THE CHILDREN'S TRUST

England & Wales · Charity number 288018

Details

Other names	TADWORTH COURT TRUST
Status	Registered
Legal form	Charitable company
Company number	01757875
Registered	1983-10-18
Register	View on the Charity Commission register

Contact

Address	The Childrens Trust Tadworth Court Tadworth KT20 5RU
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Website	www.thechildrenstrust.org.uk

Activities

Objects: I) FOR THE CARE, TREATMENT, REHABILITATION AND EDUCATION OF CHILDREN AND OTHER PERSONS WITH PHYSICAL DISABILITIES, LEARNING DISABILITIES AND COMPLEX MEDICAL NEEDS, INCLUDING LIFE LIMITING OR LIFE THREATENING CONDITIONS AND NEUROLOGICAL DAMAGE ACQUIRED THROUGH ACCIDENT OR OTHER CAUSES; FOR THE SUPPORT OF FAMILIES AND OTHER CARERS INVOLVED; AND FOR THE PREVENTION OF SUCH DISABILITIES AND DISORDERS. ANDII) TO HOLD FOR THE BENEFIT OF THE PUBLIC THE FREEHOLD OF THE HERITAGE PROPERTY KNOWN AS TADWORTH COURT, TADWORTH, SURREY AND ITS CURTILAGE AND TO RESTORE, CONSERVE, IMPROVE AND MAINTAIN SUCH HERITAGE PROPERTY AND ALL THE BUILDINGS, WALLS, PARKS, GARDENS, WOODLANDS AND APPURTENANCES WITHIN ITS CURTILAGE.

Activities: The Children?s Trust is the UK?s leading charity for children with brain injury. We provide expert rehabilitation, education, therapy and care at our specialist centre in Tadworth, Surrey, supporting children and families from across the UK. We also offer services in communities around the country and online support for families.

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Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Children/young People, People With Disabilities

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£36,006,000	£34,525,000	£19,432,000	502
2024-03-31	£33,613,000	£33,198,000	£17,916,000	481
2023-03-31	£27,944,000	£35,071,000	£19,870,000	530
2022-03-31	£28,893,000	£33,094,000	£23,602,000	712
2021-03-31	£28,468,000	£29,424,000	£27,421,000	713

Trustees

Name	Role	Appointed
Caroline Rivett		2026-01-23
Deborah Ralls		2025-05-19
Helen Farmer		2024-05-31
Helen Hewitt		2024-05-31
Louise Pollock		2026-03-27
Lynn Harries		2025-11-28
Philip Harrison		2026-03-27
Philip Hogan		2026-03-27
Richard Guest		2025-05-19
STEPHEN DAVID FLANAGAN		2023-07-14
Timothy John Davies		2015-10-09

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Linked charities

- TADWORTH COURT CHILDREN'S HOSPITAL APPEAL FUND (288018-1)

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THE CHILDREN'S TRUST

England & Wales - Charity number 288018

Accounts

The Children's Trust

Annual Report and Accounts 2024/25

The Children's Trust
For children with brain injury

“My little granddaughter Indy has truly blossomed under the care she has received since moving to The Children’s Trust in the last five years. Knowing that she’s safe and her welfare is important to you all gives us as a family the greatest comfort. Thank you all so much for everything you do for all the children under your care.

Annie, Indy’s grandmother”

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A message from our chair

Welcome to The Children's Trust Annual Report 2024/25. I am delighted to share that it's been a year of real progress, and we are moving forward with a renewed sense of purpose.

Our team has continued to deliver award-winning rehabilitation, innovative education and specialist care for the children and young people we support, who are always at the heart of everything we do.

Our finances are more stable reporting a surplus of £1.5m, which helps us to lay stronger foundations for the future. We have invested in staff wellbeing and development and shaped a new five-year strategy from 2025 - 2030 to maximise our impact.

Our highly specialist work is more vital now than ever. Across the UK, the healthcare sector is under real strain, marked by workforce pressures, funding challenges, and rising demand. Families are often left navigating long waits and limited support, and while thousands of children sustain a brain injury each year, only a small number can access the kind of specialist services we provide.

This challenging landscape reinforces how important it is that we keep doing what we do while continuously improving and innovating how we do it. Our team of rehabilitation specialists, doctors, nurses, carers, psychologists, therapists, play specialists and teachers support children, young people, and families to live the best lives possible.

