



**AVENUES SOUTH EAST**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Charity Registration Number: 1079576

Company Registration Number: 03923486

## **AVENUES SOUTH EAST**

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**AVENUES SOUTH EAST**

**BOARD MEMBERS AND MANAGEMENT PERSONNEL**

**FOR THE YEAR ENDED 31 MARCH 2024**

**Reference and administrative details of the Charity, its advisers and Trustees Board Members**

**Chair:** Terry Rich

All Trustees are Members of the overlapping Group Boards for Avenues Trust Group and all committees are held on a Group basis.

**Non-Executive Trustees:**

|                  |                                                                                                                          |
|------------------|--------------------------------------------------------------------------------------------------------------------------|
| Alistair Brown   | Chair of the Audit and Risk Committee and Member of the Finance Committee                                                |
| Evlynnne Gilvary | Member of the Audit and Risk Committee and Digital & IT Committee                                                        |
| Emma Keegan      | Chair of the Quality, Local Focus, and Engagement Committee                                                              |
| Jeff Boateng     | Chair of the Digital & IT Committee                                                                                      |
| Jonathan Hardie  | (From 01 November 2023) Member of Finance Committee and Integration Committee.<br>Termination of Appointment 22 Oct 2024 |

**Executive Trustees:**

Joanne Land  
Nicola Ford

**Key Management Personnel:**

|                    |                                                         |
|--------------------|---------------------------------------------------------|
| Kevin Hulls        | Regional Director                                       |
| Joanne Land        | Group Chief Executive                                   |
| Nicola Ford        | Group Director of Finance                               |
| Steven Parker      | Group Director of Housing and Development               |
| Daniel Gower-Smith | Group Director of Operations                            |
| Caroline Neal      | Group Director of People and Organisational Development |
| Karina Hourd       | Group Business Development Director                     |
| Lauren Osman       | Company Secretary and Group Head of Governance          |

**CHARITY REGISTRATION NUMBER    1079576**

**COMPANY REGISTRATION NUMBER   03923486**

## **AVENUES SOUTH EAST**

### **BOARD MEMBERS AND MANAGEMENT PERSONNEL**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

##### **Registered Office:**

River House, 1 Maidstone Road, Sidcup, Kent DA14 5TA

##### **Advisors**

Bankers: Barclays Bank PLC, One Churchill Place, Canary Wharf, London E14 5HP

External auditor: RSM UK Audit LLP, 25 Farringdon Street, London EC4A 4AB

Solicitors: Trowers & Hamlin, 3 Bunhill Row, London EC1Y 8YZ.

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

The Board presents its Annual Report and the Audited Financial Statements of Avenues South East for the year ended 31 March 2024. The legal and administrative information set out on Pages 1 and 2 form part of this report. The Financial Statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the rules of the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102) applicable in the UK and in the Republic of Ireland.

#### **Introduction**

The Avenues South East accounts for 2024 and the 2023 comparative figures are constructed in line with best practice, as set out above. Compliance with best practice extends to the need to address the "public benefit" provided by Avenues South East.

"Avenues"/"Avenues Group" means the Avenues Trust Group Limited and its subsidiaries of which Avenues South East is one.

At the heart of our mission is a desire to empower individuals and communities, ensuring their well-being and fostering social equity. We firmly believe that every person deserves respect, dignity, and equal opportunities. Through our work we actively strive to uplift vulnerable people, promote inclusivity, and support the development of sustainable and resilient communities.

We recognise that, whilst delivering our mission, our actions today shape the world of tomorrow. As a dedicated and compassionate organisation, we believe in the power of Environmental, Social and Governance (ESG) principles to drive sustainable progress and create a lasting impact on our planet for the people that we support, our employees and the wider community. In the course of our work, we are already really good at delivering against the social and governance aspects of these principles. We have made some progress against the environmental principles but are currently working on improving our impact in this area.

#### **SOCIAL**

##### **Public Benefit**

Avenues Group provides community-based support to autistic people, and those with learning disabilities, acquired brain injuries and complex needs.

Most of our work is commissioned by local government and the NHS, and delivered through Supported Living arrangements. This methodology is recognised to deliver better outcomes and significant savings to the public purse when compared to residential and clinical alternatives.

Avenues South East supports more than 100 people to enjoy community-based life and employs 374 staff.

Our aspiration is not to manage people's lives, but to understand what really matters to them and unlock the opportunities they want to take. But no provider can do this effectively in isolation, and we work with a wide range of organisations and networks to achieve this, including Skills for Care, the British Institute of Learning Disabilities (BILD), The Restraint Reduction Network and the Voluntary Organisations Disability Group (VODG).

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

Quality is of paramount importance to Avenues, so we also work with the Tizard Centre at the University of Kent, which acts as a critical friend and audits our standards.

At a statutory level we are regulated by the Care Quality Commission.

Quality and performance is reliant on all employees' shared ambition to make a positive difference to the lives of people we support, so recruitment is based on aptitude, regardless of previous experience. Staff complete mandatory training, as well as specialist courses based on the needs of the people, we provide services to. We know that well-supported people support people well.

We take into account shared interests when matching staff to people they support. This means support is personalised and encourages retention and consistency. Staff take time to get to know people, working out what matters to them and what they enjoy, meaning they can live the lives they want to live.

Through our approach we can, over time, reduce people's support needs so they can live with increasing independence.

Our response to the coronavirus pandemic demonstrated the exceptional commitment of our workforce. Even through the most testing of times, our teams do all they can to ensure people remain healthy, happy and fulfilled.

On 1 November, Autism Hampshire, a registered charity, joined Avenues, bringing with it additional expertise in neurodiversity, and strong shared values. This will be used to advance our existing support for autistic people across all the Group's services.

The trustees of Avenues South East have read the Charity Commission guidance on public benefit and have paid due regard to the guidance in preparing their statements on public benefit in this report.

#### **Our Employees**

In line with the vision of The Avenues Trust Group, we are committed to ensuring that all job applicants and employees are treated fairly in line with our equality of opportunities, diversity and fair treatment policy and procedure.

We value diversity and social inclusion across all of our activities and our recruitment process ensures that all applicants are recruited on a values basis, treated with respect and dignity and are screened to ensure that they are fit and suitable to work with vulnerable people. Our commitment to Equality, Diversity & Inclusion resulted in us retaining a place in the top 100 most inclusive employers in 2022 with the National Centre for Diversity.

We have a comprehensive wellbeing offering supporting mental, physical, social and financial wellbeing. It includes but is not limited to an Employee Assistance Programme, which includes free counselling to those that need it, weekly Mindfulness sessions, money management advice and Early Pay which is a facility whereby employees can draw down their earned salary on a weekly basis should they need it to prevent the need for expensive pay day loans. We have in place an extensive training package that supports safe working practices and have a well

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

embedded practice of risk assessment to ensure safe practice and equipment. Our supervision practice is robust and ensures that wellbeing action planning is front and centre of our discussions with the workforce.

In the event of a change in an employee's health, in accordance with our sickness absence policy, we work with occupational health and the individual to establish whether this constitutes a disability and in the event it did, we would continue to work with them to make every reasonable effort to sustain ongoing employment. We have good rehabilitation practices in place to support those with substantial health issues to return to employment as early as possible.

Employee communication and engagement is key to the success of the Group. Through good local management and our communications team, we ensure that all employees are kept informed about the charity's strategy, objectives, and performance, as well as day-to-day news and events. Regular information about the organization is available through newsletters, online resources, team meetings and management briefings. All employees are encouraged to give their views and opinions on strategy and performance. As well as local mechanisms to get in touch, employees can contact the Executive Management Team direct via email or by joining one of our regular virtual meetings with EMT members.

Our learning and development programme meets the standards and requirements set out by Skills for Care, the workforce development body for adult social care in England. The endorsement is a trusted quality mark only awarded to the best learning and development providers within the social care sector. Avenues has held this accreditation for a number of years now and were most recently reaccredited in February 2024. All of our managers undergo a specially designed induction at a Leadership and Management Academy that supports them to be effective leaders and managers. Training is free to our employees and freely available to them to attend through the publication of extensive quarterly training calendars.

Recognition of our workforce and their skilled and dedicated support to vulnerable people is key and is underpinned by our system of local monthly employee of the month awards which across the course of the year culminate in an annual awards ceremony.

