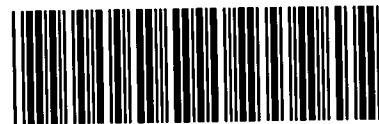


Company registration number 10762047 (England and Wales)

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

SATURDAY



AD00EP1K

A19

30/03/2024

#258

COMPANIES HOUSE

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
COMPANY INFORMATION

Directors

A G Christie (resigned 15 December 2023)
A J Couldrick
B C Carr
J P Glasby
R E Harker
C J Horwath
E M Stafford
J L Tumross (resigned 7 August 2023)
D J Stringfellow
B K Dhanoo (resigned 14 September 2022)
L A K Yale-Helms
R Brooks (appointed 14 July 2023 and resigned 15 March 2024)
A S Ubhi (appointed 11 August 2023)
A M A Agbeze (appointed 11 September 2023)
J A Thomas (appointed 4 December 2023)

Company number

10762047

Registered office

1 Avenue Road
Aston
Birmingham
England
B6 4DU

Independent Auditor

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Strategic report	1 - 6
Directors' report	7 - 11
Independent auditor's report	12 - 15
Statement of comprehensive income	16
Balance sheet	17
Statement of changes in equity	18
Statement of cash flows	19
Notes to the financial statements	20 - 34

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY (A COMPANY LIMITED BY GUARANTEE) STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Background to the Trust

Birmingham Children's Trust ("the Trust") was set up as a company limited by guarantee on 9 May 2017 wholly owned by Birmingham City Council ("the Council"). It commenced full operation on 1 April 2018 and converted to a community interest company on 24 October 2018. The move to set up an operationally independent company by the Council was in response to the formal intervention by the Department for Education ("DfE") following years of under achievement in children's care services and a number of monitoring visits during 2015 and 2016 by the Office for Standards in Education ("Ofsted") which continued to rate the Council's services as "Inadequate".

In March 2023 the Trust was inspected by Ofsted and as a result social care services in Birmingham are now judged to be Good. This comes after a decade of 'Inadequate' judgements up to 2018. In effect, services have improved to Good in a five-year, single inspection cycle. That two of these five years were spent in unprecedented circumstances of pandemic, lockdown and post-pandemic readjustment, the achievement is all the more noteworthy.

In March 2023 Birmingham City Council decided that rather than enact the second five year term of our contract they would instead agree a new 10 year contract term. This reflects the confidence that has built in the Trust over its first five years of life, as well as the depth of relationship with the Council, across both elected members and officers.

The DfE Improvement Direction was lifted in May 2023.

Performance

The Trust has performed well, in 2022/23, in relation to the contractual performance indicators.

Areas of particularly strong performance in the year have included placement stability for children in care; care leavers living in suitable accommodation; timely reviews for children in care and initial child protection conferences.

Challenges have included:

- timescale for adoption: the indicator measures over a three-year period. Evidence supports that current performance is good and the performance indicator will improve over the course of the coming year as a result.
- agency social workers: this has remained persistently higher than we would want. While we perform better than regional and statistical neighbours, we continue to refine and improve our offer to make the Trust an attractive place to come, and to stay, to build a good social work career.

The Trust's Annual QA and Performance Report provides a fuller account of performance and highlights areas of success and issues requiring attention.

As well as the performance measures, the Trust has a well-embedded Quality Assurance framework, overseen by the Practice Hub. There is a wider range of performance audit undertaken, and the learning from audit feeds back into practice to drive improvement. Reports on our quality assurance work are shared at the Operational Commissioning Group.

The feedback we get from children, young people and family members about the work we do is a key strand of how we 'measure' how we are doing. Our Rights and Participation service plays an important role not only in advocating for our young people, but in ensuring their voices are heard clearly and continue to shape the services we offer.

A refreshed set of KPIs has been agreed for 2023/24.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Summary of Trust performance in 2021/22:

KPI	Measure	Number of months target met or within tolerance last 12 months	% where target met or within tolerance last 12 months
1	% of all referrals with a decision within 24 hours	11	92%
2	% of all re-referrals to children's social care within 12 months	12	100%
3	% assessment completed within 45 working days	11	92%
4	% initial CP conferences held within 15 working days	12	100%
5	% of children who become subject of a CP plan for a second or subsequent time within the last 2 years	12	100%
6	% of children (under 16 years) who have been looked after for 2.5 years or more, and in the same placement (or placed for adoption) continuously for 2 years or more	12	100%
7	% of children experiencing 3 or more moves in a year	12	100%
8	% of children in care reviews held on time	12	100%
9	% of care leavers who are in education, employment and training (EET)	12	100%
10	% of care leaver who are living in suitable accommodation (19-21)	12	100%
11	Average time between a child coming into care and being placed with an adoptive family (A2)	0	0%
12	Number of children who have been adopted in year or who leave care	N/A	N/A
13	% of agency social workers (including team managers)	0	0%
14	Average caseload of qualified social workers	12	100%
15	% of social workers who have had supervision (in month)	8	67%

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Results of Ofsted inspections and monitoring visits during 2022/23 as summarised in the table below.

Children's social care	Date	Inspection Findings
Birmingham Children's Trust Adoption Agency	Commenced 24-25 October; concluded 28-30 November 2022	<p>The voluntary adoption agency provides effective services that meet the requirements for Good.</p> <p>Overall experiences and progress of children and young people is good, taking into account:</p> <ul style="list-style-type: none"> How well children and young people are helped and protected: Good The effectiveness of leaders and managers: Outstanding. <p>The Adoption Agency reports can be found here: https://reports.ofsted.gov.uk/provider/7/1273493</p>
Youth Offending Services in Birmingham	December 2022	<p>Overall rating: Requires Improvement</p> <p>The inspection report can be found here: An inspection of youth offending services in Birmingham (justiceinspectorates.gov.uk).</p>
ILACS Standard inspection	13 February - 3 March 2023	<p>Overall rating: Overall effectiveness was judged to be Good.</p> <p>This comprises of:</p> <ul style="list-style-type: none"> The impact of leaders on social work practice with children and families: Good The experiences and progress of children who need help and protection: Good The experiences and progress of children in care: Good The experiences and progress of care leavers: Good <p>The inspection report can be found here: Ofsted Birmingham City Council</p>

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY (A COMPANY LIMITED BY GUARANTEE) STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Principal risks and uncertainties

The Trust maintains a strategic risk register which included nine strategic risks for 2022/23 were as follows:

1. **Relationship between Trust and Council** - a consistent, stable relationship with the Council is critical to the Trust.
2. **Workforce** - effective delivery of service relies on maintaining a sufficient, high performing and motivated workforce.
3. **Demand pressure** - a range of factors, including the legacy of covid as lockdowns ended, and children returned to schools and settings, increases beyond current capacity creating delivery and financial pressure and consequences.
4. **Significant safeguarding Incident with a child with whom the Trust is working** - a child with whom the Trust is working suffers significant harm that might have been avoided had the Trust acted differently.
5. **Regulatory issues** - progress in practice improvement is not sustained or is interrupted by other factors (key staff absent; unprecedented demand etc.) leading to regulators identifying service failure in the Trust.
6. **Data intelligence, use of that intelligence** - poor access to, ineffective use of and lack of capacity to cleanse data affects the Trust's understanding of demand/supply, effectiveness of service planning, efficient use of resources and quality of work to improve outcomes for children and young people.
7. **Trust Development** - as a relatively new organisation with an ambitious development agenda, the risk is that key developments are not delivered, that unnecessary slippage/delay occurs or that external factors impede development.
8. **Placement sufficiency** - there are insufficient regulated placements for children who require them, resulting in placements within unregulated or insecure settings.
9. **Oracle ERP Cloud** - Trust Support Service teams have no clear view of how the Oracle system will operate, end to end processes, required resource to undertake new processes and the cultural change required by the Trust to implement the new system.

Risk Management

The Trust continues to actively manage risk through its strategic risk register which is updated routinely and monitored throughout the year by the Executive and Non-Executive Directors

The strategic risk register is presented to the Finance & Resources committee each quarter and the Committee undertakes deep dives of specific risks. The strategic risk register is informed by a series of service risk registers across the Trust.

Financial Management

The Trust's financial position for 2022/23 has been very challenging not least as there was no real increase in the core contract sum for 2022/23, thus creating a "baked in" pressure of some £9.8m (5%) being carried forward from 2021/22. The forecast rise in the care population has again proven to be very accurate, however the number of asylum-seeking children has increased significantly and was not planned. This together with complexity of need and a continued rise in the number of children in high-cost placements has resulted in a gross cost pressure of £26.7m for 2022/23. Management action and efficiencies delivered across the Trust, together with additional grant from the Household Support Fund and use of the Supporting Families reserve, has provided off-setting savings of £2.7m, reducing the overall deficit to £24.0m (10%). The deficit of £24.0m was funded in full by Birmingham City Council.