I am often touched by the real-life stories we hear at Board meetings and when walking around our national specialist centre. Children and their families often share their challenges and aspirations and how the team at The Children's Trust have helped them to achieve their goals. A particular highlight was at our annual Comedy Night when those attending were treated to an inspiring presentation from Zac, a young man who has continued to go from strength to strength after his brain injury, thanks to the support he received from The Children's Trust. He continues to be a passionate advocate for our work and has expressed "I am where I am today as a result of the hard work and effort of all of the staff at The Children's Trust. I hope that my story will inspire other kids going through similar circumstances as I know how difficult the journey can be."

The difference we can make when we all work together is remarkable. I couldn't be prouder of our frontline teams who tirelessly support children and families with the expert care and compassion they each deserve. I am equally proud of our colleagues across the whole organisation. Often working in the background, their contributions are just as essential, and I would like to thank them for everything they do.

> "I am where I am today as a result of the hard work and effort of all of the staff at The Children's Trust. I hope that my story will inspire other kids going through similar circumstances as I know how difficult the journey can be."
>
> Zac, supported by The Children's Trust in 2019

I also want to thank our Chief Executive, Mike Thiedke, and the Senior Leadership Team for leading the organisation with clarity, stability and compassion. The momentum we're now experiencing is the result of their thoughtful and determined approach.

My fellow Trustees give their valuable time freely bringing energy, challenge, support and broad experience. The Children's Trust is lucky to have such a great team, and I thank them for their commitment. This year, as we continue to develop the Board, we welcomed two new Trustees, Helen Farmer and Helen Hewitt, whose experience across health and education adds to the wealth of knowledge in the Board of Trustees.

I want to say a particular thank you to the hundreds of volunteers who give their time, energy and skills. Volunteers are an integral part of who we are as a charity. Whether they're supporting in education services, raising funds in our shops, supporting at events or helping drive children and young people to enriching and memorable outings, they help make our work possible. Their contributions reflect the best of our values as an organisation and as a society, and we are enormously grateful for them.

None of the work we do is possible without the support of our commissioners and our regulators, and we are grateful for their support, their challenge and their advice. This year, we've strengthened the way we work with others across health and education, building even better partnerships. We've also continued to improve the consistent quality of what we do, working closely with our regulators, commissioners and funders to make sure we're meeting the highest standards of therapy, care and education. We have embraced the learning and feedback from regular audits, inspections and quality visits.

But the most important partnerships are the ones we create with the children, young people, and families we support. We've changed the way we work together to set goals by shifting away from professional and clinical goals to a shared understanding of what is most important to them. This is part of a continued investment in strengthening relationships with families.

Looking ahead, I feel confident and hopeful. After a period of financial uncertainty and necessary change, we have entered a new phase – one shaped by a clear strategic direction and a commitment to do even more for the children and families we serve. Our new five-year strategy is sustainable and realistic – founded on the needs of babies, children and young people with brain injury and neurodisability, and in our conviction in the life-changing work we deliver. It sets out how we will grow our neurorehabilitation services, strengthen the future of our school, and invest in the people and partnerships that underpin everything we do.

This progress will take collective effort. Our success relies on people – including our expert team, volunteers, trustees, funders, supporters, partners and families – all working together towards a shared purpose. That sense of unity and belief is what makes The Children's Trust so special.
To everyone who's supported us this year – thank you. Whether you've donated, volunteered, championed our work, or simply placed your trust in us – we are deeply appreciative. I'm proud of everything we've achieved and know we will do more incredible work in the years ahead.

Steve Flanagan
Chair of Trustees

A message from our chief executive

This past year has marked a transformative chapter for The Children's Trust. Following a challenging few years and amidst an ever-changing external environment, we have come to a place of stability and strength thanks to the unwavering dedication of our brilliant team and supporters. We are now ready to begin a new chapter – one that builds on firm foundations and keeps us focused on what matters most, helping more children and young people with brain injury and neurodisability to live the best life possible.

Moving forward with great confidence and focus is only possible because of the progress we've made. Over the past year, we've supported 406 children and young people across our residential rehabilitation, school and community rehabilitation services. We've strengthened our clinical and educational offer, increased our engagement with the wider healthcare system to focus on safe and effective care, continued to invest in our people and stayed focused on the outcomes that really matter.