#### **Statement on Employment of Disabled Persons**

##### **Commitment to Diversity and Inclusion**

Autism Hampshire is committed to promoting diversity and inclusion across all areas of its work. We believe that a diverse workforce enriches our organisation and enhances our ability to serve the community effectively. In line with this commitment, we actively promote equality of opportunity for all, including those with disabilities.

##### **Employment Practices**

We ensure that our recruitment processes are inclusive and accessible to disabled candidates. We make reasonable adjustments throughout the recruitment process, ensuring that disabled applicants can compete on equal terms.

For existing employees who become disabled, Autism Hampshire is committed to supporting their continued employment by making reasonable adjustments to their work

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

environment, duties, or role where necessary. This may include adjustments such as modified equipment, flexible working arrangements, or additional support.

#### **Training and Development**

Autism Hampshire provides training to all employees, including those with disabilities, to ensure they have the skills and opportunities to develop in their roles. We regularly review our training programs to ensure they meet the needs of our disabled employees and support their career progression within the organization.

#### **Accessibility and Reasonable Adjustments**

We regularly assess the accessibility of our workplace and the services we provide to ensure they meet the needs of our disabled employees and people we support. Reasonable adjustments are made as required to remove barriers to participation and employment, and we consult with employees on the adjustments they may need to succeed in their roles.

#### **Monitoring and Reporting**

We monitor the effectiveness of our policies and practices relating to the employment of disabled persons and regularly review our performance in this area. This includes tracking the number of disabled employees, the types of adjustments made, and employee satisfaction levels. The findings are reported to senior management and used to inform future improvements.

#### **Anti-Discrimination**

Autism Hampshire is committed to preventing discrimination against disabled employees and job applicants. We have clear policies in place that prohibit discrimination, harassment, and victimization on the grounds of disability, and we take any such incidents seriously, ensuring they are investigated and addressed promptly.

#### **ENVIRONMENTAL**

We believe that safeguarding our environment is not just a responsibility but an urgent necessity. Avenues is committed to reducing our carbon footprint, promoting eco-friendly practices and supporting initiatives that protect and preserve our natural resources. By working with our partners and stakeholders, we are on a journey to implement sustainable strategies that contribute to a cleaner, greener and more resilient world.

We are working to reduce the harmful impact on the environment we work in. As a provider of care services much of what we do is through people working with other people but we are also an active user of resources:

- We use gas, electricity and water across our accommodation and offices;

## **AVENUES SOUTH EAST**

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#### **FOR THE YEAR ENDED 31 MARCH 2024**

- We manage transport for the people we support, either via publicly available networks, or use of vehicles to provide mobility services;
- Many of our colleagues travel to and from work; and
- We have to maintain records of our work.

To minimise our carbon footprint, we are committed to reducing the use of natural resources including our reliance on fossil fuels. We have already:

- Introduced new ways of working to reduce the need for many staff to travel to work every day. Offices are promoted as areas of collaboration rather than attendance;
- Introduced technology that reduces our use of paper & printing. Our Care & Support services use handheld devices to record activity, this not only means we no longer have to maintain and retain paper files, but also provides more responsive care to the people we support;
- Encouraged service activities to use public forms of transport wherever possible. We recognise that for some people their needs are such they will always need their own transport, and we will help them to find the least environmentally harmful ways of doing this; and
- Actively taken part in recycling initiatives in our schemes and work places, as well as promoting energy consciousness across all of what we do.

Over the next four years we will:

- Continue to invest in improvements to ensure the insulation and energy efficiency in our buildings;
- Through our participation in the Energy Savings Opportunities Scheme, we will identify further improvements for property management which are being rolled out from December 2023;

We continue to keep these measures under review, introducing new initiatives and building on the work we already do. In doing so we will reduce our carbon and create more environmentally sustainable ways of working.

### **GOVERNANCE**

Transparency is the cornerstone of our governance. We hold ourselves accountable to the highest standards of governance, adhering to ethical practices and ensuring the responsible allocation of resources. We embrace openness in our decision making processes, fostering trust and confidence among our stakeholders.

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

##### **Legal Structure**

Avenues South East is a Charitable Company limited by guarantee and was incorporated in England and Wales on 7 February 2000. The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company, which is governed by its Articles of Association. The Memorandum of Association was last reviewed and updated in May 2020. In the event of the Company being wound up, members are required to contribute an amount not exceeding £1.

Members adopted a set of Articles which changed the Objects to enable the organisation to change its Board to a unitary structure, enabling three executives to become Trustees.

Avenues South East is a subsidiary of The Avenues Trust Group, which is a registered charity and constituted as a company limited by guarantee.

The Avenues Trust Group is the sole member of Avenues South East. This change was affected and agreed at an Extraordinary General Meeting held in May 2020 where the Avenues South East constitution was updated to reflect the changes.

Avenues South East has made qualifying third-party indemnity provisions for the benefit of its trustees.

##### **Board Structure**

The Avenues Group Boards agreed to operate an overlapping board governance structure. The overlapping board structure involves all the entities within the Group sharing a core group of trustees common to all the Boards (the majority of whom are non-executive) with a small number of independent trustees who sit on one but not any of the other Boards. This way of operating provides for efficiency but also the effectiveness of our governance. It increases the speed of our decision making, streamlines information flows and improves clarity regarding accountabilities. The Board members are set out on Page 1.

The Group Board meets five to six times per year and more frequently if required and is responsible for determining the strategy of the organisation and for ensuring successful operational performance, in line with the expectations of stakeholders.

The Avenues Group has five committees which discuss the business of the whole Group. The committees are:

- Audit & Risk;
- Finance;
- People, Culture and Reward (PCR);
- Quality, Local Focus and Engagement (QLE); and
- Digital & IT (Established post year-end audit)

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

Committees report directly to all the Boards with the Avenues Group.

The **Audit & Risk Committee**, in line with good governance principles, is expected to bring a further degree of detachment from the Board's responsibilities in discharging its distinctive duties. The committee oversees all systems, controls and processes that may have an impact on the ability to meet our aims.

The **Finance Committee** provides an additional layer of oversight regarding any financial matters that may have a significant impact on the charity.

The **People, Culture and Reward Committee (PCR)** provides assurance that the Group has an effective People and Pay Strategy in place, promoting an effective, high performing and diverse workforce. The committee also oversees issues relating to the remuneration of staff, with specific responsibility for making recommendations to the Boards regarding the Group Remuneration Policy and the Executive Management Team's remuneration.

The **Quality, Local Focus and Engagement Committee (QLE)** provides assurance regarding the quality of our services and the engagement of the people we support across the organization. This committee was introduced to provide assurance to the board(s) around the operational delivery of quality support. Our aspiration is that the support we provide enables people to maximize their independence and opportunities whilst keeping them safe. The committee will also find the best way to engage with all stakeholders within particular regions, ensuring their voices are heard so they are involved in the setting of the organization's goals, quality and culture.

The **Digital & IT Committee** is still in its formation stage but has been put in place to bring a greater degree of engagement in our digital strategy, priorities, spend, delivery and direction so that digital interests are adequately represented at the Group Boards and to enable assurance on technology delivery and digital priorities.

In addition to our committees, we have also introduced Special Interest Groups for specific organisation wide projects. These are task and finish groups which oversee projects that are integral to the delivery of the strategic plan set by the board. Each Special Interest Group includes trustees as members. This year Special Interest Groups includes Integration (of Autism Hampshire into the Avenues Group), Community Services and Fundraising.

#### **The Charity Governance Code**

The Avenues Group recognises the importance of good governance and uses the Charity Governance Code to inform any reviews and changes to all governance policies.

All trustees are made aware upon appointment of their responsibilities under the Code.

In our efforts to strive to be the best we can be in governance we have used the Code to undertake board and trustee appraisals, making sure that the principles of our appraisal tools are

## AVENUES SOUTH EAST

### TRUSTEES' REPORT AND STRATEGIC REPORT

#### FOR THE YEAR ENDED 31 MARCH 2024

based on and support the guidelines and recommendations outlined in the Code.

All of our trustees are selected in a manner consistent with the organisation's recruitment, diversity and equality policies, ensuring that the selection process is both time and cost effective. After the successful recruitment campaign in 2021 to improve the diversity of the Board, Avenues Trust Group has continue with the practice. We plan to recruit three new trustees in 2024/5 to expand our board diversity.