A reconciliation of net operational spend to the reported comprehensive loss for the year is provided below

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Reconciliation of net operational surplus to reported total comprehensive income for the year

	£'000
Net operational surplus (against budget)	-
Movement in retained earnings	(2,244)
Movement in pensions reserves	111,907
Amortisation of intangible lease assets	(658)
Total comprehensive income for the year	109,005

The Trust had closing reserves of £0.337m as at 31 March 2023. This includes a pensions liability of £8.1m and a £3.2m Lease Asset reserve. The movement in the net pension liability (net of gains) during 2022/23 under FRS 102 was estimated to be £111.9m, reducing the acquired net pension liability to £8.1m. The pension scheme was transferred to the Trust on 1 April 2018 and was fully funded on an ongoing actuarial basis. However, under FRS102 there is a liability. The pension liability represents a long-term liability. The Directors believe that the Trust will be able to make timely payments against the future annual commitments arising on this liability. The pensions liability is not therefore considered to impact on the Going Concern basis used in the preparation of these financial statements.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

Governance

The Trust is owned by, but independent from, Birmingham City Council. A Trust Board, consisting of a chair and seven non-executive directors, is responsible for setting the strategic aims of the Trust, overseeing the management of the business and holding the Executive Team to account. It is the responsible body for the performance of the Trust in terms of delivering its legal and contractual obligations and achieving outcomes for children in Birmingham.

The Chair of the Board is also independent and appointed by the Secretary of State for Education. The Trust Board of Directors has a wide portfolio of expertise and knowledge in children's services, commercial, financial and other disciplines. The Board provides support and challenge on the direction and strategy of the Trust and in fulfilling its role has established the following committees:

- Finance and Resources
- Nomination and Remuneration
- Performance and Resources
- Workforce

The Trust's Executive Directors consist of the Chief Executive, the Director of Practice, the Director of Commissioning & Corporate Parenting and the Director of Finance & Resources. The Executive provides management oversight of operational activities of the Trust under a scheme of delegation approved by the Trust Board.

The Trust produces a Business Plan each year which sets out its priorities and an Annual Report which reviews its performance against the Plan and a series of key performance indicators (see page 2). The Business Plan and Annual Report are focused on delivering better outcomes for children and young people.

Maintaining high quality standards

The Trust's residential children's homes are subject to Ofsted inspection on a regular basis and an inspection of Adoption Services was undertaken across October/November 2022 and was rated Good. The Trust is also subject to independent inspection in Fostering. The Youth Offending Services (YOS) in Birmingham were inspected in December 2022 with an overall rating of Requires Improvement. There is a YOS improvement plan in place to address the Ofsted recommendations.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STRATEGIC REPORT (CONTINUED)**

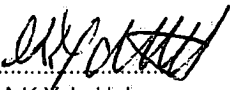
FOR THE YEAR ENDED 31 MARCH 2023

The Trust is subject to independent inspection from Ofsted and at the last full inspection in February/March 2023 was rated Good. The Trust's Development Plan is refreshed each year and sets out the clear priorities for improvement with clear timescales and responsibilities in terms of accountability and responsibility.

Directors' statement of compliance with duty to promote the success of the Group

The Directors promote its achievements and success in the name of the Trust and Birmingham City Council its owner.

This report was approved by the board on 27 March 2024 and signed on its behalf


.....
L A K Yale-Helms

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results

The Trust is a not-for-profit community interest company limited by guarantee. The Trust is wholly owned by Birmingham City Council ("the Council") and under the terms of the Articles of Association there is no provision for a dividend.

The operating profit for the year, after taxation, amounted to nil for the year ending 31 March 2023 (2022 - nil). A reconciliation to the reported comprehensive loss is included at Page [5] of the Strategic Report.

The movement in the net pension liability during 2022/23 under FRS 102 was estimated to be £111.9m reducing the net pension liability to £8.1m. The budgetary forecasts for the Trust confirm their ability to meet the ongoing annual funding commitments, as set by the actuary, to the pension fund. The net pension liability at the end of the contract period will transfer back to the Council as owner of the Trust. The directors of the Trust therefore do not believe that the pension liability impacts the Trust's adoption of the going concern basis for purposes of these financial statements.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Directors

The directors who served during the year and up to the date of signature of the financial statements were:

A G Christie – Chairman (resigned 15 December 2023)
A J Couldrick – Executive Director & Chief Executive (appointed Chairman 15 December 2023)
J A Thomas – Executive Director (appointed 4 December 2023)
B C Carr – Non-Executive Director
B K Dhanoa – Non-Executive Director (resigned 14 September 2022)
J P Glasby – Non-Executive Director
R E Harker – Non-Executive Director
C J Horwath – Non-Executive Director
E M Stafford – Non-Executive Director
R Brooks – Non-Executive Director (appointed 14 July 2023, resigned 15 March 2024)
Amrick Singh Ubhi – Non-Executive Director (appointed 21 August 2023)
Ama Agbeze – Non-Executive Director (appointed 11 September 2023)
D J Stringfellow – Executive Director
J L Tumross – Executive Director (resigned 7 August 2023)
L A K Yale-Helms – Executive Director

There are currently two vacancies at Non Executive Director which will be the subject of an appointment process.

Going concern

The Trust is funded by Birmingham City Council under the terms of a Service Delivery Contract which was set up from 1 April 2018.

The Service Delivery Contract was for a period of ten years and subject to a five-year review. The Trust is now in its fifth operational year and continues to deliver against its key performance indicators, and at the most recent Ofsted full inspection, was rated Good across all areas. As a consequence of this continued improvement the Council decided to award the Trust a new ten-year contract. This was signed on 17 August 2023 and will be subject to a five-year review again.

At 31 March 2023 the Trust recorded a £24m variance against budget. The cause of this was a result of demand pressures from the increase in the care population, complexity of need and inflationary pressures in the cost of care.

Despite the difficulties with financial reporting caused by the Oracle implementation, the Trust has been able to report with a good degree of accuracy on the cost of placements, the key area of financial pressure. The Trust Board continues to provide oversight and challenge of the Trust's financial position and was able to report this to the Council on a regular basis during 2022/23.

Each year the Trust is required to agree the contract sum with the Council which for 2023/24 was agreed by 31 March 2023. Based on the demand pressures described above, the Council agreed to a permanent increase of £23.6m in the contract sum for 2023/24 onwards, and to an equivalent contract variation for 2022/23. The Trust's operational outturn was therefore balanced to nil, in line with the Trust's aim of being a not-for-profit community interest company.

The cash flow position of the Trust was a risk given the significance of the £24m overspend against budget. A [£20m] loan facility was put in place up to the period that the contract variation was agreed. A review of the timing of the contract payment mechanisms between the Council and Trust was undertaken and changes made to bring it into line with other children's trusts which will further improve its cash flow position going forward.

On 5 September 2023 the Council issued a Section 114 Notice under the Local Government Finance Act 1988. The Council's chief finance officer (and Section 151 statutory officer) was of the view that the Council would be unable to meet its expenditure commitments from its income at that point in time. This was triggered by the significance of the Council's equal pay liability being estimated at £760m.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Spend controls had already been put in place by the Council during July 2023 and the Trust agreed to mirror these arrangements. The Trust provides a range of statutory and preventative services on behalf of the Council and, despite the financial difficulties, children's social care services continue to be classified as essential services and a priority for the City.

The latest estimated outturn for 2023/24 is a variance of £11m against budget. The overspend has been reported regularly to the Council, and it is planned this will be funded in full, subject to the actual value being confirmed, and the required approval processes being undertaken. For 2024/25 the cashflow arrangements between the Council and the Trust are for there to be 13 x 4 weekly payments, the first two of which are payable on or before the 1st April 2024. Therefore, no cashflow issues are expected, even with the delay in funding the 2023/24 overspend.

The Council set its 2024/25 Budget at Full Council on 5th March 2024 and confirmed that Exceptional Financial Support had been approved by the Secretary of State for Levelling Up, Housing & Communities.

On this basis, it is the opinion of the directors, having considered the financial projections and demand risk in the medium term, that sufficient working capital exists to meet the ongoing operational activity of the Trust for the coming twelve months. Accordingly, the Financial Statements of the Trust are prepared on the basis of a going concern.

Energy and Emissions report

The impact of the Covid pandemic across 2020 to 2022 was to dampen our carbon footprint as buildings were closed for a significant period of time and the number of home visits to children were reduced.

Gas consumption for 2022/23 is still below the levels of 2019/20 however electricity consumption is 37% above pre-pandemic levels and the amount of business travel has also increased by 31% across the same period. This compares to an 11% increase in the number of children in care across the same period.