We were proud to be named winners of the Rehab Outcome of the Year at the 2024 Neuro Rehab Times Awards. We delivered the first paediatric trial of the ROBERT® robot in the UK, bringing cutting-edge neurotechnology into our therapy spaces. We were shortlisted for the Innovation Award by the National Association of Special Schools for our Sensory Careers Project. Additionally, we presented valuable research and insight at conferences across the country, including those of The International Paediatric Brain Injury Society and British Paediatric Neurology Association.

This year, we continued to make time and space to look after our team. We asked our colleagues for feedback and listened to the areas they highlighted to improve the experience of working at The Children's Trust. We have made a commitment, having analysed our staff survey results, to invest more in wellbeing, leadership and development, and have appointed our first Freedom to Speak Up Guardian to support our focus on a safe and inclusive culture. We've kept investing in the people who make The Children's Trust special.

> Everything we've achieved this year – and everything we plan to do – has been made possible by the incredible people around us.

We've continued to see, every day, what the work we do really means. One morning I met a young parent while their little daughter was undergoing rehabilitation at The Children's Trust after a stroke. At the beginning of their stay, they were full of worry and sadness, felt overwhelmed and could not see how the future for their daughter would pan out. This changed dramatically in a matter of weeks. I started to see a positive, motivated parent, full of energy and optimism, confident to tackle whatever challenges may lie ahead. When I asked what it was that really helped, they responded: 'The Children's Trust! It is not only the enormous dedication and compassion the clinical experts show for our daughter. It is also the time you all take for the families. Simply asking how we are, what we are going through and how we can find a way forward as a family is immensely helpful. Nobody asked us that question before we got here.' Those moments are why we're here. They remind us of what's possible when children with brain injuries and their loved ones get the rehabilitation and care they need.

Now, as we turn to the future, we're motivated by the impact we've had – and we're stepping into the future with clarity, energy and direction. We will launch our new five-year strategy, setting out a clear path for a sustainable organisation. At its core will be a commitment to extend our leading neurorehabilitation services to meet growing demand.

We're also working to future-proof our school, ensuring it can flourish as part of the wider education system. We're investing in our people, evolving how we work, and building strong partnerships that can amplify our combined impact. We remain focused on growing and funding the services that help us deliver the greatest possible difference for the children we support and their families.

Everything we've achieved this year – and everything we plan to do – has been made possible by the incredible people around us. Thank you to our staff, volunteers, and wider community for showing up, every day, with care, skill and compassion. To our corporate partners, ambassadors, and the families and funders who place their trust in us – thank you. And to all our supporters across the UK and beyond – your belief in us means we can keep doing this work.
This next chapter won't be without its challenges, but we're ready to meet them – together. More importantly, we're excited about what's ahead. Thank you for being part of the journey.

Mike Thiedke
Chief Executive

About us

Our mission and purpose

The Children's Trust is the UK's leading charity for children with brain injury and neurodisability. Our purpose is to support children, young people, and their families so they can live the best life possible.

What we believe in

We believe that all children have the right to be children, regardless of health conditions, physical challenges or life circumstances. They have the right to play, to laugh, and to learn. They have the right to make connections with each other, with their families, and with the world around them. The Children's Trust exists to create these opportunities, specifically for children with brain injury and neurodisability.

Our aim

Every year, 40,000 children in the UK are left with a brain injury. About 350 children sustain a severe acquired brain injury needing rehabilitation. Only one in four of those children can currently come to The Children's Trust. We aim to increase our impact and reach through enhancing and expanding our neurorehabilitation services over the next five years and we are committed to supporting as many children and their families as we possibly can.

What we do

Every year we provide rehabilitation, education, care and community services to thousands of children, young people and their families across the UK.

Our national specialist centre in Tadworth, Surrey is home to the largest children's neurorehabilitation service of its kind in the UK.

We help children through play, exploration, laughter and having fun; things that are often absent when a child has limited mobility or has had a challenging time. When therapy, healthcare and education are combined with music, arts and crafts, day trips and other fun activities, children are encouraged to focus not on their limitations, but on the goals that matter to them – and to enjoy themselves along the way.