Our non-executive trustees serve a period of four years, with an option to extend for a further five years. In addition to making direct approaches to suitable candidates Avenues may advertise for trustees through notice boards, network recruitment or in the media. When a recruitment need is identified the Head of Governance will work with the board or committee to carry out a skills audit before a recruitment campaign begins.

Policies and procedures are in place for the induction and training of new trustees. Training needs are continuously identified through board/committee discussions and surveys and board and trustee appraisals. When a training need is identified we organise training to meet that need and this can be delivered online, internally or through externally facilitated training sessions.

#### How we work with our stakeholders

##### ***Family Matters Group***

Avenues are continually looking for ways to improve the support we provide and are keen to develop greater involvement in what we do from the families, carers and friends involved in the lives of the people we support. Last year we started our **Family Matters Group**.

The aim of the Family Matters Group is to provide a real voice for families, carers and friends in the work that we do, ensuring that our practices, policies, procedures and initiatives have their involvement.

The Family Matters Group has an independent chair and provides a forum which allows communication and transparency between us and the parents and advocates of the people we support.

The Group's role is to:

- Consider and comment on the support we provide and the way in which we provide it;
- Help us develop this support so that family contribution becomes core to what we do;
- Offer advice and guidance regarding specific initiatives and projects aimed at improving how we work with families, carers and friends;
- Develop ways for families, carers and friends to have their voice heard by the Board of Avenues, the Executive Team and the Senior Leadership Group; and
- Provide a "safe space" for confidential discussion and sharing.

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

##### ***Local Engagement Group***

There is a local engagement group in the South East subsidiary. It is made up of people we support and is supported by one of our team from the Quality Assurance and Practise team. The group is newly established, and members will chair the meetings.

The purpose of the group is to:

- Provide a forum of discussion for groups of people we support;
- Share community engagement opportunities within their local community;
- Review policies, procedures, projects and communications; and
- Ensure that the views and suggestions of people we support with lived experience are clearly communicated to the Quality and Local Engagement Committee, Executive Management Teams and Board of Trustees.

The group is newly formed and one of the first tasks is recruiting Quality Checkers. These are people we support who use Avenues Services who will support our Quality Audit Team.

Future work includes working with our communications team to design the new website, reviewing easy read information, policies and procedures, Interviewing Trustees and Senior Managers, becoming members of the co-production panel and becoming quality checkers. Regular agenda items include local community activities, checking easy read documents, having guest speakers and talking about what Avenues is doing.

##### **Data Protection Compliance**

We believe that everyone has rights with regard to how their personal information is handled. Complying with Data Protection Law ensures people can trust us to use their data fairly and responsibly.

Safety and providing quality services is at the heart of everything we do. It is very important to us that we keep all personal information that we hold safe.

The Avenues Group Boards have continued to oversee our compliance with UK Data Protection and GDPR Laws. Avenues has always taken data protection seriously and we continue to strengthen our policies and procedures to ensure that the protection of people's information remains a high priority. Data protection compliance is reported directly to the Audit and Risk Committee.

##### **Strategy**

The strategic direction of Avenues South East is set within the context of the overall Avenues Group strategy as a whole. Our strategy for 2021-25, 'Building Better Lives Together', will mean we are able to continue to provide our unique support for the long term; and offer it to more people, in more places.

##### **Risk Management**

The Boards of the Avenues Group operate a formal risk management process and risk register, which involves continuous review of the risks identified and those emerging, their potential impact and means of mitigation. The risk register is reviewed by the group Audit and Risk

## AVENUES SOUTH EAST

### TRUSTEES' REPORT AND STRATEGIC REPORT

#### FOR THE YEAR ENDED 31 MARCH 2024

Committee, which, in turn, reports on risk to the Avenues Group Boards on a quarterly basis.

The key risks identified for 2023/24 were:

1. **Financial Sustainability:** Our financial margins continue to be scrutinised by our funders and remain under pressure. The failure to provide a solution or plan for Social Care, this raises risks for us around future funding from central and local government.
2. **Growth & Development:** We need to grow in order to remain financially sustainable and to flourish organisationally. Poor growth will lead to decline of the organisation in financial and operational terms, potentially making it unviable and our future sustainability will be threatened if we do not realise our growth plans.
3. **Reputational:** Our future relies heavily on our reputation with our stakeholders which include CQC, our employees, the people we support and their families and our commissioners. In order to maintain a good reputation, we must continue to provide quality support and listen to what our stakeholders need.
4. **People:** Our people are our most important asset and internal in-efficiency, workforce development, pay and reward will impact on our future resilience. The external labour market for quality support workers is proving very challenging for all social care providers.
5. **External:** External threats out of our control have the ability to affect other risks. This includes legislative rulings which will potentially impact on our financial or reputational position if we don't mitigate or comply.

All necessary measures have been taken to mitigate these risks and they are continually monitored by management, Committees and the Board.

### STRATEGIC REPORT

#### Objectives and Activities

The charitable objects of Avenues South East are to support and promote the intellectual, emotional, physical, and spiritual welfare of people aged nine and upward with complex support needs. This is achieved by providing professional, high quality, not-for-profit support services to people, supporting them to enjoy their lives within their communities.

In considering the organisation's objectives and activities, the Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

#### Achievements and Performance

In 2023/24 we continued to deliver services successfully across Kent and Medway. We were delighted to be selected as provider on the Brighton and Hove Council Provider Framework and hope that this may lead to growth over the coming years.

We had a challenging CQC inspection at 1-3 Emily Jackson Close, however the outcomes from this via partnership working with Kent County Council and CQC have been positive. Some additional unexpected costs such legal fees associated with this inspection were incurred but these were one off non-recurring costs.

## **AVENUES SOUTH EAST**

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#### **FOR THE YEAR ENDED 31 MARCH 2024**

Avenues South East operates a monthly balanced scorecard which is used for reporting to management and trustees. Within this are 4 headline Key Performance Indicators which are as follows:

#### ***Financial Sustainability***

This is measured by our operational performance to budget. For financial year 2023/24 the subsidiary achieved a surplus before central overhead and yearend adjustments of 11.1% compared to a budgeted surplus of 12.2%. This was mostly driven by the fact that sadly, in Q3/Q4 some people we support passed away, leaving voids and vacancies in key services across Kent. Our challenge for 24/25 will be to successfully fill these new voids. We set KPIs for the services making a deficit contribution and have an action plan for each where required.

#### ***Reputational***

In 2023/24 we continued to report on number of red rated/services of concern within the subsidiary. Following changes to our processes we saw an increase in Red Rated services over the autumn, but this settled within the expected KPI in Quarter 4. Our reputational scores are underpinned by a significant number of quality KPI's which are measured across all services.

#### ***People***

Recruitment continues to be a significant challenge. However significant progress has been made throughout the financial year with vacancy rates falling to their lowest levels since the pandemic and agency spend by the Q4 below budget. In addition to this, we track and closely monitor sickness, absence and retention rates.

#### ***Growth and Development***

We exceeded our void filling targets and increased our income above our growth target, finishing the year particularly strongly. This helped us to achieve our goal of sustainability.

#### **Financial Results for the Year Ended 31 March 2024**

Total income has decreased by 18% to £14.9m, this has been offset by a decrease of 19% in expenditure. In large part this was due to the transfer of services to Avenues South to align with geographical location of the services. The operating deficit for the year was £43k compared to a deficit of £62k in the prior year. This was mainly due to unfunded voids in some of the services. There is significant focus on filling the existing voids which should result in bringing Avenues South East back into a profitable footing. The accumulated funds are now shown at £2.2m.

**AVENUES SOUTH EAST**

**TRUSTEES’ REPORT AND STRATEGIC REPORT**

**FOR THE YEAR ENDED 31 MARCH 2024**

**Reserves Policy**

The reserves policy is established at a Group level and is used to ensure that Avenues Group reserves should be sufficient to mitigate against any significant organisational risks and as such the board have concluded a target for Group free reserves of £1.5m.

|                                         |                     |
|-----------------------------------------|---------------------|
| Reserves were as follows at March 2024: | <b>£000</b>         |
| - General funds                         | 2,520               |
| - Designated funds                      | 75                  |
| - Restricted funds                      | 15                  |
| - Pension scheme funding                | (391)               |
| <b>TOTAL</b>                            | <b><u>2,219</u></b> |

**Investment Policy**

The Group's current investment policy is to place surplus cash requirements on the money market both overnight and for longer periods, earning interest at the money market rates at the time of placement. The charity currently holds no equity investments. It is intended to review the management of cash reserves at a Group level.