The impact of this is that our intensity ratio has increased from 0.68 to 0.72 over a four year period. The Trust therefore plans to undertake further work to review, understand and to seek to reduce this where possible.

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Greenhouse gas emissions and energy use data for the period 1 April 2022 to 31 March 2023

	2023	2022
	kWh	kWh
Energy consumption used to calculate emissions (kWh)	7,339,577	4,507,749
Energy consumption break down (kWh):		
- Gas	3,300,026	1,965,851
- electricity	2,017,235	1,427,446
- transport fuel	2,022,316	1,114,452
	2023	2022
	metric	metric
	tonnes	tonnes
Scope 1 - emissions in metric tonnes CO2		
- Gas combustion	606.78	358.20
Scope 2 - emissions in metric tonnes CO2		
- Purchased electricity	470.30	272.90
Scope 3 - emissions in metric tonnes CO2		
- Business travel in employee owned vehicles	487.71	303.00
Total gross emissions in metric tonnes CO2	1,564.79	934.10
Intensity ratio Tonnes CO2e per child in care	0.80	0.45

Director's Interests

The Directors are required to disclose any business interested that may conflict with their responsibilities as officers of the Trust.

Business interests of Directors where transactions have arisen in the year have been disclosed in note 22 to the financial statements

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

Engagement with suppliers, customers and others

The company's stakeholders are:

- Primarily children, young people and families;
- Employees;
- Other stakeholder relationships include the company's member Birmingham City Council, the Police, NHS, schools, voluntary sector and the Department for Education;
- The company's directors are regularly engaged throughout the year particularly through the formal Board and committee arrangements and development activity.

The relationship with children, young people and families and how we engage and gain feedback is mainly through our Children in Care Council (CICC) and Care Leavers Forum (CLF). Our CICC and CLF hold the Trust to account, and they have challenged the Trust, praised the Trust and worked alongside the Trust to make sure that children and young people's views and experiences are always central to its thinking.

The Trust employs over 2,160 staff including 786 social workers; we are a diverse community working across a range of highly skilled disciplines including family support, early help, legal, corporate and support services.

The Trust understands the importance of listening to its employees and engages with staff on a regular basis through its employee forum alongside the health and wellbeing forum and wider staff networks. We give opportunities for staff to provide regular feedback and promote a continuous improvement culture through engagement surveys and working closely with trade union representatives.

Recent feedback continues to indicate that staff are proud to work for the Trust and the work it delivers, people managers are caring and motivated with good working relationships and opportunities for learning and development.

The Trust continues to review its workforce strategy with the development of a People Plan to encompass four core areas – "Attracting and Retaining Talent" "Raising Skills and Standards" "Health Wellbeing and Belonging" and "Reward and Recognition". Feedback from Ofsted acknowledges the positive organisational culture already established within the Trust which helps to support staff retention.

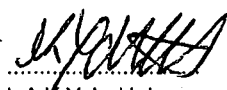
The Trust aims to promote fairness in all its activities and is a strong promoter of equality, diversity and inclusion, 46% of our employees are from an ethnic minority which represents the communities we serve. We regularly review data including Gender Pay Gap reporting which performs significantly better than many organisations. We will continue to develop this area by analysing the Ethnicity Pay Gap during 2024 and beyond.

Disclosure of information to auditor

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

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

This report was approved by the board on 27 March 2024 and signed on its behalf.


L A K Yale-Helms

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST
COMPANY**

Opinion

We have audited the financial statements of Birmingham Children's Trust for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 directors' 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 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 directors with respect to going concern are described in the relevant sections of this report.

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

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

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST
COMPANY**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST
COMPANY**

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.

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

We obtained an understanding of the legal and regulatory frameworks within which the Trust operations, focusign on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, FRS 102 and Community Interest Company Regulations.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Trusts' ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Trust for fraud. The laws and regulations we considered in this context for the UK operations were The Office for Standards in Education, Children's Services and Skills (Ofsted).

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of non-core contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and internal audit about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with Ofsted, reading minutes of meetings of those charged with governance and designing audit procedures for non-core contract income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as there may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

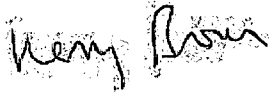
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST
COMPANY**



Kerry Brown (Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP

Statutory Auditor

Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG
Date: ...28.March.2024

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £000	2022 £000
Turnover	4	276,019	234,228
Operating Expenses		(297,201)	(253,623)
Operating Loss		(21,182)	(19,395)
Interest receivable and similar income	8	438	21
Interest payable and similar expenses	9	(3,639)	(3,479)
Loss before taxation		(24,383)	(22,853)
Loss for the financial year		(24,383)	(22,853)
Actuarial gains/(losses) for the year		133,388	53,640
Total Comprehensive income for the year		109,005	30,787


The notes on pages 21 to 34 form part of the financial statements

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Intangible assets	13	3,369	4,055
Tangible assets	12	338	-
		<u>3,707</u>	<u>4,055</u>
Current assets			
Debtors	14	38,384	14,530
Cash at bank and in hand		9,182	17,388
		<u>47,566</u>	<u>31,918</u>
Creditors: amounts falling due within one year	15	<u>(29,483)</u>	<u>(21,281)</u>
Net current assets		<u>18,083</u>	<u>10,637</u>
Total assets less current liabilities		<u>21,790</u>	<u>14,692</u>
Creditors: amounts falling due after more than one year	17	(14,000)	(4,000)
Pension liability		<u>(8,129)</u>	<u>(120,036)</u>
Net liabilities		<u><u>(339)</u></u>	<u><u>(109,344)</u></u>
Reserves			
Revaluation reserve		3,290	3,948
Other reserves		(8,129)	(120,036)
Income and expenditure account		<u>4,500</u>	<u>6,744</u>
Members' funds		<u><u>(339)</u></u>	<u><u>(109,344)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 27 March 2024 and are signed on its behalf by:



L A K Yale-Helms
Director

The notes on pages 21 to 34 form part of the financial statements

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£000	£000
Cash flows from operating activities		
Loss for the Financial year	(24,383)	(22,854)
Amortisation of intangible assets	686	658
Depreciation of tangible assets	169	-
Interest paid	3,639	3,478
Interest received	(438)	(21)
(Increase)/decrease in debtors	216	(611)
(Increase)/decrease in amounts owed by groups	(24,070)	(7,532)
Increase in creditors	1,612	2,670
(Decrease)/Increase in amounts owed to groups	6,589	(2,206)
Difference between pension charge and cash contribution	21,482	22,194
Net cash generated from operating activities	(14,498)	(4,224)
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(107)
Purchase of tangible fixed assets	(507)	-
Interest received	438	21
Net cash used in investing activities	(69)	(86)
Cash flows from financing activities		
Other loans received	10,000	-
Repayments of other loans	-	(6,000)
Interest Paid	(3,639)	(3,478)
Net cash generated from/(used in) financing activities	6,361	(9,478)
Net decrease in cash and cash equivalents	(8,206)	(13,788)
Cash and cash equivalents at beginning of year	17,388	31,176
Cash and cash equivalents at end of year	9,182	17,388
Cash and cash equivalents at the end of the year comprise:		
Cash at bank and in hand	9,182	17,388
	9,141	17,388

The notes on pages 21 to 34 form part of these financial statements.

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Revaluation reserve	Pension liability reserve	Income and expenditure	Total
	£000	£000	£000	£000
Balance at 1 April 2021	<u>4,606</u>	<u>(151,482)</u>	<u>6,746</u>	<u>(140,130)</u>
Year ended 31 March 2022:				
(Loss)/profit for the year	(658)	(22,194)	(2)	(22,854)
Actuarial gains on defined benefit plans	-	53,640	-	53,640
Balance at 31 March 2022	<u>3,948</u>	<u>(120,036)</u>	<u>6,744</u>	<u>(109,344)</u>
Year ended 31 March 2023:				
(Loss)/profit for the year	(658)	(21,481)	(2,244)	(24,383)
Actuarial loss on defined benefit plans	-	133,388	-	133,388
Balance at 31 March 2023	<u><u>3,290</u></u>	<u><u>(8,129)</u></u>	<u><u>4,500</u></u>	<u><u>(339)</u></u>

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Analysis of changes in net funds/(debt)

	1 April 2022	Cash flows	31 March 2023
	£000	£000	£000
Cash at bank and in hand	17,388	(8,206)	9,182
Debt due after 1 year	(4,000)	(10,000)	(14,000)
	<u>13,388</u>	<u>(18,206)</u>	<u>(4,818)</u>

The notes on pages 21 to 34 form part of these financial statements.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2023

1 General information

Birmingham Children's Trust Community Interest Company is a community interest company incorporated in England and Wales. The registered office is Third Floor, Zone 16, 1 Lancaster Circus, Queensway, Birmingham B4 7DJ. The company is limited by guarantee and is wholly owned by Birmingham City Council ("the Council"). The company's registered number is 10762047.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Birmingham Children's Trust Community Interest Company meets the definition of a public benefit entity under FRS 102.

