>	<u>713,434</u>	<u>1,873,134</u>	<u>184,876</u>	<u>10,424,068</u>
Depreciation					
As at 1 April 2022	2,669,095	316,597	1,109,104	123,124	4,217,921
Charge for period	152,078	64,861	255,829	19,798	492,566
On disposals	-	-	(247,746)	-	(247,746)
At 31 March 2023	<u>2,821,173</u>	<u>381,458</u>	<u>1,117,187</u>	<u>142,922</u>	<u>4,462,740</u>
Net book values					
At 31 March 2023	<u>4,831,450</u>	<u>331,976</u>	<u>755,947</u>	<u>41,955</u>	<u>5,961,328</u>
At 31 March 2022	<u>4,983,528</u>	<u>283,942</u>	<u>642,865</u>	<u>55,216</u>	<u>5,965,551</u>

Certain freehold properties were revalued in July 2004 and this valuation was incorporated into the financial statements for the year ended 31 March 2005.

The trustees have not commissioned a full external valuation as after having consulted with an independent property valuer they have been advised that any increase or decrease in the value of freehold land and buildings would not be material in the charity's financial statements. This valuation amount was brought into the accounts as part of the transition to FRS102.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	2023	2022
	£	£
Cost	1,578,982	1,578,982
Accumulated depreciation	(624,865)	(593,286)
At 31 March 2023	<u>954,117</u>	<u>985,696</u>

All other tangible fixed assets are stated at historical cost.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

13 FIXED ASSET INVESTMENTS

Group	Listed investments £	Shares in subsidiary undertaking £	Total £
Market value at 1 April 2022 and at 31 March 2023	2,459	-	2,459
Historical cost:			
At 31 March 2023	1,008	-	1,008
At 31 March 2022	1,008	-	1,008
Charity	£	£	£
Market value at 1 April 2022 and at 31 March 2023	2,459	401,000	403,459
Historical cost:			
At 31 March 2023	1,008	401,000	402,008
At 31 March 2022	1,008	401,000	402,008

The fair value of the listed investments is determined by reference to the mid-market value of shares at the Balance Sheet date and represents the shareholding in Santander plc.

Shares in subsidiary undertaking

Caldecott Fostering Limited is now a wholly owned subsidiary.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

13 FIXED ASSET INVESTMENTS

Holdings of more than 20%

The charity holds more than 20% of the share capital of the following company:

Subsidiary undertaking	Country of registration or incorporation	Proportion of voting rights and ordinary share capital held	Principal activity
Caldecott Fostering Limited	England and Wales	100%	Fostering agency

The principal activity of Caldecott Fostering Limited is the provision of the foster care for children on behalf of local authorities. The investment is measured at cost less impairment on the basis that they represent shares in entities that are not publicly traded and the fair value cannot otherwise be measured reliably.

The trading results of Caldecott Fostering Limited for the year ended 31 March 2023 are as follows:

	2023	2022
	£	£
Turnover	1,176,825	1,249,108
Cost of sales	(606,501)	(662,772)
Administration costs	(530,963)	(454,648)
Operating surplus for the period	39,361	131,688
Corporation tax	-	-
Distributions to parent charity under gift aid	(131,688)	(51,588)
Retained (deficit)/surplus for the period	(92,327)	80,100

The assets and liabilities of the subsidiary at 31 March 2023 were:

Current assets	184,390	288,597
Current liabilities	(97,330)	(109,210)
Aggregate share capital and reserves	87,060	179,387
Share capital	2,000	2,000
Profit and loss reserve	85,060	177,387
	87,060	179,387

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

14 DEBTORS	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	478,225	373,742	416,064	304,833
Other debtors	41,743	17,405	11,242	17,405
Amounts due from subsidiary undertaking	0	-	153	4,619
Prepayments and accrued income	126,373	105,326	126,373	105,326
	<u>646,342</u>	<u>496,473</u>	<u>553,833</u>	<u>432,183</u>

Amounts falling due after more than one year and included in the debtors above are:

	2023	2022	2023	2022
	£	£	£	£
Other debtors	4,500	6,368	4,500	6,368

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	78,747	81,107	78,747	81,107
Trade creditors	226,161	199,737	193,840	160,610
Taxes and social security costs	113,963	115,934	105,378	106,449
Other creditors	177,986	195,445	121,715	139,468
Accruals	45,019	72,555	45,020	72,555
	<u>641,877</u>	<u>664,778</u>	<u>544,701</u>	<u>560,190</u>

The bank loan and overdraft are secured over Caldecott House.