**Going Concern**

The financial statements have been prepared on a going concern basis and the position on going concern ultimately rests with the group. Avenues South East has set a surplus budget for 2024/25 and there is significant focus on filling existing voids. In addition, there is a plan in place to save central costs and reduce spend on agency premium across the group during 24/25. The pension scheme deficit is for the long term, so has no significant bearing on the going concern assessment for Avenues South East.

The Avenues Group operates within a cross guarantee arrangement and cash is pooled across the group to service working capital requirements.

The Trustees believe it is appropriate to prepare the accounts on a going concern basis and that there are no material uncertainties around this.

## **AVENUES SOUTH EAST**

### **TRUSTEES' REPORT AND STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

#### **Future Plans**

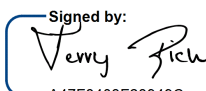
Our operational priorities going forward are as follows:

- To ensure that we continuously monitor the quality of our support to ensure that we are helping people to live a good life
- To continue to build upon the success of our Active Support rollout
- To achieve 'Good' and 'Outstanding' reports from future CQC inspections
- To listen to and respond to feedback from people we support, their families and our staff that can help us improve what we do
- To continue to retain our skilled and dedicated colleagues and recruit new staff who share our vision and values
- To successfully open our new supported living service in Dover
- To continue to ensure that our services are financially secure and stable
- To conduct a review of any deficit contribution services and develop a financial action plan for any such services as required
- Develop our teams and have more managers and key staff with Level 4 and Level 5 PBS qualifications

#### **Small Companies Exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Annual Report of the Trustees and Directors is approved by order of the Board as trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 22nd October 2024 and signed on its behalf by

Signed by:  
  
A47F8403F28949C...  
Terry Rich

**Chair**

Date: 22nd October 2024

## **AVENUES SOUTH EAST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 MARCH 2024**

##### **Trustees' Responsibilities**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In so far as the trustees are aware:

- There is no relevant audit information of which the company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**AVENUES SOUTH EAST**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

**FOR THE YEAR ENDED 31 MARCH 2024**

**Equality and diversity**

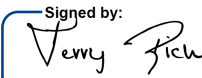
Avenues South East values and aims to support equality and diversity regardless of age, gender, race, disability, religion/belief, and sexual orientation. We recognise that our success depends upon our people. We further recognise that capitalising upon what is unique about individuals and drawing upon their different perspectives and experiences adds value to the way we deliver our services. These aims are delivered through our Equal Opportunities, Equality & Diversity, Anti-Discrimination, Anti Bullying & Harassment, Recruitment and Training & Development Policies and Procedures. Where possible we shall strive to make appropriate adjustments to the workplace to support people to achieve their work potential.

The organisation is committed to ensuring that it continually develops and supports a culture of effective communication and that all staff have an equal opportunity to contribute. This is achieved through our internal communication policies and procedures.

**Auditor**

RSM UK AUDIT LLP has indicated its willingness to continue in office.

By order of the Board

Signed by:  
  
A47F8403F28949C...

.....  
Terry Rich, Chair  
Date: 22 October 2024

## AVENUES SOUTH EAST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVENUES SOUTH EAST

#### Opinion

We have audited the financial statements of Avenues South East (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (including Income and Expenditure Account, the Balance Sheet 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **AVENUES SOUTH EAST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVENUES SOUTH EAST**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report and Strategic Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report and Strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report and Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 16 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related

## AVENUES SOUTH EAST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVENUES SOUTH EAST

to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

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

#### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies

## AVENUES SOUTH EAST

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AVENUES SOUTH EAST

Act 2006, Charities Act 2011, the charitable company's governing document and Charities (Protection and Social Investment) Act 2016 and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and Strategic Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and inspecting correspondence with tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the charitable companies operating licenses, the Care Act 2014, Care Quality Commission regulations, health and safety regulations and the UK General Data Protection Regulations (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied throughout the financial statements and testing of revenue cut off around the year end.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:  
  
 6AD6382A8533474...

HANNAH CATCHPOOL (Senior Statutory Auditor)  
 For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
 Chartered Accountants  
 25 Farringdon Street  
 London, EC4A 4AB  
 Date: 19 November 2024

**AVENUES SOUTH EAST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Including Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

|                                                  |           | Unrestricted  | Restricted |               |               |
|--------------------------------------------------|-----------|---------------|------------|---------------|---------------|
|                                                  | Notes     | General       | Funds      | Total         | Total         |
|                                                  |           | Funds         |            | 2024          | 2023          |
|                                                  |           | £000s         | £000s      | £000s         | £000s         |
| <b>INCOME</b>                                    |           |               |            |               |               |
| <b>Charitable activities</b>                     |           |               |            |               |               |
| Provision of care to young people                | 2         | 771           | -          | 771           | 1,377         |
| Services to Adults                               | 2         | 13,100        | -          | 13,100        | 15,782        |
| Services to Older People                         | 2         | 1,018         | -          | 1,018         | 1,095         |
| Other income                                     | 2         | 34            | -          | 34            | 53            |
|                                                  |           | 14,923        | -          | 14,923        | 18,307        |
| <b>Total Income</b>                              |           | <b>14,923</b> | <b>-</b>   | <b>14,923</b> | <b>18,307</b> |
| <b>EXPENDITURE</b>                               |           |               |            |               |               |
| <b>Charitable activities</b>                     |           |               |            |               |               |
| Provision of care to young people                | 3         | 732           | -          | 732           | 1,420         |
| Services to Adults                               | 3         | 13,070        | -          | 13,070        | 15,920        |
| Services to Older People                         | 3         | 1,164         | -          | 1,164         | 1,029         |
| <b>Total Expenditure</b>                         |           | <b>14,966</b> | <b>-</b>   | <b>14,966</b> | <b>18,369</b> |
| <b>Net (expenditure)</b>                         |           | <b>(43)</b>   | <b>-</b>   | <b>(43)</b>   | <b>(62)</b>   |
| Transfer between funds                           | 9         | 5             | (5)        | -             | -             |
| Remeasurement of defined benefit pension schemes | 13        | (74)          | -          | (74)          | (45)          |
| <b>Net movement in funds</b>                     |           | <b>(112)</b>  | <b>(5)</b> | <b>(117)</b>  | <b>(107)</b>  |
| <b>Reconciliation of funds:</b>                  |           |               |            |               |               |
| Fund balances brought forward                    | 10        | 2,316         | 20         | 2,336         | 2,443         |
| <b>Fund balances carried forward</b>             | <b>10</b> | <b>2,204</b>  | <b>15</b>  | <b>2,219</b>  | <b>2,336</b>  |

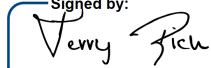
The notes on pages 24 to 38 form part of these financial statements

**AVENUES SOUTH EAST  
BALANCE SHEET  
AS AT 31 MARCH 2024  
COMPANY NO: 03923486**

|                                               | Notes | 2024<br>£000s | 2023<br>£000s |
|-----------------------------------------------|-------|---------------|---------------|
| <b>FIXED ASSETS</b>                           |       |               |               |
| Tangible assets                               | 6     | 876           | 673           |
| <b>CURRENT ASSETS</b>                         |       |               |               |
| Debtors                                       | 7     | 10,023        | 4,154         |
| Cash at bank and in hand                      |       | 35            | 49            |
|                                               |       | <b>10,058</b> | <b>4,203</b>  |
| <b>CREDITORS</b> falling due within one year  | 8     | (8,324)       | (2,160)       |
| <b>NET CURRENT ASSETS</b>                     |       | <b>1,734</b>  | <b>2,043</b>  |
| <b>NET ASSETS EXCLUDING PENSION LIABILITY</b> |       | <b>2,610</b>  | <b>2,716</b>  |
| Pension scheme liability                      | 13    | (391)         | (380)         |
| <b>NET ASSETS INCLUDING PENSION LIABILITY</b> |       | <b>2,219</b>  | <b>2,336</b>  |
| <b>FUNDS</b>                                  |       |               |               |
| Unrestricted funds:                           |       |               |               |
| General funds                                 | 9     | 2,520         | 2,621         |
| Pension scheme funding reserve                | 9     | (391)         | (380)         |
| Designated Funds                              | 9     | 75            | 75            |
|                                               |       | <b>2,204</b>  | <b>2,316</b>  |
| Restricted funds                              | 9     | 15            | 20            |
| <b>TOTAL FUNDS</b>                            |       | <b>2,219</b>  | <b>2,336</b>  |

The notes on pages 24 to 38 form part of these financial statements

The financial statements were approved and authorised for issue by the Board of Trustees on 22 October 2024 and were signed on its behalf by:

Signed by:  


A47F8403F28949C...