As at 1 April 2018, the date of acquisition, the activity of the Trust was transferred from Birmingham City Council, who remain the Trust's ultimate controlling party.

The following principal accounting policies have been applied:

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies

(Continued)

2.2 Going concern

The Trust is funded by Birmingham City Council under the terms of a Service Delivery Contract which was set up from 1 April 2018.

The Service Delivery Contract was for a period of ten years and subject to a five-year review. The Trust is now in its fifth operational year and continues to deliver against its key performance indicators, and at the most recent Ofsted full inspection, was rated Good across all areas. As a consequence of this continued improvement the Council decided to award the Trust a new ten-year contract. This was signed on 17 August 2023 and will be subject to a five-year review again.

At 31 March 2023 the Trust recorded a £24m variance against budget. The cause of this was a result of demand pressures from the increase in the care population, complexity of need and inflationary pressures in the cost of care.

Despite the difficulties with financial reporting caused by the Oracle implementation, the Trust has been able to report with a good degree of accuracy on the cost of placements, the key area of financial pressure. The Trust Board continues to provide oversight and challenge of the Trust's financial position and was able to report this to the Council on a regular basis during 2022/23.

Each year the Trust is required to agree the contract sum with the Council which for 2023/24 was agreed by 31 March 2023. Based on the demand pressures described above, the Council agreed to a permanent increase of £23.6m in the contract sum for 2023/24 onwards, and to an equivalent contract variation for 2022/23. The Trust's operational outturn was therefore balanced to nil, in line with the Trust's aim of being a not-for-profit community interest company.

The cash flow position of the Trust was a risk given the significance of the £24m overspend against budget. A [£20m] loan facility was put in place up to the period that the contract variation was agreed. A review of the timing of the contract payment mechanisms between the Council and Trust was undertaken and changes made to bring it into line with other children's trusts which will further improve its cash flow position going forward.

On 5 September 2023 the Council issued a Section 114 Notice under the Local Government Finance Act 1988. The Council's chief finance officer (and Section 151 statutory officer) was of the view that the Council would be unable to meet its expenditure commitments from its income at that point in time. This was triggered by the significance of the Council's equal pay liability being estimated at £760m.

Spend controls had already been put in place by the Council during July 2023 and the Trust agreed to mirror these arrangements. The Trust provides a range of statutory and preventative services on behalf of the Council and, despite the financial difficulties, children's social care services continue to be classified as essential services and a priority for the City.

The latest estimated outturn for 2023/24 is a variance of £11m against budget. The overspend has been reported regularly to the Council, and it is planned this will be funded in full, subject to the actual value being confirmed, and the required approval processes being undertaken. For 2024/25 the cashflow arrangements between the Council and the Trust are for there to be 13 x 4 weekly payments, the first two of which are payable on or before the 1st April 2024. Therefore, no cashflow issues are expected, even with the delay in funding the 2023/24 overspend.

The Council set its 2024/25 Budget at Full Council on 5th March 2024 and confirmed that Exceptional Financial Support had been approved by the Secretary of State for Levelling Up, Housing & Communities.

On this basis, it is the opinion of the directors, having considered the financial projections and demand risk in the medium term, that sufficient working capital exists to meet the ongoing operational activity of the Trust for the coming twelve months. Accordingly, the Financial Statements of the Trust are prepared on the basis of a going concern.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies

(Continued)

2.3 Assets and investments

Intangible assets exist for leased assets where peppercorn rents arise. Intangible assets are amortised on a straight line basis over 10 years which represents the life of the peppercorn agreements.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer Equipment	20 - 33% straight line
--------------------	------------------------

2.4 Contract Income

Revenue is recognised to the extent that the Turnover is the amount receivable by the Trust in the ordinary course of its activities, excluding VAT. Turnover is recognised at the point the service is provided. The primary source of the Trust's turnover is contract income from the Council.

2.5 Other grant income

Whether paid on account, by instalments or in arrears any specific grants and third party contributions or donations are recognised as due to the Trust when the Trust complies with the conditions attached to the payments and the grant or contribution is receivable. Amounts recognised as due to the Trust are not credited to the Statement of Comprehensive Income until conditions attached are considered to be satisfied.

Any monies paid as specific grants and third party contributions or donations for which conditions are not satisfied within the period which they are intended will be reflected in the Balance Sheet as deferred income.

2.6 Contributions from health

Other operating income, excluding government grants, relates to both health contributions towards the placement costs of children in care with specific health needs, and other public body contributions to joint funded activities.

2.7 Taxation

The Trust has confirmed with HM Revenue & Customs that all of its activities, with the exception of net interest income, fall outside the scope of corporation tax.

2.8 Accruals of income and expenditure

Activity is accounted for in for the period it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods or services is recognised when it is probable that the economic benefits or service potential associated with the transaction will flow to the organisation.
- Supplies are recorded as expenditure when they are consumed.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payment is made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies

(Continued)

2.9 Short-term debtors and creditors

Debtors and creditors with no interest rate which are receivable or payable within one year are recorded at transaction price. Any loss arising from impairment is recognised immediately in the Statement of Comprehensive Income.

2.10 Leases

The Trust has property arrangements under ten year leases with the council which are accounted for as finance leases

Arrangements that do not have the legal status of a lease, but convey the right to use an asset in return for payment are accounted for as an expense.

The Trust rents offices and operational buildings from the Council. Rent paid to the Council charged as an expense to the Statement of Comprehensive Income. These are held under operating leases.

2.11 Cash and cash equivalents

Cash and cash equivalents comprises cash in hand and current balances with banks and other institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value. This definition is also used for the cash flow statement.

2.12 Contingent liabilities

Contingent liabilities relate to possible expenditure arising from a past event that has not been recognised in the financial statements due to the probability that a transfer of economic benefits will not arise or cannot be reliably estimated. The possible liability is of something in the future.

2.13 Contingent assets

Contingent assets relate to possible income arising from a past event that has not been recognised in the financial statements due to the probability that a transfer of economic benefits will not arise or cannot be reliably estimated. The right to the potential asset is dependent on something happening in the future. A review will be undertaken annually to identify any potential contingent assets.

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies

(Continued)

2.14 Pension costs and other post-retirement benefits

The Trust was admitted as a member of the West Midlands Pension Fund with effect from 1 April 2018 when staff transferred from the employment of Birmingham City Council ("the Council") to being employed by the Trust. The scheme is part of the Local Government Pension Scheme (LGPS) which is a defined benefit scheme based on final pensionable or career average salary. The assets of the scheme are held separately from those of the Council in an independently administered fund.

The scheme's liabilities are measured using the projected unit credit actuarial cost method and are discounted at a government gilt yield rate with an allowance for additional out-performance. The pension scheme assets are valued at market rate (i.e. a fair value).

This final salary scheme, like a number of other such schemes, has an accrued deficit. Measures are in place to address this deficit, by increasing employer contributions in the medium term. However, the requirement of Financial Reporting Standard 102 (FRS 102) is to show the pension scheme deficit as a liability on the Balance Sheet. As a result of an agreement between the Trust and the Council, a pension related asset, being a guarantee from the Council to cover all historic related pension costs, exists. The variance in the fair value of the asset and the accrued FRS 102 pension liability as at 31 March 2023 has been recognised in the Balance Sheet.

For defined benefit schemes, the amounts charged to the Statement of Comprehensive Income are the current service cost, and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Comprehensive Income if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income.

2.15 Employee benefits

Short term employee benefits are those due to be settled within 12 months of the year-end. They include benefits such as wages and salaries, paid annual leave and paid sick leave. They are recognised as an expense for services in the year in which employees render service to the Trust.

3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires managements to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of the contingent liabilities at the date of the financial statements. If, in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and judgements will be modified as appropriate in the year in which the circumstances change.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are the disclosures in respect of the defined benefit scheme. The assumptions relating to the pension scheme are disclosed at note 18.

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Turnover

An analysis of turnover by class of business is as follows:

	2023	2022
	£000	£000
Turnover analysed by class of business		
Contract core sum payment	234,546	201,489
Government grant income	28,227	19,280
Contributions from third parties	1,709	3,406
Contributions from health	753	301
Other income	10,784	9,752
	<u>276,019</u>	<u>234,228</u>

All turnover arose within the United Kingdom.

During the current year it was identified that 2022 results for income and expenditure were both overstated by £2,308k, due to incorrect accounting entries. This has now been adjusted and the net effect on the overall result is £Nil.