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	-	79,917	-	79,917
Analysis of loans				
Wholly repayable within five years	78,747	161,025	78,747	161,025
Included in current liabilities	(78,747)	(81,107)	(78,747)	(81,107)
	<u>-</u>	<u>79,917</u>	<u>-</u>	<u>79,917</u>

The bank loan is secured over Caldecott House.

The loan financing is in the form of a secured loan with a fixed interest rate of 3.9% and is due for repayment in February 2024. The loan has financial covenants which may require the loan to be repaid in full. During the year these covenants were met.

Loan maturity analysis

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Debt due in one year or less	78,747	81,107	78,747	81,107
In more than one year but not more than two years	-	79,917	-	79,917
	<u>78,747</u>	<u>161,025</u>	<u>78,747</u>	<u>161,025</u>

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

The Foundation's employees belong to the following pension schemes; the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council. Both are multi-employer defined benefit schemes. In addition, the Foundation operate a defined contribution stakeholder scheme and contribute into personal pension schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary's Department, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £176,786 (2022: £178,895).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Foundation has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Foundation has set out above the information available on the scheme.

Pension contributions amounting to £18,188 (2022: £21,504) were unpaid to the Teachers' Pension Scheme at 31 March 2023.

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

(Continued)

Kent County Council Pension Fund

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2023 was £89,285 (2022: £89,421), of which employer's contributions totalled £65,177 (2022: £66,034) and employees' contributions totalled £24,108 (2022: £23,387). The minimum contribution rates for future years are 19.0% (from 1 April 2023) then increasing to 20% (from 1 April 2024) and 21% (from 1 April 2025) for employers and 5.5% to 12.5% for employees. In addition voluntary contributions totalling £180,000 (2022: £180,000) were made by the employer to pay down the pension scheme deficit.

Pension contributions amounting to £7,736 (2022: £7,031) were unpaid to the Kent County Council Pension Fund at 31 March 2022.

Principal actuarial assumptions	2023	2022
	%	%
Rate of increase in salaries	3.90	4.20
Rate of increase in pension payment	2.90	3.20
Discount rate	4.80	2.60
Inflation assumption - CPI	2.90	3.20

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2023	2022
<i>Retiring today</i>		
Males	21.1	21.6
Females	23.5	23.7
<i>Retiring in 20 years</i>		
Males	22.3	23.0
Females	25.0	25.1

Sensitivity analysis

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023	2022
Discount rate +0.5% (2022: +0.1%)	-1365	-562
Discount rate -0.5% (2022: -0.1%)	+1547	+575
Mortality assumption + 1 year	+622	+1106
Mortality assumption - 1 year	-598	-1061
Long term salary +0.5% (2022: +0.1%)	+62	+27
Long term salary -0.5% (2022: -0.1%)	-59	-27
Adjustment to pension increases +0.5% (2022: +0.1%)	+1588	+543
Adjustment to pension increases -0.5% (2022: -0.1%)	-1334	-532

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS

(Continued)

The Foundation's share of the assets in the scheme were:

	2023	2022
	£	£
Equities	13,506,000	13,591,000
Bonds	2,780,000	2,915,000
Property	2,113,000	2,480,000
Gilts	116,000	129,000
Other assets	380,000	436,000
Infrastructure	721,000	-
Absolute return fund	1,551,000	1,562,000
Total market value of assets	<u>21,167,000</u>	<u>21,113,000</u>

For accounting years beginning on or after 1 January 2015, the expected return and the interest cost has been replaced with a single net interest cost, which will effectively set the expected return equal to the discount rate.