Terry Rich  
Chair of the Board

## **AVENUES SOUTH EAST NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2024**

### **1. Accounting Policies**

Avenues South East is a charitable company limited by guarantee, incorporated in England and Wales. The registered office is River House, 1 Maidstone Road, Sidcup, Kent, DA14 5TA. The Charity's principal activities are disclosed in the Board Members' Report.

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

#### **a) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Avenues South East meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost of transaction value unless otherwise stated in the relevant accounting policy notes. The reporting currency is pound sterling, and the financial statements are presented to the nearest thousand pounds.

The charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepare a publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The parent charity has therefore taken advantage from the following exemptions in its individual financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures; and

The financial statements are prepared in sterling which is the functional currency of the Charity. Monetary amounts shown in these financial statements are rounded to the nearest £'000.

#### **b) Preparation of accounts on a going concern basis**

The financial statements have been prepared on a going concern basis and the position on going concern ultimately rests with the Group.

Avenues South East, along with other providers in the sector, have faced a number of significant issues over the last 12 months. This has included an increase in National Living Wage beyond available funding and an increase in delays from Commissioners to fill voids, both of which have had a significant financial impact. Robust response plans have been created and implemented and their positive impact is already evident.

For 2024/25 Avenues South East is expected to make a deficit but is supported by a robust plan to fill existing voids. South East holds reserves of over £2m as at 31st March 2024.

Avenues continuously monitors voids to enable prompt marketing and to take action to mitigate the financial impact. Strategic action includes investment in properties to ensure they are both desirable and fit for the future and the robust marketing of our services and making full use of social and multimedia.

## AVENUES SOUTH EAST NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2024

Avenues South East maintains a long-term contract with one Local Authority, alongside several smaller contracts. The one significant contract was extended by the local authority for a period of two years from 1 April 2024, and provides a high quality of service provision, which ensures continued success in securing new contracts and retaining existing ones.

Going into 2024/25, there continues to be focus on recruitment and retention and lower dependency on agency staff. To date, Avenues has restructured its recruitment and onboarding functions to better respond to the challenging environment and reduce the need for agency coverage, while developing a relationship with a neutral vendor of agencies to reduce the price per unit.

External cost pressures including insufficient Local Authority/ Integrated Care Boards (ICB) funding negatively impacts the financial sustainability of our services and the Group. Avenues has partnered with Access Social Care; a leading charity supporting organisations to receive a fair price for care and support services whilst routinely and proactively challenging funding packages that fall below a sustainable level. Where negotiations have not been successful, contracts have been exited. Financial action plans are in place for every service that doesn't achieve full cost recovery.

The pension scheme deficit is a longer term liability, and the cash contribution elements are covered through the annual budgets and therefore this is considered to have no significant bearing on the going concern assessment for Avenues South East.

The Avenues Group operates within a cross-guarantee arrangement, pooling cash across the group to meet working capital requirements.

Although this is a challenging landscape, the Trustees are assured that the issues Avenues South East face are common among social care providers. Avenues has a wealth of skill and experience through its senior leadership teams, executive management team and its Trustees that enables the organisation to successfully navigate these challenges with agility as it has in the past. To this end, Trustees are confident of Avenues South East's success into the future and have no material uncertainty over its going concern.

### **c) Income**

Income is recognised when Avenues South East has entitlement to the funds, any performance related conditions attached to the item(s) of income has been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' (except capital grants relating to social housing properties – see policy (e)) or 'revenue' grants, it is recognised when the charity has entitlement to the funds, any performance related conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of a service is deferred until the criteria for income recognition are met (Note 8). Income is measured at the fair value of the consideration receivable.

## **AVENUES SOUTH EAST NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2024**

### **d) Tangible Fixed Assets and Depreciation**

Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off the assets over their estimated useful lives:

|                         |                          |
|-------------------------|--------------------------|
| Furniture and equipment | 15-25% per annum on cost |
| Leasehold Additions     | 2% per annum on cost     |

Depreciation of an asset commences from the point the asset is brought into use.

The Charity's policy is to capitalise all assets over £500.

### **e) Pension Costs**

The Social Housing Pension Scheme (SHPS), a defined contribution scheme (also referred to as 'Pensions Trust'), is an ongoing scheme. The contributions paid to this scheme are charged to the Statement of Financial Activities as they fall due.

Avenues South East participates in one multi-employer and one unfunded pension scheme operated by the National Health Service. Further details of these schemes are set out in the notes to the financial statements. The contributions to these schemes, as advised by the scheme administrator, are charged to the Statement of Financial Activities as they fall due.

Avenues South East previously has employees who were members of the Kent County Council defined benefit pension scheme. The assets of the scheme are held separately from those of the group. Avenues South East officially withdrew from the scheme on 1 April 2015 and as such no further contributions are being made. The withdrawal from the scheme resulted in the crystallisation of a liability of £231k. It was agreed to pay this over a period of seven years, attracting interest of £23k. This cost is being recognised in the statement of financial activities evenly over a seven year period.

### **f) Operating leases**

Operating lease rental costs are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

### **g) Resources expended and the basis of apportioned costs**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. VAT which cannot be recovered is included as part of the expenditure to which it relates. A liability is recognised once a legal or constructive obligation has been entered into by the charity.

### **h) Allocation of support costs**

Support costs are those functions that assist the work of Avenues but does not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll, IT and governance costs which supports Avenues charitable activities, please see note 3 for details on the basis of allocation.

## **AVENUES SOUTH EAST NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2024**

### **i) Fund accounting**

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the group and which have not been designated for other purposes.

Restricted funds are subject to specific restrictions imposed by donors. These funds are accounted for separately and are only available to be used in line with donor's requirements.

Designated funds are funds set aside formally by the trustees for a particular purpose.

### **j) Taxation**

The company is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

### **k) Debtors**

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

### **l) Cash and cash equivalents**

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

### **m) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### **n) Financial Instruments policy**

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

### **o) Management estimates and judgements**

In the process of applying its accounting policies, Avenues South East is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented. There are no significant judgements or estimates made. The assumptions applied to the pension have the potential to materially impact the pension liability position and therefore have been reviewed with the Groups pensions advisors and management consider they are reasonable.

**AVENUES SOUTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2024**

## 2. Income

Income from Charitable activities was £14,923k (2023; £18,307k) all of which is attributed to unrestricted fund.

|                                            | <b>2024</b>  | <b>2023</b>  |
|--------------------------------------------|--------------|--------------|
|                                            | <b>£000s</b> | <b>£000s</b> |
| <b>Other incoming resources:</b>           |              |              |
| Pension funding receivable from purchasers | 34           | 53           |
|                                            | <u>34</u>    | <u>53</u>    |

## 3. Expenditure

|                                                          | <b>2024</b>  | <b>2023</b>  |
|----------------------------------------------------------|--------------|--------------|
|                                                          | <b>£000s</b> | <b>£000s</b> |
| <b>Net expenditure is stated after charging:</b>         |              |              |
| Depreciation of tangible fixed assets on owned assets    | 94           | 86           |
| External Audit Fees                                      | 22           | 25           |
| Operating lease charges for motor vehicles and equipment | 45           | 12           |
| Operating lease charges for land and buildings           | 422          | 618          |
| Loan interest                                            | 11           | 17           |

|                                   | <b>Direct costs</b> | <b>Support costs</b> | <b>2024 Total</b>    | <b>2023 Total</b> |
|-----------------------------------|---------------------|----------------------|----------------------|-------------------|
|                                   | <b>£000s</b>        | <b>£000s</b>         | <b>£000s</b>         | <b>£000s</b>      |
| <b>Charitable activities:</b>     |                     |                      |                      |                   |
| Provision of care to young people | 652                 | 80                   | <b>732</b>           | 1,420             |
| Services to Adults                | 11,651              | 1,419                | <b>13,070</b>        | 15,920            |
| Services to Older People          | 1,038               | 126                  | <b>1,164</b>         | 1,029             |
| <b>2024 Total</b>                 | <u>13,341</u>       | <u>1,625</u>         | <u><b>14,966</b></u> |                   |
| <b>2023 Total</b>                 | <u>16,478</u>       | <u>1,891</u>         |                      | <u>18,369</u>     |

The charitable activities provided by Avenues South East have been categorised to reflect the key services provided.