5 Auditor's remuneration

	2023	2022
	£000	£000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	<u>51</u>	<u>46</u>

Fees payable to the Company's auditor and its associates in connection with the Company's pension scheme(s) in respect of:

Fees payable to the Company's auditor for the preparation of financial statements	<u>-</u>	<u>2</u>
-----------------------------------------------------------------------------------	----------	----------

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

6 Employees

Staff costs, including directors' remuneration, were as follows:

	2023	2022
	£000	£000
Wages and salaries	75,142	63,855
Social security costs	8,092	6,559
Pension costs	30,945	30,309
	<u>114,179</u>	<u>100,723</u>

During the year there were severance payments totalling £44,882 (2022: £125,545).

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

	2023	2022
	No.	No.
Qualified Social Workers	846	841
Other (non-social workers)	1,194	997
	<u>2,040</u>	<u>1,818</u>

7 Directors' Remuneration

	2023	2022
	£000	£000
Directors' Emoluments	<u>855</u>	<u>790</u>

During the year retirement benefits were accruing to 4 directors (2022: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £261k (2022 - £231k).

The value of the company's contributions paid to a defined benefit scheme in respect of the highest paid director amounted to £38k (2022 - £34k).

8 Interest receivable

	2023	2022
	£000	£000
Other Interest receivable	<u>438</u>	<u>21</u>
	<u>438</u>	<u>21</u>

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9 Interest payable and similar expenses

	2023	2022
	£000	£000
Bank Interest payable	96	183
Other interest payable	3,543	3,296
	<u>3,639</u>	<u>3,479</u>

10 Taxation

The Trust is exempt from corporation taxation as noted in the accounting policies, with the exception of a taxation charge arising on the net interest income at 19%.

11 Agency Arrangements

During the year the Trust made payments to carry out repair works to properties owned by Birmingham City Council. This work is all funded by the Council and is considered an agency arrangement. The total value of costs incurred in the year totalled £1,106k. The amount is included within the intercompany balance as receivable.

12 Tangible fixed assets

	Computer Equipment £000
Cost	
At 1 April 2022	-
Additions	507
At 31 March 2023	<u>507</u>
Depreciation and impairment	
At 1 April 2022	-
Depreciation charged in the year	169
At 31 March 2023	<u>169</u>
Carrying amount	
At 31 March 2023	<u>338</u>
At 31 March 2022	<u>-</u>

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

13 Intangible lease assets

	Intangible lease assets £000
Cost	
At 1 April 2022 and 31 March 2023	6,687
Amortisation and impairment	
At 1 April 2022	2,632
Charge for the year	686
At 31 March 2023	3,318
Carrying amount	
At 31 March 2023	3,369
At 31 March 2022	4,055

14 Debtors

	2023 £000	2022 £000
Amounts falling due within one year:		
Trade debtors	2,157	1,058
Amounts owed by group undertakings	34,904	11,918
Other debtors	477	339
Prepayments and accrued income	846	1,215
	<u>38,384</u>	<u>14,530</u>

15 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	7,406	6,214
Amounts owed to group undertakings	8,333	1,744
Taxation and social security	6,203	3,827
Other creditors	41	8
Accruals and deferred income	7,500	9,488
	<u>29,483</u>	<u>21,281</u>

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

16 Cash and Cash Equivalent

	2023	2022
	£000	£000
Cash at bank and in hand	9,141	17,388
	<u>9,141</u>	<u>17,388</u>

Of the cash held at year end, £6m (2022: £17.5m) was on deposit with Birmingham City Council as part of a treasury pooling arrangement.

17 Creditors: amounts falling due after more than one year

	2023	2022
	£000	£000
Other loans	14,000	4,000
	<u>14,000</u>	<u>4,000</u>

Current borrowings are in respect of a loan facility provided by Birmingham City Council. This includes historic loan of £4m (loan matures on 31st March 2028 and interest rate applied is 4.28%) plus an additional £10m new loan for 22/23. The £10m has been repaid in July 2023.

18 Reserves

Pension liability reserve

This reserve contains the movement following the change in the fair value of the pension scheme liability during the year.

Retained earnings

This reserve represents:

- the cumulative balance of payment by results income from the Supporting Families Programme which has not been applied; and
- a Pay reserve which is used to help fund the cost of pay increments and incentives over the three financial years, up to and including 2023/24.

Lease asset reserve

This reserve represents the net book value of the intangible lease assets, arising on the peppercorn rents.

19 Contingent liabilities

The Trust is dealing with a number of on-going claims in relation to children's care cases which, at this stage it is not possible to determine the outcome and potential liability. These will be kept under review and a review will be undertaken annually to identify any potential liabilities.

Since the year end Birmingham City Council has announced it has a liability in respect of Equal Pay. The Trust has determined that it is not responsible for any part of this liability either before or after the Trust was incorporated.

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

20 Pension commitments

The Company operates a Defined Benefit Pension Scheme.

The Trust is a member of the West Midlands Pension Fund which is a defined benefit scheme under the terms of the Local Government Pension Scheme (LGPS). The assets of the scheme are held separately from those of the Council and are invested in a wide range of quoted and unquoted investments by scheme investment managers.

On 26 October 2018 the High Court ruled that equalisation for the effect of unequal Guaranteed Minimum Pensions (GMPs) is required. The ruling confirmed that trustees have a duty to "equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs". According to HM Treasury, any impact of GMPs is unlikely to be material to the pension valuation and therefore no allowance for GMP equalisation has been made in the FRS102 LGPS pension liability for this year. Full GMP indexation will be applied to the LGPS pension liability once changes to the LGPS have been formally announced.

In December 2018 the Court of Appeal ruled against the Government in the 'McCloud/Sergeant' judgement which found that the transitional protection arrangements put in place when the firefighters' and judges' pension schemes were reformed were age discriminatory. The ruling potentially has implications for all public sector schemes which were reformed around the same time and could lead to members who were discriminated against being compensated. The Government applied to the Supreme Court for permission to appeal this judgement and in June 2019 this permission was denied.

As a result of this the Government will be required to take remedial action. An additional liability as a result of the McCloud judgement was included within the FRS102 pension liability during 2020, totalling £4.29m.

Reconciliation of present value of plan liabilities:

	2023 £000	2022 £000
Reconciliation of present value plan liabilities		
At the beginning of the year	376,794	376,014
Current service cost	30,954	29,709
Administration expense	-	149
Interest cost	10,805	8,019
Contributions by scheme participants	4,705	3,910
Experience loss/(gain) on defined benefit obligation	-	436
Change in financial assumptions	(176,493)	(36,770)
Change in demographic assumptions	(16,156)	(1,912)
Estimated benefits paid net of transfers in	(2,635)	(2,761)
Other experience	32,368	-
At the end of the year	260,342	376,794

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Pension commitments

(Continued)

Reconciliation of present value of plan assets:

	2023	2022
	£000	£000
At the beginning of the year	256,758	224,532
Interest on assets	7,262	4,723
Return on assets less interest	(11,660)	15,394
Contributions by scheme participants	4,705	3,910
Contributions by employer	13,016	10,960
Estimated benefits paid plus unfunded net of transfers in	(2,635)	(2,761)
Other experience	(15,233)	-
At the end of the year	<u>252,213</u>	<u>256,758</u>

	2023	2022
	£000	£000
Fair value of plan assets	252,213	256,758
Present value of plan liabilities	(260,342)	(376,794)
Net pension scheme liability	<u>(8,129)</u>	<u>(120,036)</u>

The amounts recognised in profit or loss are as follows:

	2023	2022
	£000	£000
Current service cost	30,954	29,709
Net interest expense	3,543	3,296
Administration expenses	-	149
Total	<u>34,497</u>	<u>33,154</u>
Actual return on scheme assets	<u>(11,660)</u>	<u>15,394</u>

The cumulative amount of actuarial losses recognised in the Statement of Comprehensive Income was £NIL (2022 - £NIL).

The Company expects to contribute £nil to its Defined Benefit Pension Scheme in 2024.

BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

20 Pension commitments

(Continued)

	2023	2022
	£000	£000
Analysis of actuarial loss/(gain) recognised in Other Comprehensive Income		
Return on fund assets in excess of income	(11,660)	15,394
Change in financial assumptions	176,493	36,770
Experience gain on defined benefit obligation	(47,601)	(436)
Change in demographic assumptions	16,156	1,912
	<u>133,388</u>	<u>53,640</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
	%	%
Discount rate	4.75	2.75
Future salary increases	3.95	4.15
Future pension increases	2.95	3.15
Inflation assumption	3.15	3.15
Mortality rates		
- for a male aged 65 now	21.0	21.2
- at 65 for a male aged 45 now	21.7	22.9
- for a female aged 65 now	23.8	23.6
- at 65 for a female member aged 45 now	25.2	25.4

21 Commitments under operating lease

At 31 March 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£000	£000
Not later than 1 year	357	2,143
Later than 1 year and not later than 5 years	1,902	1,997
In over five years	2,860	-
	<u>5,119</u>	<u>4,140</u>

**BIRMINGHAM CHILDREN'S TRUST COMMUNITY INTEREST COMPANY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

22 Related party transactions

The Trust has taken advantage of the exemption from reporting transactions entered into with group entities since the Trust's results are included within consolidated financial statements which are publicly available.