88 % of school-aged children who underwent rehabilitation at The Children's Trust were able to return to their previous educational setting.

Residential Neurorehabilitation

Through residential rehabilitation we help children restore lost skills or develop new ways of doing things, all the time supporting the family with their child's newly acquired disability, transition home and plan for the future.

The Children's Trust School and residential care

The Children's Trust School is a residential, non-maintained special school, supporting children and young people aged 2-19 with a wide range of needs, including complex education, health, therapy and care requirements.

Community Rehabilitation Service

Our Community Rehabilitation Service offers digital resources, national virtual advice and consultation, as well as community rehabilitation and outpatient packages, for children with acquired brain injury. The service provides a range of support across a tiered model, with increasing levels of support based on the level of need and identified goals.

Highlights and achievements

Celebrating 40 years

In 2024, we proudly marked 40 years since The Children's Trust became a registered charity. But our story goes back even further.

Tadworth Court was first purchased in 1927 by Great Ormond Street Hospital to become its country branch, thanks to a generous £20,000 legacy from Mr Peter Reid. With more than 100 beds, it became an important training facility for nurses and a valued place of recovery for patients.

By 1982, the future of Tadworth Court was under threat. With only 40 beds remaining, the site faced closure. But the local community – including nurses, parents, children, and celebrities – joined together to fight for its future.

National media took up the cause and a 'Save Tadworth' campaign raised £80,000 in just five months. Tadworth Court was saved, and in 1984 The Children's Trust was established.

Since then, we're proud to have helped thousands of children with brain injury and neuro disability. Over the past forty years, thanks to the continued support of our community, partners and donors, we've become the UK's leading centre for children with acquired brain injury.

We've also invested in new residential rehabilitation accommodation for children and parents. These are spaces that are designed to feel safe and homely, where families can focus on recovery and preparing for the next stages of their journey. Last year was no different. We continued to build on our long history by investing in our future – and the futures of the children, young people and families we support.

Innovation that puts children first

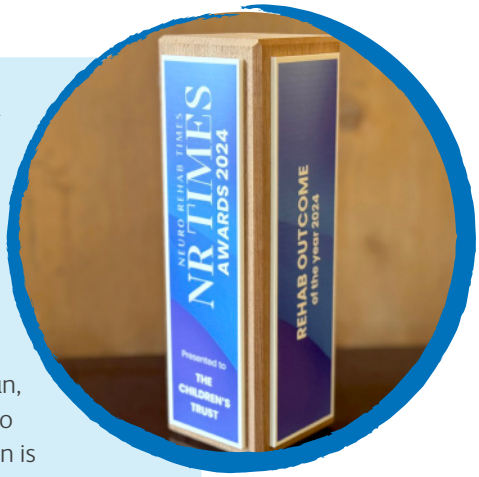
The children we work with are at the centre of everything we do at The Children's Trust, and our expert teams are always working on ways to make our rehabilitation and education services better.

This year we introduced the 'F -Words and Life Wheel' framework into our therapy programme. By using this tool, our teams can better understand what is meaningful to a young person and their family, shifting away from professional and clinical goals to a shared understanding of what is important for them now and in the future.

We were also proud to be shortlisted for the Innovation Award by the National Association of Special Schools (NASS) for our work in Sensory Careers Project. This project allows students with profound and multiple learning difficulties to explore their abilities, connect with their communities, and experience work. It includes hands-on activities like making candles, and visits to places such as local hair salons, where students can take part in everyday experiences in ways that suit their needs. The project builds confidence and practical skills, creating thoughtful and empowering opportunities for every young person involved.

Award winning rehabilitation

The Children's Trust was awarded the 'Rehab outcome of the year' award at the Neuro Rehab Times Awards 2024. These awards celebrate innovation, dedication and leadership in the neuro-rehab world, shining a light on excellence in a wide range of categories and recognising the many factors that shape a child's rehabilitation journey.



The award also recognises our work with the children and young people we support, many with life-changing injuries, to achieve and exceed their goals and lead the best life possible. Our work was praised for our use of evidenced-based tools and approaches, including by Professor Nick Alderman, a member of the judging panel, who said: "The clear winner in my opinion is The Children's Trust whose entry undoubtedly demonstrates a prolific range of improved rehabilitation outcomes."