**AVENUES SOUTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2024**

### 3. Expenditure (continued)

#### Summary analysis of expenditure and related income for charitable activities

|              | Provision of<br>care to young<br>people<br>£000s | Services to<br>Adults<br>£000s | Services to<br>Older People<br>£000s | Total<br>£000s |
|--------------|--------------------------------------------------|--------------------------------|--------------------------------------|----------------|
| Income       | 771                                              | 13,100                         | 1,018                                | 14,889         |
| Costs        | (732)                                            | (13,070)                       | (1,164)                              | (14,966)       |
| <b>Total</b> | <b>39</b>                                        | <b>30</b>                      | <b>(146)</b>                         | <b>(77)</b>    |

Expenditure on charitable activities was £14,966k (2023: £18,369k) all of which was attributed to unrestricted funds. These balances do not include the pension re-measurement adjustments of £74k (2023: £45k).

#### Analysis of governance and support costs

Avenues initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see above) in the year. Support costs are allocated on the basis of salary costs for each activity. Refer to the table below for the analysis of support and governance costs.

#### Analysis of Expenditure

|                                        | General<br>support<br>£000s | Governance<br>function<br>£000s | 2024<br>Total<br>£000s | 2023<br>Total<br>£000s |
|----------------------------------------|-----------------------------|---------------------------------|------------------------|------------------------|
| EMT & Governance                       | 202                         | 0                               | 202                    | 191                    |
| Group Finance                          | 513                         | 21                              | 534                    | 614                    |
| Group HR                               | 344                         | 0                               | 344                    | 408                    |
| Group Office Management                | 233                         | 0                               | 233                    | 298                    |
| Group Practice Development & Assurance | 311                         | 0                               | 311                    | 380                    |
|                                        | <b>1,603</b>                | <b>21</b>                       | <b>1,624</b>           | <b>1,891</b>           |

|               | Provision of care to<br>young people<br>£000s | Services to<br>Adults<br>£000s | Services to<br>older people<br>£000s | 2024<br>Total<br>£000s | 2023<br>Total<br>£000s |
|---------------|-----------------------------------------------|--------------------------------|--------------------------------------|------------------------|------------------------|
| Support costs | 78                                            | 1,401                          | 125                                  | 1,604                  | 1,865                  |
| Governance    | 1                                             | 18                             | 1                                    | 20                     | 25                     |
|               | <b>79</b>                                     | <b>1,419</b>                   | <b>126</b>                           | <b>1,624</b>           | <b>1,891</b>           |

### 4. Trustees' remuneration

The trustees are the directors of the company. During the year, 11 (2023: 6) member(s) of the Board have been reimbursed for expenses £4.6k (2023: £2.5k).

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J Land, Chief Executive, is also a Trustee of Avenues South East. During the 2023/24 financial year she received £155k (2023: £149k) in remuneration including £14k of pension contributions (2023: £12k) from The Avenues Trust Group in respect of her role as Chief Executive. No remuneration or pension contributions were paid in relation to her role as a trustee (2023: none).

N Ford, Group Director of Finance, is also a Trustee of Avenues South East. During the 2023/24 financial year she received £117k (2023: £111k) in remuneration including £9k of pension contributions (2023: £8k) from The Avenues Trust Group in respect of her role as Group Finance Director. No remuneration or pension contributions were paid in relation to her role as a trustee (2023: none).

The Directors of the Charity are remunerated by the Avenues Trust Group only to the extent permitted by the Charity's Articles of Association. A further payment was made in the year of £0.5k (2023: £0.5k) which is a collective premium to cover Trustees Liability insurance.

No other Trustees received remuneration or pension contributions in the current or preceding period.

## **5. Staff costs and key management personnel**

The Directors of the company are remunerated by The Avenues Trust Group and therefore not included in the disclosure below.

The number of employees whose emoluments exceeded £60k were:

|             | <b>2024</b> | <b>2023</b> |
|-------------|-------------|-------------|
|             | <b>No.</b>  | <b>No.</b>  |
| £60k - £70k | 1           | 1           |

The total number of staff employed by the charity as well as the full time equivalents are as follows:

|                         | <b>No.</b>  | <b>No.</b>  | <b>FTE</b>    | <b>FTE</b>    |
|-------------------------|-------------|-------------|---------------|---------------|
|                         | <b>2024</b> | <b>2023</b> | <b>2024</b>   | <b>2023</b>   |
| Office staff            | 3           | 6           | 1             | 4             |
| Care staff              | 257         | 252         | 274           | 271           |
| Part-time support staff | 112         | 112         | 106           | 105           |
| <b>TOTAL</b>            | <b>372</b>  | <b>370</b>  | <b>381</b>    | <b>380</b>    |
|                         |             |             | <b>2024</b>   | <b>2023</b>   |
| <b>Staff costs</b>      |             |             | <b>£000s</b>  | <b>£000s</b>  |
| Wages and salaries      |             |             | 9,693         | 12,152        |
| Social security costs   |             |             | 694           | 857           |
| Pension costs (Note 13) |             |             | 279           | 279           |
| Agency staff            |             |             | 768           | 1,167         |
|                         |             |             | <b>11,434</b> | <b>14,455</b> |

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Included in the costs above are the costs of staff on bank contracts. The contracts of employment for bank staff are held with The Avenues Trust Group and the costs are charged to Avenues South East for work provided.

The key management personnel of the charity comprise the Group Chief Executive, Group Chief Operating Officer, Group Director of Finance, Group Director of Housing and Development, Group Director of Quality, Group Operations Director and Group Director of People:

|                       | <b>2024</b>  | <b>2023</b>  |
|-----------------------|--------------|--------------|
|                       | <b>£000s</b> | <b>£000s</b> |
| Wages and salaries    | 223          | 280          |
| Social security costs | 29           | 38           |
| Pension costs         | 22           | 24           |
| Total                 | <u>274</u>   | <u>342</u>   |

**6. Tangible fixed assets**

|                         | <b>Leasehold<br/>Additions</b> | <b>Furniture &amp;<br/>equipment</b> | <b>Total</b>        |
|-------------------------|--------------------------------|--------------------------------------|---------------------|
|                         | <b>£000s</b>                   | <b>£000s</b>                         | <b>£000s</b>        |
| <b>Cost</b>             |                                |                                      |                     |
| At 1 April 2023         | 470                            | 1,468                                | 1,938               |
| Additions               | 39                             | 258                                  | 297                 |
| <b>At 31 MARCH 2024</b> | <b><u>509</u></b>              | <b><u>1,726</u></b>                  | <b><u>2,235</u></b> |
| <b>Depreciation</b>     |                                |                                      |                     |
| At 1 April 2023         | 20                             | 1,245                                | 1,265               |
| Charge for year         | 10                             | 84                                   | 94                  |
| <b>At 31 MARCH 2024</b> | <b><u>30</u></b>               | <b><u>1,329</u></b>                  | <b><u>1,359</u></b> |
| <b>Net book value</b>   |                                |                                      |                     |
| <b>At 31 MARCH 2024</b> | <b><u>479</u></b>              | <b><u>397</u></b>                    | <b><u>876</u></b>   |
| At 31 March 2023        | <u>450</u>                     | <u>223</u>                           | <u>673</u>          |

**7. Debtors**

|                                          | <b>2024</b>          | <b>2023</b>         |
|------------------------------------------|----------------------|---------------------|
|                                          | <b>£000s</b>         | <b>£000s</b>        |
| Contract fees receivable                 | 842                  | 280                 |
| Other debtors                            | 32                   | 56                  |
| Prepayments and accrued income           | 101                  | 372                 |
| Amounts owed by other Group undertakings | 9,048                | 3,446               |
|                                          | <b><u>10,023</u></b> | <b><u>4,154</u></b> |

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**8. Creditors**

|                                             | <b>2024</b>  | <b>2023</b>  |
|---------------------------------------------|--------------|--------------|
|                                             | <b>£000s</b> | <b>£000s</b> |
| <b>Amounts falling due within one year:</b> |              |              |
| Trade creditors                             | 364          | 451          |
| Other taxation and social security          | 377          | 349          |
| Other creditors                             | 20           | 8            |
| Accrued expenditure and deferred income     | 805          | 589          |
| Amounts owed to other Group undertakings    | 6,758        | 763          |
|                                             | <b>8,324</b> | <b>2,160</b> |

|                                              | <b>2024</b>  | <b>2023</b>  |
|----------------------------------------------|--------------|--------------|
|                                              | <b>£000s</b> | <b>£000s</b> |
| <b>Movements in deferred income:</b>         |              |              |
| Deferred income at the beginning of the year | 116          | 497          |
| Income recognised in the year                | (116)        | (497)        |
| Income deferred in the current year          | 421          | 116          |
| Income deferred at the year end              | <b>421</b>   | <b>116</b>   |

Deferred income comprises contract fee income which relates to services that will be provided in future periods.