The director B K Dhanoa (resigned 14 September 2022) is also a director of Progress Children's Services Limited. During the year Birmingham Children's Trust was invoiced £345,775 (2022: £897,204) for services performed, up to the point of the Trustees resignation, by Progress Children's Services. There was £nil owed to Progress Children's Services Limited at 31 March 2023 (2022: £nil).

The director B Carr is also a director of BVSC Enterprises Limited. During the year Birmingham Children's Trust was invoiced £5,678 (2022: £nil) for services performed during the year by BVSC Enterprises Limited. There was £nil owed to BVSC Enterprises Limited at 31 March 2023 (2022: £nil).

The director A Couldrick's partner was commissioned by the Assistant Director, Commissioning and Corporate Parenting, to provide interim and time-limited improvement support to the Trust's residential services. During the year, Birmingham Children's Trust was invoiced £22,806 (2022: £nil) for services performed. There was £nil owed by the Trust as at 31 March 2023 (2022: £nil).

Birmingham Children's Trust's official charity Friends of Birmingham Children's Trust (Bfriends) was registered on 29 November 2021. In the year ended 31 March 2023, the Trust was invoiced £3,880 relating to Bfriends expenditure incurred being consultancy, legal fees and indirect employee costs. Also, an invoice for £1,000 relating to Bfriends governance advice was reimbursed to BCT. At 31 March 2023 Birmingham Children's Trust held bank balances of £41k (2022: £6k). The Executive Director Lee Yale Helms and Non-Executive Director Colin Howarth are Trustees for Bfriends but receive no remuneration or payment from the charity.

23 Company status

The company is a private community interest company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

24 Post Balance Sheet Events

On 5 September 2023 the Council issued a Section 114 Notice under the Local Government Finance Act 1988. The Council's chief finance officer (and Section 151 statutory officer) was of the view that the Council would be unable to meet its expenditure commitments from its income at that point in time. This was triggered by the significance of the Council's equal pay liability being estimated at £760m.

Spend controls had already been put in place by the Council during July 2023 and the Trust agreed to mirror these arrangements. The Trust provides a range of statutory and preventative services on behalf of the Council and, despite the financial difficulties, children's social care services continue to be classified as essential services and a priority for the City.

25 Controlling party

The ultimate controlling party is Birmingham City Council, who prepare consolidated group financial statements.

A copy of the latest financial statements can be obtained from the Registrar of Companies, Cardiff.

CIC 34**Community Interest Company Report**

For official use
(Please leave blank)

--

*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

Birmingham Children's Trust Community Interest
Company

Company Number

10762047

Year Ending

31 March 2023

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's information and guidance notes.

Please note that you must give details in this report of transfer of assets for less than full consideration e.g. donations to outside bodies, or paid directors at less than market value.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 – GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community.

The company's activities provide benefit to vulnerable children, young people and their families, primarily in the city of Birmingham, in need or receipt of children's social care, youth offending services, family support and other related services.

Further information is contained in the Trust Annual Report 2022-23 | Birmingham Children's Trust and below.

Activity	Community benefit
Providing social care, youth offending, family support and other related services to children, young people and their families	<p>Ensuring that children and young people are safe, healthy and protected from neglect and harm.</p> <p>Ensuring that children and young people live in safe, stable and supportive environments.</p> <p>Ensuring that families are supported and strengthened to enable them to provide the care and support their children need to develop into resilient, happy and successful young people and adults.</p> <p>Ensuring that effective care planning and appropriate intervention is in place, which protects children from harm, reduces the need for children to be in care unless absolutely necessary and supports those in care.</p>
Advancing and promoting social care, family support and youth offending services available to children, young people and their families	Promoting collaborative working between agencies and other partners involved with children, young people and their families to encourage and support children and young people to achieve positive outcomes.
Securing improvements in the quality and effectiveness of services provided to children, young people and their families in respect of social care, family support and youth offending services	Measurably improving the quality and effectiveness of children's social care, youth offending and family support services so to have a positive impact on the lives of children and young people.

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

31 March 2023

PART 2 – CONSULTATION WITH STAKEHOLDERS

A “stakeholder” is any person or organisation affected by the company’s activities. Indicate what steps the company has taken during the financial year to which the report relates to consult its stakeholders, whether formally or informally. If there has been no consultation, this should be made clear.

Please indicate who the company’s stakeholders are:

- Primarily children, young people and families.
- Employees.
- Other stakeholder relationships include the company’s member Birmingham City Council, the Police, NHS, schools, voluntary sector and the DfE.
- The company’s directors are regularly engaged throughout the year particularly through the formal Board and committee arrangements and development activity.

Please indicate how the stakeholders have been consulted:

See the 2022/23 Annual Report pages 2-3 section 13 for a description of relationships with children, young people and families and related feedback. Consultation mechanisms include: child protection meetings, young people review meetings, annual foster carer survey, adoption satisfaction survey, annual family support feedback, and feedback via our early help service.

A **Health Check staff survey** was carried out from April-June 2023 to get a temperature check across all staff in several domains: wellbeing, job satisfaction, organisational culture, management support and approach, team communication and support, learning and work resources, working remotely and domains focused on social care practitioners. These included the integration of social work values, reflective supervision and what 'good' looks like. The majority of questions used in the survey are taken from the Social Work Organisational Resilience Diagnostic (**SWORD**) tool, an evidenced-based resource "developed to provide senior leaders with an accessible, research-informed diagnostic tool ... to understand, build and sustain resilience in their organisation".

The responses captured the views representatively of practitioners and non-practitioners across geographies, services and staff who had worked at the Trust for varying lengths of time. Almost all staff who responded were employed directly by the Trust (92%) with the remaining being agency staff. This is largely reflective of the proportion of staff employed directly by the Trust or via agency. There have been incremental improvements in almost all domains since the November 2021 - February 2022 health check.

Although improvements in domains were noted, key areas to focus on included: **working remotely, learning and work resources, wellbeing** and **organisational culture**. These domains continue to be a challenge, being similar areas for improvement in the previous health check despite some progress.

- **Working remotely** – driven by feeling the need to be continually present, and staff would like to continue the hybrid approach with office days proportionate to role, and office space and resources.
- **Learning and work resources** – training and development opportunities are recognised but these are often not bespoke to the role and staff do not have time to undertake these, and career progression could be bolstered.
- **Wellbeing** – high workloads and work-related stress is a key factor.
- **Organisational culture** – modelling the model of 'how we be' more broadly and consistently, though it is recognised this is done by most staff.

The Trust carried out its first Race Workforce Survey in 2021. That survey has now been replaced by the Equalities Workforce Survey and extended to include a wider range of protected characteristics. The Equalities Workforce Survey will take place in the first quarter of 2024 and will involve a Trust-wide staff survey which focuses on 11 protected characteristics as follows:

- race, age, gender reassignment, being married or in a civil partnership, being pregnant or on maternity leave, disability, religion or belief, sex
- sexual orientation
- former child in care
- current and former armed forces staff and their families

The Annual Report describes other stakeholder relationships in sections 3 and 4.

The company's directors are regularly engaged throughout the year particularly through the formal Board and committee arrangements and development activity.

What action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

The feedback we get from children, young people and family members about the work we do is a key strand of how we 'measure' how we are doing. Our Rights and Participation service plays an important role not only in advocating for our young people, but in ensuring their voices are heard clearly and continue to shape the services we offer.

What difference/impact are we making to the lives of children and young people?

- This year our young people have written and presented 10 training sessions and taken over two Corporate Parenting Boards. We co-produced the new Trust Practice Standards and the regional Perinatal Pathway, consulted on over 40 areas of work, AND developed, wrote and run our own campaigns.
- The Corporate Parenting Board now has a new structure and governance, ensuring the Board is more accountable, impactful, and driven by children and young people's views and experiences.
- We have a Participation Strategy and working group that is developing parental voice and parent peer advocacy.
- The Board structure ensures children and young people's voices are central to the Board, the young people's successful Take-Over Board is also now a permanent feature in the meeting cycle, taking place twice annually.
- Our comprehensive participation activity has continued to listen the voice of children and young people to influence the decision-making and priorities of the Trust. Children and young people have good opportunities to be supported in developing their ideas and having their voices heard in the Trust, with partners, regionally and nationally, through our established participation groups who meet at least once a month, and with all groups meeting together every school holiday. On top of this we establish working groups for specific pieces of work or one-off consultations.