Cutting edge technology

Innovation in technology continues to play a central role in our work. This year, we scoped and identified new technologies that we aim to fund and embed into practice.

We secured voluntary funding towards our growing neurotechnology programme, which meant in 2025, we were able to install anti-gravity hoists (by Guldmann) which allow children to move more freely and comfortably by reducing or stopping the impact of gravity. It also helps them to feel more autonomous – a crucial element of their rehabilitation journey.

The new hoists make it easier for therapists to work with greater ease by lightening the physical load and reducing the need for multiple therapists to support a child at the same time.

We've already seen incredible results, including young people taking steps earlier than they would have been able to and experiencing freedom of movement in new ways.

Additionally, we took part in the first paediatric national trial for a new piece of neurotechnology – the Robert® robotic device – used to support upper and lower limb early rehabilitation after brain injury. The results suggest the new technology could be a helpful tool in the very early stages of rehabilitation, enabling a passive range of motion when active movement isn't yet possible.

Staying at the forefront of rehabilitation

Our staff and young people continued to play an important role in shaping the national dialogue around paediatric brain injury. Our expert colleagues were delighted to have their article, 'Revolutionizing paediatric neurorehabilitation: integrating innovation and contemporary practice', published in "Paediatrics and Child Health".

This paper explores how children's brain injury care is changing, the new causes of brain injury we're seeing in children, and the inequalities that affect access to support. It highlighted the need for wider changes to help tackle differences linked to background, location and culture.

We also took part in the Child Brain Injury Conference hosted by the Brain Injury Group in January 2025, where:

- Georgia Thorpe, our Head of Business Development, attended as a panellist discussing 'Transition pathways';
- Dr Valeria Lowing, our Clinical Psychologist, was one of the speakers in a session about supporting siblings and families after a child experiences a brain injury;
- And Tara, a young person we supported after a brain injury in 2021, spoke movingly about her experiences.

Our impact in numbers 2024/25

Overall reach

406

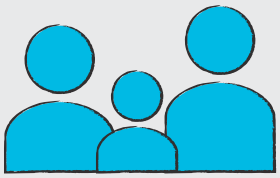
children and young people accessed one or more services

65

children on average at our Tadworth site per day across both our school and rehabilitation service

92%

of families would recommend us to their friends, family and other parent if they needed similar care or treatment



Supporting more children to get home, and back to what matters

Every year, children's lives – and the lives of their families – are turned upside down by a sudden brain injury. We help give them their futures back – restoring lost skills, developing new ways of doing things, and supporting children to rebuild their confidence, independence and joy.

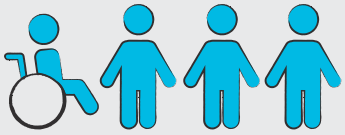
In 2024/25, we supported **406 children and young people** through our national specialist centre, school, therapy and community programmes. There were 65 children on average at our Tadworth site per day across both our school and rehabilitation service (compared to 61 the previous year).

With personalised support, we helped children learn to walk again, find their voice, eat independently, and adjust to a new way of life. Together with families, we focused on real-life progress and meaningful outcomes.

Rehabilitation: Personalised progress, measurable results

88%

of school-aged children returned to their previous educational setting



200

goals were achieved 'as expected' or above

83%

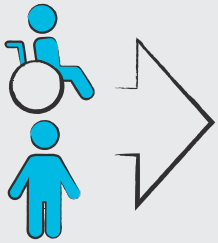
of the children and young people we support were able to return to their family home with no or only minor adaptations

247

goals were set using the Goal Attainment Scale (GAS)

100%

of school age children discharged from rehabilitation had an education placement confirmed for their next step



In 2024/25, **98 children and young people** received intensive neurorehabilitation at our national centre. Each child followed a bespoke programme designed to improve function, communication, mobility and independence, supported by our expert multidisciplinary team.

The average (median) length of stay for a child or young person receiving rehabilitation was eight weeks.