**9. Analysis of net movement in funds**

|                                   | <b>1 April</b> |               |                    |                 | <b>31 March</b> |
|-----------------------------------|----------------|---------------|--------------------|-----------------|-----------------|
|                                   | <b>2023</b>    | <b>Income</b> | <b>Expenditure</b> | <b>Transfer</b> | <b>2024</b>     |
|                                   | <b>£000s</b>   | <b>£000s</b>  | <b>£000s</b>       | <b>£000s</b>    | <b>£000s</b>    |
| <b>Unrestricted funds:</b>        |                |               |                    |                 |                 |
| General reserve                   | 2,621          | 14,923        | (14,966)           | (58)            | 2,520           |
| Designated Fund - Chelsham Lodge  | 75             | -             | -                  | -               | 75              |
| Pension reserve                   | (380)          | -             | (74)               | 63              | (391)           |
| <b>Restricted funds:</b>          |                |               |                    |                 |                 |
| Garden Fund                       | 10             | -             | -                  | (5)             | 5               |
| Furniture fund - Squirrel Lodge   | 10             | -             | -                  | -               | 10              |
| <b>TOTAL FUNDS OF THE CHARITY</b> | <b>2,336</b>   | <b>14,923</b> | <b>(15,040)</b>    | <b>-</b>        | <b>2,219</b>    |

|                                                       | <b>1 April</b> |               |                    |                 | <b>31 March</b> |
|-------------------------------------------------------|----------------|---------------|--------------------|-----------------|-----------------|
|                                                       | <b>2022</b>    | <b>Income</b> | <b>Expenditure</b> | <b>Transfer</b> | <b>2023</b>     |
|                                                       | <b>£000s</b>   | <b>£000s</b>  | <b>£000s</b>       | <b>£000s</b>    | <b>£000s</b>    |
| <b>Analysis of movements in funds - previous year</b> |                |               |                    |                 |                 |
| <b>Unrestricted funds:</b>                            |                |               |                    |                 |                 |
| General reserve                                       | 2,750          | 18,307        | (18,369)           | (67)            | 2,621           |
| Designated Fund - Chelsham Lodge                      | 75             | -             | -                  | -               | 75              |
| Pension reserve                                       | (402)          | -             | (45)               | 67              | (380)           |
| <b>Restricted funds:</b>                              |                |               |                    |                 |                 |
| Garden Fund                                           | 10             | -             | -                  | -               | 10              |
| Furniture fund - Squirrel Lodge                       | 10             | -             | -                  | -               | 10              |
| <b>TOTAL FUNDS OF THE CHARITY</b>                     | <b>2,443</b>   | <b>18,307</b> | <b>(18,414)</b>    | <b>-</b>        | <b>2,336</b>    |

The general reserve represents the funds of the charity which are not designated for particular purposes.

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The pension reserve represents the movements in respect of the defined benefit pension schemes in which the charity participates.

The restricted fund is comprised of the Garden Fund provided by Santander for the renovation of the Garden at Wilson Avenue (£10k) of which £5k has been transferred to general reserve for spend to date. Furniture fund at Squirrel Lodge remains at (£10k).

The Chelsham Lodge designated fund is a legacy left to Avenues in relation to a person supported at Chelsham Lodge. The Trustees have decided that the legacy should be used for this service, as such a designated fund has been set up for the £75k.

#### 10. Analysis of net assets between funds

|                                                                    | Restricted | Unrestricted | Unrestricted Pension | 2024         |
|--------------------------------------------------------------------|------------|--------------|----------------------|--------------|
|                                                                    | Fund       | Funds        | Fund                 | Total        |
|                                                                    | £000s      | £000s        | £000s                | £000s        |
| <b>Fund balances at 31 March 2024 are represented by:</b>          |            |              |                      |              |
| Tangible fixed assets                                              | -          | 876          | -                    | 876          |
| Current assets                                                     | 15         | 10,043       | -                    | 10,058       |
| Current liabilities                                                | -          | (8,324)      | -                    | (8,324)      |
| <b>TOTAL FUNDS BEFORE PENSION LIABILITY</b>                        | 15         | 2,595        | -                    | 2,610        |
| Pension scheme funding reserve                                     | -          | -            | (391)                | (391)        |
| <b>TOTAL FUNDS OF THE CHARITY INCLUDING PENSION SCHEME RESERVE</b> | <b>15</b>  | <b>2,595</b> | <b>(391)</b>         | <b>2,219</b> |
| <b>PRIOR YEAR BALANCES</b>                                         |            |              |                      |              |
|                                                                    | Fund       | Funds        | Fund                 | Total        |
|                                                                    | £000s      | £000s        | £000s                | £000s        |
| <b>Fund balances at 31 March 2023 are represented by:</b>          |            |              |                      |              |
| Tangible fixed assets                                              | -          | 673          | -                    | 673          |
| Current assets                                                     | 20         | 4,183        | -                    | 4,203        |
| Current liabilities                                                | -          | (2,160)      | -                    | (2,160)      |
| <b>TOTAL FUNDS BEFORE PENSION LIABILITY</b>                        | 20         | 2,696        | -                    | 2,716        |
| Pension scheme funding reserve                                     | -          | -            | (380)                | (380)        |
| <b>TOTAL FUNDS OF THE CHARITY INCLUDING PENSION SCHEME RESERVE</b> | <b>20</b>  | <b>2,696</b> | <b>(380)</b>         | <b>2,336</b> |

#### 11. Operating lease commitments

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

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|                               | 2024  | 2023  |
|-------------------------------|-------|-------|
|                               | £000s | £000s |
| <b>Land and Buildings</b>     |       |       |
| Expiry date:                  |       |       |
| Within one year               | 141   | 118   |
| Between one and five years    | 413   | 153   |
| Over five years               | 770   | -     |
|                               | 1,324 | 271   |
| <b>Vehicles and equipment</b> |       |       |
| Expiry date:                  |       |       |
| Within one year               | -     | 4     |
|                               | -     | 4     |

## 12. Investment policy and position

The banking activities for Avenues South East are managed by The Avenues Trust Group.

## 13. Pension obligations

Avenues South East has contributed to both defined benefit and defined contribution schemes during the year and defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 25 'Employee benefits'. The total cost to the charity for the year ended 31 March in respect of pension contributions, which have been allocated between resources expended categories in proportion to staff costs and charged to the Statement of Financial Activities as appropriate, are as follows:

|                                   | 2023/24 | 2022/23 | 2023/24 | 2022/23 |
|-----------------------------------|---------|---------|---------|---------|
|                                   | £000s   | £000s   | No.     | No.     |
| Pensions Trust SHPS               | 271     | 272     | 306     | 286     |
| Pensions Trust SHPS Closed scheme | 8       | 8       | 1       | 4       |
| Per Note 5                        | 279     | 280     |         |         |

### National Health Service

The NHS operates an unfunded defined benefit scheme for the nursing sector, in which Avenues South East participates. Avenues South East is granted permission by the Secretary of State to be able to contribute to the cost of the scheme as a 'Directed Employer' (an employer that can continue to have non NHS employed staff as members of the NHS pension scheme).

The cost represents the contributions advised by the NHS Pensions Agency. Avenues South East is not liable for past service costs beyond these contributions. Contributions increased to 14% from 1 April 2005.

### The Pension Trust – Social Housing Pension Scheme: Defined Contribution

Social Housing Pension Scheme which is also referred to as 'The Pensions Trust', is a defined contribution scheme. This was introduced in the last financial year. The contributions paid to this scheme by the group are charged to the Statement of Financial Activities as they fall due.