Amount recognised in the Statement of Financial Activities

	2023	2022
	£	£
Current service cost	152,000	173,000
Net interest cost	144,000	140,000
Administration expenses	13,000	12,000
Total operating charge	<u>309,000</u>	<u>325,000</u>

Changes in the present value of defined benefit obligations were as follows:

	2023	2022
	£	£
At 1 April 2022	26,737,000	27,963,000
Current service cost	152,000	173,000
Interest cost	689,000	555,000
Change in financial assumptions	(10,695,000)	(1,589,000)
Change in demographic assumptions	(574,000)	-
Experience loss on defined benefit obligation	1,794,000	63,000
Estimated benefits paid	(539,000)	(452,000)
Contributions by Scheme participants	25,000	24,000
At 31 March 2023	<u>17,589,000</u>	<u>26,737,000</u>

Changes in the fair value of charity's share of scheme assets:

	2022	2021
	£	£
At 1 April 2022	21,113,000	20,857,000
Interest on assets	545,000	415,000
Return on assets less interest	(273,000)	19,000
Other actuarial gains	62,000	-
Administration expenses	(13,000)	(12,000)
Employer contributions	247,000	262,000
Contributions by Scheme participants	25,000	24,000
Estimated benefits paid	(539,000)	(452,000)
Asset not recognised	(3,578,000)	-
At 31 March 2023	<u>17,589,000</u>	<u>21,113,000</u>

At 31 March 2023, the proportion of the LGPS scheme attributed to the charity showed an asset. However, under FRS102 an asset on the pension scheme can only be recognised in certain circumstances and these criteria were not met at 31 March 2023. Therefore the asset has not been recognised on the balance sheet.

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

17 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS (Continued)
Other defined contribution schemes

The company operates a stakeholder scheme into which it contributes a percentage of employees salary. In addition the company also contributes into certain employees own personal pension schemes.

	2023	2022
	£	£
Contributions payable by the company for the year	136,453	118,634

Pension contributions amounting to £21,290 (2022: £18,485) were unpaid to the stakeholder schemes at 31 March 2023.

18 COMPANY STATUS

The Foundation is a company limited by guarantee. In the event of a winding-up the liability of each member will not exceed £1.

19 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:

CURRENT YEAR	Balance at 1 April 2022	Income	Expenditure	Transfers between funds	Balance at 31 March 2023
	£	£	£	£	£
Holidays / Camps / Trips	2,663	500	(8,056)	-	(4,893)
Independent Living fund	11,921	-	-	(11,921)	-
Sponsor a book	773	-	(300)	-	473
ESFA	26,752	616,224	(616,928)	-	26,048
Other fundraised funds	9,499	5,165	(2,363)	(726)	11,575
Pupil premium	18,056	38,265	(34,204)	-	22,117
Care leavers hardship fund	7,135	-	-	-	7,135
Fledborough Therapy Centre	3,280	-	-	-	3,280
Forest School	22,429	-	-	-	22,429
Swiss RE	129	13,000	(4,178)	-	8,951
Secondary Food Tech	-	5,578	-	12,817	18,395
SEC Sensory room	4,268	16,935	(21,362)	-	(159)
Social Worker Training	-	10,000	-	-	10,000
New Therapy Home	-	10,000	-	-	10,000
Other	3,164	-	-	1,156	4,320
	110,069	715,667	(687,391)	1,326	139,671

COMPARATIVE YEAR	Balance at 1 April 2021	Income	Expenditure	Transfers between funds	Balance at 31 March 2022
	£	£	£	£	£
Holidays / Camps / Trips	6,377	3,000	(6,714)	-	2,663
Independent Living fund	11,921	-	-	-	11,921
Sponsor a book	773	-	-	-	773
ESFA	23,288	538,948	(535,484)	-	26,752
Other fundraised funds	10,704	-	(1,205)	-	9,499
Pupil premium	31,459	37,596	(50,999)	-	18,056
Care leavers hardship fund	7,135	-	-	-	7,135
Smeeth School Resources	721	4,269	(722)	-	4,268
Fledborough Therapy Centre	3,280	-	-	-	3,280
Forest School	22,429	-	-	-	22,429
Swiss RE	339	7,000	(7,210)	-	129
Other	3,164	-	-	-	3,164
	121,590	590,813	(602,334)	-	110,069