Young people have been heard in a variety of ways by:

- Being involved in regional and national consultations like the Care Review and the Regional Care leaver offer programme.
- Led and presented two Take Over Boards that have included themes on mental health, being a young parent, the cost-of-living rises, social work practice, being involved in decisions about where they live and what information is shared, relationships, honesty in practice and work and apprenticeships, relationships with personal advisors, turning 18, independence and the process of being brought into care.
- Supported teams in the Trust to train their young people for interviews (YOS have been part of this work so far).
- Written and led training: a full day of young people-led training to ASYE and 2nd year social workers, writing and presenting to the Life Story project, workshop delivery to the IRO service, writing and presenting at two national conferences.
- Children's views are now included early in large remodelling programmes with a Voice of the Child representative present at the Children's Journey and Mental Health & Wellbeing project together with planned consultation exercises.
- Co-producing the new Trust Practice Standards and producing promotional material (including videos) to encourage changes to practice in line with the Standards.
- Development of the Mind Your Language campaign focused in improving use of language & communication, extending this year into promoting Professional Honesty and recording to the child.

- Our Young Parents Project had representatives on the regional Perinatal Pathway and redesigned the support programme for families needing additional help. They have co-produced the Personalisation Programme aimed at improving parents' input into their pre and postnatal care (including the training materials to staff).
- The Young Parents Project delivered an online training session at the national Advancing Health Equalities Masterclass (Children in Care themed) for NHS England and NHS Improvement and formed part of the review of the Healthy Child Programme.
- Children shared their experiences post-Covid with Public Health England.
- Consulted over a number of sessions with the Children in Care nurse group on the health of children in care (with specific focus on 'hard to hear' cohorts) and gained children's views on their health reviews.
- In relation to mental health, young people worked with TESS on design of their new space and drop-in sessions and have had substantial input into the formation of a new multi-agency Referral Hub.
- There has been good collaboration with the Practice Academy ensuring that children's voices were central in the production of the new Practice Model and Practice Standards, together with a number of projects (including New into Care, Social Worker Introduction, Professional Love).
- Young people have been consulted on a range of different service-led themes including child protection and the Family Drug and Alcohol Court (FDAC), the Trust and regional Care Leaver Offer, the set-up of the new Mentoring Programme, the Bfriends Charity and our internal Foster Carer recruitment campaign.
- Young people presented VoxCon, the National Annual Mind of My Own Conference
- The design of the Commonwealth Games Volunteer support and benefits offer including free travel, free food, and refreshments, a 'green room' space and chaperone if needed.
- We have 14 apprentice posts, four of which are Rights and Participation apprentices who help to support the views of our children in care and care leavers. They are developing their own Training 'Be Present' and have worked with Clive Diaz – Senior Lecturer and Researcher on a Peer Research Project on Children in Care Reviews
- Training delivered to pilot project for Life Story work, which will now be an embedded training package.
- 2 days training to first year AYSE and social workers on children's voices.
- Mind of My Own now has 5 L&D staff who are trained to deliver Mind of My Own training to staff – there is a planned and phased roll out of training to all Trust staff.
- Leadership support is in place to ensure services are developing ways Mind of My Own can be used in key areas of their work.
- Dedicated business support in place to support administration and service portal of Mind of My Own.

The **Trust's Customer Services Team** responds to complaints and compliments on behalf of the Trust. As one of a number of sources of information, complaints helpfully highlight specific concerns at particular times allowing remedial action to resolve issues.

The **governance arrangements** between the Council, Trust and DfE have worked effectively during the Trust's first five years. The framework includes an Operational Commissioning Group, Trust Partnership Governance Group and routine engagement at Overview and Scrutiny, alongside regular meetings of the Trust Chair and Chief Executive with the Council Chief Executive, Director of Children's Services and Lead Member. These have proved successful in ensuring that the Council is well informed, and the Trust held accountable for delivering the right results and the necessary improvements.

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

31 March 2023

PART 3 – DIRECTORS' REMUNERATION

All community interest companies are required to report certain information about their directors' remuneration.

The information required is specified in Schedule 3 to the Small Companies and Groups (Accounts and Directors' Report) Regulations 2008, for companies which are subject to the "small companies regime" under Part 15 of the Companies Act 2006.

All companies are required to provide some of this information in the notes to their annual accounts. **If you have provided all of this information in your accounts, you need not reproduce it here, but you must state where that information can be found.**

1. Total amount of directors' remuneration etc	
(a)	<p>The overall total amount of remuneration paid to or receivable by directors in respect of qualifying services.</p> <p>See note 7 in the financial statements (annual accounts)</p>
(b)	<p>The overall total amount of money paid to or receivable by directors, and the net value of assets (other than money, share options or shares) received or receivable by directors, under long term incentive schemes in respect of qualifying services.</p> <p>See note 7 in the financial statements</p>
(c)	<p>The overall total value of any company contributions—</p> <p>(i) paid, or treated as paid, to a pension scheme in respect of directors' qualifying services, and</p> <p>(ii) by reference to which the rate or amount of any money purchase benefits that may become payable will be calculated.</p> <p>See note 7 in the financial statements</p>
(d)	<p>The number of directors (if any) to whom retirement benefits are accruing in respect of qualifying services—</p> <p>(i) under money purchase schemes, and</p> <p>(ii) under defined benefit schemes.</p> <p>See note 7 in the financial statements</p>

	<i>NB: For the purposes of section 1 above, any reference to a "subsidiary undertaking" of the company, is to an undertaking which is a subsidiary undertaking at the time the services were rendered.</i>
2. Compensation to directors for loss of office	
	<p>The aggregate amount of any payments made to directors, or past directors, for loss of office.</p> <p>See note 7 in the financial statements</p> <p><i>NB: For the purposes of this paragraph, any reference to a "subsidiary undertaking" of the company, is to an undertaking which is a subsidiary undertaking immediately before the loss of office as director.</i></p>
3. Sums paid to third parties in respect of directors' services	
	<p>The aggregate amount, and nature, of any consideration (including benefits otherwise than in cash) paid to or receivable by third parties for making available the services of any person—</p> <ul style="list-style-type: none"> (i) as a director of the company, or (ii) while director of the company— <ul style="list-style-type: none"> (a) as director of any of its subsidiary undertakings, or (b) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings. <p>See note 7 in the financial statements</p> <p><i>NB: For consideration otherwise than in cash, the reference to its amount is to the estimated money value of the benefit.</i></p> <p><i>NB: "Third party" means a person other than:</i></p> <ul style="list-style-type: none"> <i>(a) the director himself or a person connected with him or body corporate controlled by him, or</i> <i>(b) the company or any of its subsidiary undertakings.</i>

(Please continue on separate continuation sheet if necessary.)

NOTES

General nature of obligations

- (1) Information has to be given only so far as it is contained in the company's books and papers, or the company has the right to obtain it from the persons concerned.
- (2) Any information is treated as shown if it is capable of being readily ascertained from other information which is shown.

Provisions as to amounts to be shown

- (1) The amount in each case includes all relevant sums, whether paid by or receivable from the company, any of the company's subsidiary undertakings or any other person.
- (2) References to amounts paid to or receivable by a person include amounts paid to or receivable by a person connected with him or a body corporate controlled by him (but not so as to require an amount to be counted twice).
- (3) Except as otherwise provided, the amounts to be shown for any financial year are—
 - (a) the sums receivable in respect of that year (whenever paid) or,
 - (b) in the case of sums not receivable in respect of a period, the sums paid during that year.
- (4) Sums paid by way of expenses allowance that are charged to United Kingdom income tax after the end of the relevant financial year must be shown in a note to the first accounts in which it is practicable to show them and must be distinguished from the amounts to be shown apart from this provision.
- (5) Where it is necessary to do so for the purpose of making any distinction required in complying with this Schedule, the directors may apportion payments between the matters in respect of which they have been paid or are receivable in such manner as they think appropriate.

Exclusion of sums liable to be accounted for to company etc

- (1) The amounts to be shown do not include any sums that are to be accounted for—
 - (a) to the company or any of its subsidiary undertakings, or
 - (b) by virtue of sections 219 and 222(3) of the Companies Act 2006 (payments in connection with share transfers: duty to account), to persons who sold their shares as a result of the offer made.
- (2) Where—
 - (a) any such sums are not shown in a note to the accounts for the relevant financial year on the ground that the person receiving them is liable to account for them, and
 - (b) the liability is afterwards wholly or partly released or is not enforced within a period of two years,

those sums, to the extent to which the liability is released or not enforced, must be shown in a note to the first accounts in which it is practicable to show them and must be distinguished from the amounts to be shown apart from this provision.