- **83%** of the children and young people we support were able to return to their family home with no or only minor adaptations
- **100%** of school age children discharged from rehabilitation had an education placement confirmed
- **88%** of school-aged children returned to their previous educational setting (compared to 81% in 2023/24)

We tracked progress through individual goals and clinical tools:

- **247 goals** were set using the Goal Attainment Scale (GAS)
- **200 goals** were achieved 'as expected' or above in 2024/25 compared to 187 goals in 2023/24.
- **16%** exceeded expectations significantly
- **18%** showed more progress than anticipated

FIM+FAM 2024/25

To understand change in day-to-day abilities, we used two national measures:

FIM+FAM assesses practical and cognitive skills on a scale from 1 (complete dependence) to 7 (fully independent). The biggest gains were in:

- Toileting (45% improvement)
- Climbing stairs (44%)
- Dressing (39%)
- Writing (32%)

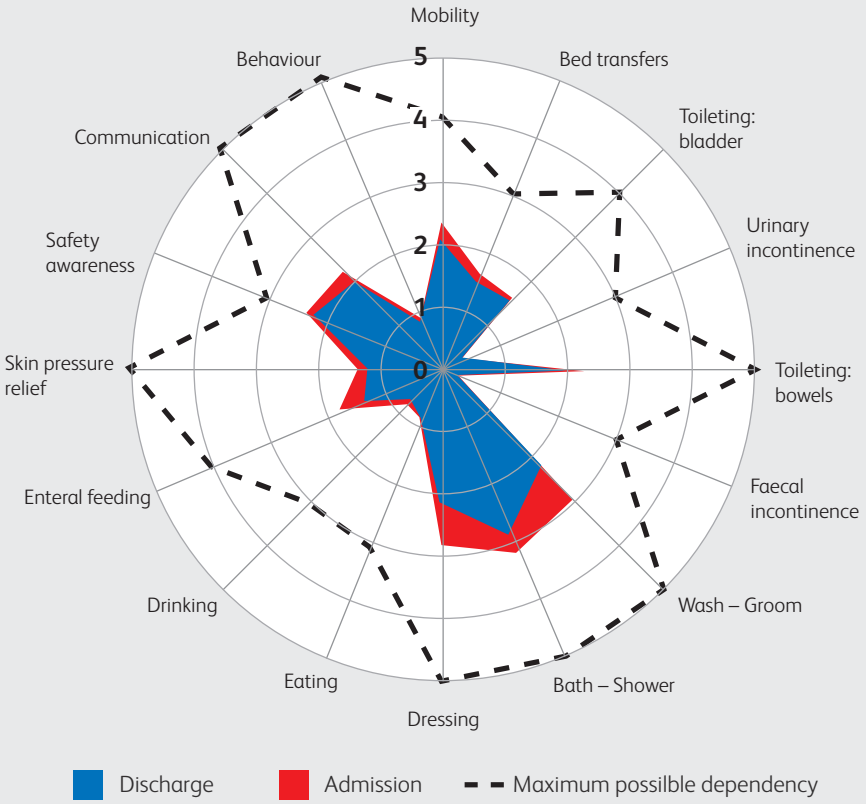
Bigger the better

Northwick Park Dependency Score 2024/25

Northwick Park Dependency Scores measure how much help a child needs for daily tasks. The largest reductions in support needs were seen in:

- Faecal incontinence (27%)
- Tube feeding (26%)
- Dressing (25%)
- Washing and grooming (24%)

Together, these outcomes show the tangible impact of our rehabilitation – helping children take real steps toward greater independence.



Smaller the better

The F-Words Life Wheel: A New Approach to Goal-Setting

Partway through the year, we introduced a new way to help children and families set their own goals: the F-Words Life Wheel. As a result, we're reporting this year's outcomes using both approaches. Early results of the new method have been promising.

Based on the World Health Organisation's International Classification of Functioning (ICF), the six F-Words Life Wheel offers a framework for setting goals that reflect what matters most to children and their families, going beyond clinical priorities to reflect real-life hopes and priorities.

The six F-Words are:

Function	Everyday skills at home, school or in the community.
Family	Relationships and the support network around a child.
Fitness	Being physically and mentally active and healthy.
Fun	Doing the things that bring joy and meaning.
Friends	Having opportunities to connect and build relationships.
Future	Setting sights on goals and dreams, from school to long-term ambitions.

Children and families co-create their goals, talk through what's important to them, and rate how they feel about each area at the start and end of their stay.

Early Results

Since Autumn 2024, we've used the F-Words Life Wheel approach to set and review goals with 27 children. Of those, 16 have completed rehabilitation and shared both entry and exit scores.