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

19 RESTRICTED FUNDS - CONTINUED

Homes (Improvement fund)	For improvements to the physical environment within the house
Holidays / Camps /Trips out	For annual holidays, camps and trips out to theatres etc
Independent Living fund	To support former care leavers to achieve full independence
Sponsor a book	For sponsorship of children's special interest books and other reading
Forest School	Funds of £120,000 were received from The Band Trust and £12,229 from Morrisons Foundation to set up a forest school and provide outdoor sport and activity equipment.
Other fundraised funds	To fund a range of specific small items including leavers packs, art, play & music equipment, hardship grants, sport & challenge activities and vocational education
ESFA	To improve standards in the school and for capital expenditure in the school
Pupil premium	Funds received from Local Authorities which are provided for the education needs of individual school pupils
Care leavers hardship fund	A fund for care leavers to request support from.
Smeeth School Resources	Funding towards resources for the Smeeth school.
Fledborough Therapy Centre	Funding towards a new therapy centre at Fledborough.
Swiss RE	Funding to provide enhancements to the physical environment
Other restricted funds	Funds received from Local Authorities and statutory bodies which are provided for individual children and care leavers
Secondary Food Tech	Fund to refurbish the Secondary food tech classroom
SEC Sensory room	Fund to refurbish the Secondary sensory rooms
Social Worker Training	Fund to provide training towards a social worker qualification
New Therapy Home	Fund to refurbish part of Caldecott House to provide a new area for children's therapy
Transfer between funds	Represents the transfer of unspent funds to other restricted funds and correction of the opening balance.

20 DESIGNATED FUNDS

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

GROUP - CURRENT YEAR	Balance at 1 April 2022	New designations	Designations released	Transfers/ Gains	Balance at 31 March 2023
	£	£	£	£	£
Fixed asset reserve	5,868,848	-	-	47,855	5,916,703
Pension reserve	(5,624,000)	-	-	5,624,000	-
Extras' fund	156,822	10,767	(16,840)	(7,860)	142,888
	<u>401,670</u>	<u>10,767</u>	<u>(16,840)</u>	<u>5,663,995</u>	<u>6,059,591</u>

GROUP - COMPARATIVE YEAR	Balance at 1 April 2021	New designations	Designations released	Transfers/ Gains	Balance at 31 March 2022
	£	£	£	£	£
Fixed asset reserve	5,732,281	-	-	136,567	5,868,848
Pension reserve	(7,106,000)	-	-	1,482,000	(5,624,000)
Extras' fund	151,411	6,182	(771)	-	156,822
	<u>(1,222,308)</u>	<u>6,182</u>	<u>(771)</u>	<u>1,618,567</u>	<u>401,670</u>

The fixed asset reserve - represents the net book value of fixed assets held net of any associated borrowings.

The pension reserve - represents the pension scheme liability at the year end.

The Extras fund - to be used for additional activities over and above those funded by core funding.

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

20 DESIGNATED FUNDS

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

	Balance at 1 April 2022	New designations	Designations released	Transfers/ Gains	Balance at 31 March 2023
	£	£	£	£	£
CHARITY - CURRENT YEAR					
Fixed asset reserve	6,206,985	-	-	78,055	6,285,040
Pension reserve	(5,624,000)	-	-	5,624,000	-
Extras' fund	156,822	10,767	(16,840)	(7,860)	142,888
	<u>739,807</u>	<u>10,767</u>	<u>(16,840)</u>	<u>5,694,195</u>	<u>6,427,928</u>

	Balance at 1 April 2021	New designations	Designations released	Transfers/ Gains	Balance at 31 March 2022
	£	£	£	£	£
CHARITY - COMPARATIVE YEAR					
Fixed asset reserve	6,040,216	-	-	166,769	6,206,985
Pension reserve	(7,106,000)	-	-	1,482,000	(5,624,000)
Extras' fund	151,411	6,182	(771)	-	156,822
	<u>(914,373)</u>	<u>6,182</u>	<u>(771)</u>	<u>1,648,769</u>	<u>739,807</u>

The fixed asset reserve - represents the net book value of fixed assets held net of any associated borrowings.