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**13. Pension obligations (continued)**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 900 non-associated employers. The scheme is a defined benefit scheme in the UK. The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit Asset (Liability)**

|                                                    | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|----------------------------------------------------|------------------|------------------|
|                                                    | <b>£'000's</b>   | <b>£'000's</b>   |
| Fair Value of plan assets                          | 1,644            | 1,640            |
| Present value of defined benefit obligation        | 2,035            | 2,020            |
| Surplus (deficit) in plan                          | (391)            | (380)            |
| Defined Benefit asset (liability) to be recognised | (391)            | (380)            |

**Reconciliation Of Opening And Closing Balances Of The Defined Benefit Obligation**

|                                                                    | <b>Period ended<br/>31st March 2024</b> | <b>Period ended<br/>31st March 2023</b> |
|--------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
|                                                                    | <b>£'000's</b>                          | <b>£'000's</b>                          |
| Defined benefit obligation at start of period                      | 2,020                                   | 2,754                                   |
| Current service cost                                               | -                                       | -                                       |
| Expenses                                                           | 3                                       | 2                                       |
| Interest expense                                                   | 98                                      | 76                                      |
| Contributions by plan participants                                 | -                                       | -                                       |
| Actuarial losses (gains) due to scheme experience                  | (12)                                    | (11)                                    |
| Actuarial losses (gains) due to changes in demographic assumptions | (22)                                    | (5)                                     |
| Actuarial losses (gains) due to changes in financial assumptions   | 10                                      | (737)                                   |
| Benefits paid and expenses                                         | (62)                                    | (59)                                    |
| Defined benefit obligation at end of period                        | <b>2,035</b>                            | <b>2,020</b>                            |

**Reconciliation Of Opening And Closing Balances Of The Fair Value of Plan Assets**

|                                                                                  | <b>Period ended<br/>31st March 2024</b> | <b>Period ended<br/>31st March 2023</b> |
|----------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
|                                                                                  | <b>£'000's</b>                          | <b>£'000's</b>                          |
| Fair value of plan assets at start of period                                     | 1,640                                   | 2,352                                   |
| Interest income                                                                  | 81                                      | 66                                      |
| Experience on plan assets (excluding amounts included in interest income) - loss | (98)                                    | (798)                                   |
| Contributions by the employer                                                    | 83                                      | 79                                      |
| Contributions by plan participants                                               | -                                       | -                                       |
| Benefits paid and expenses                                                       | (62)                                    | (59)                                    |
| Fair value of plan assets at end of period                                       | <b>1,644</b>                            | <b>1,640</b>                            |

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**13. Pension obligations (continued)**

The actual return on plan assets (including any changes in share of assets) over the period from 31 March 2023 to 31 March 2024 was (£17,000).

**Defined Benefit Costs Recognised In Statement Of Comprehensive Income (SOCl)**

|                             | Period ended<br>31st March 2024<br>£'000's | Period ended<br>31st March 2023<br>£'000's |
|-----------------------------|--------------------------------------------|--------------------------------------------|
| Expenses                    | 3                                          | 2                                          |
| Net interest expense        | 17                                         | 10                                         |
| comprehensive income (SoCl) | <b>20</b>                                  | <b>12</b>                                  |

**Defined Benefit Costs Recognised In Other Comprehensive Income**

|                                                                                                                                | Period ended<br>31st March 2024<br>£'000's | Period ended<br>31st March 2023<br>£'000's |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Experience on plan assets (excluding amounts included in net interest cost) - gain (loss)                                      | (98)                                       | (798)                                      |
| Experience gains and losses arising on the plan liabilities - gain (loss)                                                      | 12                                         | 11                                         |
| Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss) | 22                                         | 5                                          |
| Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)   | (10)                                       | 737                                        |
| Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)          | <b>(74)</b>                                | <b>(45)</b>                                |
| Total amount recognised in other comprehensive income - gain (loss)                                                            | <b>(74)</b>                                | <b>(45)</b>                                |

| <b>Assets</b>                 | <b>31-Mar-24<br/>£'000's</b> | <b>31-Mar-23<br/>£'000's</b> |
|-------------------------------|------------------------------|------------------------------|
| Global Equity                 | 164                          | 31                           |
| Absolute Return               | 64                           | 18                           |
| Distressed Opportunities      | 58                           | 50                           |
| Credit Relative Value         | 54                           | 62                           |
| Alternative Risk Premia       | 52                           | 3                            |
| Fund of Hedge Funds           | -                            | -                            |
| Emerging Markets Debt         | 21                           | 9                            |
| Risk Sharing                  | 96                           | 121                          |
| Insurance-Linked Securities   | 9                            | 41                           |
| Property                      | 66                           | 71                           |
| Infrastructure                | 166                          | 187                          |
| Private Equity                | 1                            | -                            |
| Private Debt                  | 65                           | 73                           |
| Opportunistic Illiquid Credit | 64                           | 70                           |
| High Yield                    | -                            | 6                            |
| Cash                          | 32                           | 12                           |
| Long Lease Property           | 11                           | 49                           |
| Secured Income                | 49                           | 75                           |
| Liability Driven Investment   | 670                          | 755                          |
| Currency Hedging              | (1)                          | 3                            |
| Net Current Assets            | 3                            | 4                            |
| <b>Total assets</b>           | <b>1,644</b>                 | <b>1,640</b>                 |

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None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

**Key Assumptions**

|                                                             | <b>31-Mar-24</b>         | <b>31-Mar-23</b>         |
|-------------------------------------------------------------|--------------------------|--------------------------|
|                                                             | <b>% per annum</b>       | <b>% per annum</b>       |
| Discount Rate                                               | 4.87                     | 4.89                     |
| Inflation (RPI)                                             | 3.19                     | 3.20                     |
| Inflation (CPI)                                             | 2.76                     | 2.72                     |
| Salary Growth                                               | 3.76                     | 3.72                     |
| Allowance for commutation of pension for cash at retirement | 75% of maximum allowance | 75% of maximum allowance |

**The mortality assumptions adopted at 31 March 2024 imply the following life expectancies:**

|                                | <b>Life expectancy<br/>at age 65<br/>(2024)</b> | <b>Life expectancy<br/>at age 65<br/>(2023)</b> |
|--------------------------------|-------------------------------------------------|-------------------------------------------------|
| Male retiring in 2024 (2023)   | 20.5                                            | 21.1                                            |
| Female retiring in 2024 (2023) | 23                                              | 23.4                                            |
| Male retiring in 2044 (2043)   | 21.8                                            | 22.2                                            |
| Female retiring in 2044 (2043) | 24.4                                            | 24.9                                            |

**14. Related Party Transactions**

As a member of the Avenues Trust Group, Avenues South East uses central services to carry out its operations. The group makes a charge for the central costs based ratio of the salary costs of Avenues South East against the total salary costs of the group.

In addition, Avenues Group acts as the central banker for Avenues South East, paying salary costs and creditors and receiving cash from customers. There were no write offs during the year.

|                                             | <b>2024</b>  | <b>2023</b>  |
|---------------------------------------------|--------------|--------------|
|                                             | <b>£000s</b> | <b>£000s</b> |
| Balance due at 1 April                      | 2,683        | 2,786        |
| Payroll services provided by parent charity | (8,801)      | (11,614)     |
| Receipts taken on behalf of parent charity  | 15,914       | 18,392       |
| Payments made on behalf of parent charity   | (5,938)      | (4,990)      |
| Recharges of head office costs              | (1,624)      | (1,891)      |
| Receipt from AMSL & other charges           | 56           | -            |
| Balance due at 31 March                     | <u>2,290</u> | <u>2,683</u> |

**AVENUES SOUTH EAST  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 March 2024**

**15. Ultimate parent undertaking**

The charity is consolidated into its ultimate parent undertaking, The Avenues Trust Group, a charitable company (charity number 1130473, company number 03804617), limited by guarantee, incorporated in the UK. The consolidated financial statements of The Avenues Trust Group can be obtained by writing to The Avenues Trust Group, River House, 1 Maidstone Road, Sidcup, Kent, DA14 5TA.

The principal activity of The Avenues Trust Group is the provision of professional, high quality, not-for-profit support services to people with complex or challenging needs. The Parent exercises control through the power of appointment and removal of trustees on subsidiary boards.