The initial results have been encouraging; children who have been discharged from rehabilitation have reported an average improvement of 103% across all F-Word categories, with the most significant gains seen in 'Future' (178%) and 'Friends' (107%).

Average improvements across the F-Words:

Area	% Improvement
Function (school)	169%
Future	161%
Function (home)	140%
Friends	123%
Fitness	112%
Family	100%
Fun	85%

The F-Words framework is now fully embedded in our therapy programme. Our teams received specialist training, trialled the tools with families, and developed resources to support goal-setting conversations. Every new rehabilitation admission now uses the F-Words Life Wheel to shape their journey.

Real-Life Goals: Violet's Story

Eight-year-old Violet came to The Children's Trust after a stroke left her unable to walk, speak clearly, or use the right side of her body. During her nine-week rehabilitation, she helped set her own F-Words goals focusing on what mattered most to her. These included:
"To hold my baby cousin" (Family)
"To walk around soft play with a friend" (Friends)
"To brush my teeth and get dressed on my own" (Function)
"To be a Paralympic horse rider" (Future)

By the end of her stay, Violet was walking with a splint, using her right arm more confidently, and, most joyfully, riding her pony again – one of her biggest passions.

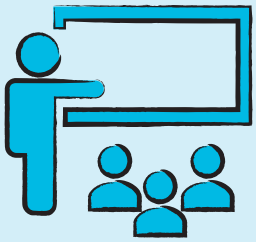
"The [rehabilitation] sessions were a revelation – the whole time she was there she was making really clear leaps," Violet's dad Rob said. "This is something I never thought I'd say, but she's able to canter again... She was so happy. We were all very emotional.

> "The Children's Trust gave Violet her future back.

The Children's Trust School

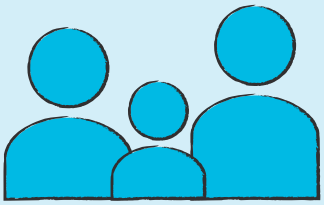
46

children and young people attended our school



11

families attended our parent-child group Taddies



85%

of therapy goals were achieved 'As expected' or above at the end of the academic year

The Children's Trust School helps children and young people with special educational needs to live the best life possible. Every pupil is supported through a highly personalised curriculum that reflects their individual strengths, needs, and aspirations helping them to learn, express themselves, and enjoy everyday life in the ways that matter most to them.

This year, **46 children and young people** attended The Children's Trust School. There were 30 residential learners and 10 day pupils who followed our bespoke ImPACTS curriculum, which is designed to support complex learning and development needs. Six babies and young children attended our Early Years Foundation Stage. The early years curriculum provides a nurturing environment where children engage in child-initiated learning, guided by the Developmental Early Years Outcomes.

This year's results:

- **100%** of children met or exceeded goals in communication and cognitive development within the ImPacts curriculum
- **20** therapy goals were set for children and young people attending The Children's Trust school using the Goal Attainment Scale (GAS).
- **85%** of these goals were achieved 'As expected' or above at the end of the academic year
- **72%** of communication goals were exceeded or rated exceptional

Beyond these key outcomes, children also made meaningful progress in everyday skills that support confidence and independence, including:

- Environmental control technology, for example, tools to operate lights, TVs or doors (+14%)
- Fine motor skills (+14%)
- Self-help skills (+12%)

Community Rehabilitation Services

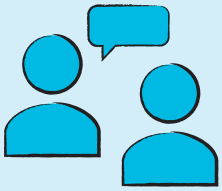
Our community-based services supported children and families right across the UK, offering advice, therapy and practical tools both in person and online.

269

services delivered providing tailored support to 257 individual children at home, school or remotely

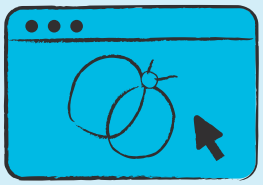
125

received follow-up guidance during key transitions like returning to school



40,814

people accessed our online resources via the Brain Injury Hub and Bumps Happen



In 2024/25:

- **40,814** unique visitors accessed support and information on our Brain Injury Hub and Bumps Happen pages and the number of people interacting with the chatbot feature has doubled from 2023/24
- **269** services were delivered to children and young people through our Community Rehabilitation team.
- **30** children and young people were supported through an Integrated Care Board (ICB) funded 'Tier 3' package, delivered in home, school, community settings and outpatient settings.
- **114** children and young people were supported with advice and consultation virtually through our voluntary funded 'Tier 2' package.
- **125** children and young people were supported with follow-up support and advice at key transition stages through being part of the Community Rehabilitation Service's long-term register.