The pension reserve - represents the pension scheme liability at the year end.

The Extras fund - to be used for additional activities over and above those funded by core funding.

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
CURRENT YEAR				
Fund balances at 31 March 2023 are represented by:				
Intangible fixed assets	-	30,663	-	30,663
Tangible fixed assets	-	5,961,328	-	5,961,328
Investments	-	2,459	-	2,459
Current assets	1,594,648	143,888	139,671	1,878,208
Creditors: amount falling due within one year	(563,131)	(78,747)	-	(641,877)
Creditors: amount falling due after more than one year	-	-	-	-
Defined benefit pension	-	-	-	-
	<u>1,031,518</u>	<u>6,059,592</u>	<u>139,671</u>	<u>7,230,780</u>
COMPARATIVE YEAR				
Fund balances at 31 March 2022 are represented by:				
Intangible fixed assets	-	60,863	-	60,863
Tangible fixed assets	-	5,965,551	-	5,965,551
Investments	-	2,459	-	2,459
Current assets	1,724,198	157,822	110,069	1,992,089
Creditors: amount falling due within one year	(583,671)	(81,107)	-	(664,778)
Creditors: amount falling due after more than one year	-	(79,917)	-	(79,917)
Defined benefit pension	-	(5,624,000)	-	(5,624,000)
	<u>1,140,528</u>	<u>401,670</u>	<u>110,069</u>	<u>1,652,267</u>

THE CALDECOTT FOUNDATION LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

22 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/income for year	(45,487)	112,579
Interest and investment income receivable	(11,545)	(161)
Depreciation of tangible fixed assets	492,566	404,708
Amortisation of goodwill	30,200	30,200
(Profit) on disposal of fixed assets	-	-
(Increase) in debtors	(149,866)	(64,130)
Increase/(decrease) in creditors	(20,542)	90,957
Net cash flow from operating activities	<u>295,325</u>	<u>574,153</u>

23 ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022	Cash flow	Non-cash changes	At 31 March 2023
	£	£	£	£
Cash at bank and in hand	1,495,615	(263,749)	-	1,231,866
Bank overdrafts	-	-	-	-
	<u>1,495,615</u>	<u>(263,749)</u>	<u>-</u>	<u>1,231,866</u>
Debt due within one year	(81,108)	82,278	(79,917)	(78,747)
Debt due after one year	(79,917)	-	79,917	-
	<u>(161,025)</u>	<u>82,278</u>	<u>-</u>	<u>(78,747)</u>
	<u>1,334,590</u>	<u>(181,471)</u>	<u>-</u>	<u>1,153,119</u>

24 FUTURE COMMITMENTS

Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

Group	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within one year	49,000	49,000	5,034	4,770
Between two and five years	196,000	196,000	5,062	3,845
In over five years	474,561	526,750	-	-
	<u>719,561</u>	<u>771,750</u>	<u>10,096</u>	<u>8,615</u>

Charity

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within one year	49,000	49,000	5,034	4,195
Between two and five years	196,000	196,000	5,062	3,845
In over five years	474,561	526,750	-	-
	<u>719,561</u>	<u>771,750</u>	<u>10,096</u>	<u>8,040</u>

Pension commitments

In the prior year, the Trustees agreed to pay additional pension contributions in respect of the Kent County Council Local Government Pension Scheme with effect from 1 April 2021. The monthly additional contribution is a minimum payment of £15,000, or £180,000 annually until the deficit is cleared.

THE CALDECOTT FOUNDATION LIMITED

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

25 RELATED PARTIES

Mr N Barnett

Mr N Barnett is the Chief Executive Officer of Caldecott Foundation and a member of the key management team. During the year ended 31 March 2020 he received a loan of £12,000 which is repayable over 5 years. At 31 March 2023, he owed Caldecott Foundation £4,200 (2022: £6,600).

26 CAPITAL COMMITMENTS

The charity had capital commitments at the year end as follows:

2023	2022
£	£
-	51,835