Money purchase benefits and defined benefits

Where a pension scheme provides for any benefits that may become payable to or in respect of any director to be whichever are the greater of—

- (a) money purchase benefits as determined by or under the scheme; and
- (b) defined benefits as so determined,

the company may assume for the purposes of this paragraph that those benefits will be money purchase benefits, or defined benefits, according to whichever appears more likely at the end of the financial year.

For the purpose of determining whether a pension scheme is a money purchase or defined benefit scheme, any death in service benefits provided for by the scheme are to be disregarded.

Remuneration

Remuneration paid or receivable or share options granted in respect of a person's accepting office as a director are treated as emoluments paid or receivable or share options granted in respect of his services as a director.

Definitions	
Company contributions	means – in relation to a pension scheme and a director, any payments (including insurance premiums) made, or treated as made, to the scheme in respect of the director by a person other than the director
Consideration	includes benefits otherwise than in cash, and in relation to such consideration the reference to its amount is to the estimated money value of the benefit
Defined benefit scheme	means – a pension scheme that is not a money purchase scheme
Defined benefits	means - retirement benefits payable under a pension scheme that are not money purchase benefits
Money purchase benefits	means -

	retirement benefits payable under a pension scheme the rate or amount of which is calculated by reference to payments made, or treated as made, by the director or by any other person in respect of the director and which are not average salary benefits
Money purchase scheme	means - a pension scheme under which all of the benefits that may become payable to or in respect of the director are money purchase benefits
Net value	means – In relation to any assets received or receivable by a director, value after deducting any money paid or other value given by the director in respect of those assets
Payment for loss of office	has the same meaning as in section 215 of the Companies Act 2006
Pension scheme	means – a retirement benefits scheme as defined by section 611 of the Income and Corporation Taxes Act 1988
Qualifying services	means - in relation to any person, that person's services as a director of the company, and that person's services while director of the company— (a) as director of any of its subsidiary undertakings; or (b) otherwise in connection with the management of the affairs of the company or any of its subsidiary undertakings
Remuneration	includes— (a) salary, fees and bonuses, sums paid by way of expenses allowance (so far as they are chargeable to UK income tax), and (b) subject to the exclusion below, the estimated money value of any other benefits received by him otherwise than in cash.

	<p>The expression does not include—</p> <p>(a) the value of any share options granted to a director or the amount of any gains made on the exercise of any such options,</p> <p>(b) any company contributions paid, or treated as paid, in respect of him under any pension scheme or any benefits to which he is entitled under any such scheme, or</p> <p>(c) any money or other assets paid to or received or receivable by him under any long term incentive scheme</p>
Retirement benefits	has the meaning given by section 612(1) of that Act
Share option	<p>means -</p> <p>a right to acquire shares</p>
Shares	<p>means -</p> <p>shares (whether allotted or not) in the company, or any undertaking which is a group undertaking in relation to the company, and includes a share warrant as defined by section 779(1) of the Companies Act 2006</p>
Subsidiary undertakings	<p>Any reference to a subsidiary undertaking of the company, in relation to a person who is or was, while a director of the company, a director also, by virtue of the company's nomination (direct or indirect) of any other undertaking, includes that undertaking, whether or not it is or was in fact a subsidiary undertaking of the company</p>

Company Number

10762047

Year Ending

31 March 2023

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION (EXCLUDING DIVIDENDS)

Community interest companies are only permitted to transfer assets other than for full consideration (i.e. at less than market value) if:

- (i) the assets in question are transferred to an asset-locked body (a community interest company, charity or equivalent body established outside Great Britain) which is specified in the company's constitution, or where the Regulator has consented to the transfer; or
- (ii) the transfer, although not made to an asset-locked body, is nevertheless made for the benefit of the community.

Where transfers of either kind are made, the community interest company report must disclose the amount of the transfer, or, where this cannot be given precisely, a fair estimate of the value of the assets transferred. Please give the following details:

- i) A description of the asset and the amount of the transfer or estimate of its value.
Please state 'none', if applicable and move to section 5

None.
- ii) Details of the recipient, to which the asset was transferred, including whether or not it is an asset-locked body.
- iii) If the recipient is not an asset-locked body, how the transfer will benefit the community.
- iv) If the recipient is an asset-locked body, whether it is specified in the company's memorandum or articles of association as a recipient of transfers of the company's assets other than for full consideration.
- v) If the recipient is an asset-locked body, but is not so specified, brief details of how the Regulator's consent to the transfer was given.

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

31 March 2023

PART 5 – DIVIDENDS FOR THE FINANCIAL YEAR TO WHICH THE REPORT RELATES

This part of the template should be completed if the company is limited by shares and has declared or proposed to declare a dividend in respect of the financial year to which the report relates or has declared a dividend in respect of any of the four financial years immediately preceding that financial year. If the company is limited by shares but has not declared or proposed any dividends in respect of the financial year to which the report relates, please indicate this.

Before completing this part you should consult Chapter 6.3 and Annex A of the Regulator's information and guidance notes which contain the rules on dividend payments.

For all dividends declared or proposed in respect of the financial year to which the report relates, please supply the following information:

- (i) A description of the class, number and paid up value of the shares on which the dividend has been declared or paid. **Please state 'none', if applicable and move to section 6**

None.
- (ii) The amount of dividend declared or paid per share
- (iii) Whether or not the dividend is an exempt dividend (in essence, a dividend paid directly or indirectly to an asset-locked body where the asset-locked body is either specified in the company's constitution as a possible recipient of its assets, or the Regulator has consented to payment of the dividend.
- (iv) if it is an exempt dividend, why it is an exempt dividend.

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

31 March 2023

Where a dividend which is not an exempt dividend is declared or proposed in respect of the financial year to which the report relates, the report must explain how it complies with regulations 17 to 20 of the Community Interest Company Regulations 2005 by giving details of:

- (i) The maximum dividend per share
- (ii) The maximum aggregate dividend
- (iii) In addition to the above information, the total amount of (a) all exempt; and (b) all non-exempt dividends declared or proposed in respect of the financial year to which the report relates should be given.

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

31 March 2023

PART 6 – INTEREST PAID AT A PERFORMANCE-RELATED RATE

This part should only be completed if the company has, at any time during the financial year to which this report relates, had a debt outstanding, or a debenture in issue on which a performance-related rate of interest was payable. A performance-related rate of interest is a rate which varies according to the level of the company's profits or turnover, or any item on its balance sheet. See further Chapter 6.4 of the Regulator's guidance notes.

In order to demonstrate compliance with the rules on performance-related rates of interest, please give the following details:

- (i) The rates of interest paid on any debt or debenture of the company on which a performance-related rate of interest was payable as calculated over a 12 month period ending with the most recent date on which interest became payable in respect of that debt or debenture during the financial year. **Please state 'none', if applicable and move to section 7**

None

- (ii) (If the interest cap applied to that debt or debenture) how any such rates of interest were calculated.

- (iii) Either the interest cap applicable to the debt or debenture concerned (with an explanation of how it has been calculated), or an explanation of why the cap does not apply to it (i.e. because the agreement was entered into before the company became a community interest company).

(Please continue on separate continuation sheet if necessary.)

Company Number

10762047

Year Ending

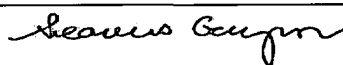
31 March 2023

(N.B. Please enclose a cheque for £15 payable to Companies House)

PART 7 - SIGNATORY

Please ensure that a director or secretary signs the original CIC Report, which should be retained for your records. Please send a copy of the CIC Report to the Registrar of Companies (see below).

Signed



Date

3 January 2024

Office held (delete as appropriate) *Director/Secretary*

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Seamus Gaynor

Head of Executive/Company Secretary

Birmingham Children's Trust
Postal address: Birmingham Children Trust
Management Team, PO Box 17363, B2 2EL

Tel 07766 924 085

DX Number

DX Exchange

Please send a completed copy, along with the accounts and a **cheque or postal order for the £15 filing fee (payable to Companies House)**, to one of the following addresses:

*Companies registered in **England and Wales**:* Companies House, Crown Way, Cardiff, CF14 3UZ (DX 33050 Cardiff)

*Companies registered in **Scotland**:* Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh EH3 9FF (DX235 Edinburgh)

*Companies registered in **Northern Ireland**:* Companies House, 2nd Floor, The Linenhall, 32-38 Linenhall Street, Belfast, BT2 8BG

(N.B. The accounts and CIC34 cannot be filed online)

Please ensure the company name is consistent with the company name entered on the accounts.