This flexible support model means we can stay connected to families throughout their recovery, wherever they are, and whenever they need us.

Our services

The work our frontline teams do every day is at the heart of our mission to support children and families through expert care, therapy, and education. Our teams work with skill, compassion, and dedication. Whether at our national specialist centre in Tadworth or in communities across the UK, these services are where life-changing progress happens.

Residential neurorehabilitation

The largest service of its kind

The residential neurorehabilitation we provide at our national specialist centre in Tadworth is the largest service of its kind in the UK. Our multidisciplinary team work closely together to offer joined-up, holistic therapy, education and care that supports children and their families.

Setting goals together

Each child has different goals set collaboratively with them and their families – whether it's relearning skills, building strength and regaining movement, or improving their communication. Our teams tailor therapy sessions to what matters most to them, and help families prepare for their return home, to school, and community life. We also help parents learn key skills, such as tracheostomy care, so they feel confident and ready for the journey ahead.

Our expert team

Our highly skilled team consists of doctors, nurses, carers, physiotherapists, occupational therapists, speech and language therapists, music therapists, psychologists, play specialists and multidisciplinary technicians. We also have specialist expertise such as moving and handling advisors and assistive technology practitioners. Together our team helps each child build confidence, develop independence and take part in everyday, meaningful activities that are active, engaging and fun.

Supporting complex needs

We support children with a wide range of needs – from helping them to eat, drink, and swallow safely again, to providing support for their breathing and posture, managing complex movement, ensuring safe moving and handling, and supporting their psychological wellbeing. We also support children to use assistive technology – including tools that turn speech into text, read words aloud, or track eye movements – to help them communicate, learn, and build their independence.

Pioneering technology

We continue to pioneer the use of neurotechnology alongside traditional therapy with a range of innovative equipment, giving children access to specialist tools that support their early recovery. This includes tools like robotic arms that help rebuild movement, devices that respond to brain signals and thought, and electrical stimulation that reawakens muscles. Evidence is growing around how the use of neurotechnology to enhance rehabilitation programmes can drastically improve outcomes, opening up new opportunities for progress and enabling children to achieve far greater rehabilitation goals than ever imagined.

By using technology, we can increase the intensity and precision of rehabilitation programmes. A critical success factor of rehabilitation is repetition, the more repetitions the better the outcome. This repetition trains the muscles to move and make new connections in the brain, which may mean that one day, a child can make those small movements for themselves.

We believe that the development of neurotechnology equipment to support therapy as part of neurorehabilitation programmes will play a vital role in transforming the future lives of children and young people who have suffered an acquired brain injury.

Our approach includes high intensity therapy when needed that is tailored to each child's goals. Alongside this, our psychologists provide vital emotional and mental health support – including brain injury education and trauma-informed care – which helps children manage their recovery, build resilience, and feel more confident about the future.

Rehabilitation in action: Siddique's story

Siddique was three years old when he fell from a first-floor window and sustained a brain injury. His mum Shaheena shares their story.

"The worst day of my life started as a lovely day at home. We'd just come back from the shops, and I popped Sid into the front room. I closed the safety gate behind me and went to make us lunch. Out of sight, he managed to open the gate and climb the stairs to a first-floor window ledge. From the open window, he fell onto the concrete below.

"What happened next is a blur. There was a lot of blood. Sid was having a seizure, and the right side of his body was moving, but his left wasn't. The shape of his face had changed. I was terrified, and in that moment, I was sure I'd lost my baby boy.

"Once we got to hospital, the doctors took over, and Sid was taken straight into surgery to treat two skull fractures. They told me they weren't sure he was going to make it, and although I was grateful for their honesty, I was really panicking inside. I was more worried than I'd ever been in my life."

Starting rehabilitation

After two weeks in a coma and an extended hospital stay, Siddique was transferred to The Children's Trust to begin neurorehabilitation.

Shaheena shares how she was feeling uncertain about the new environment when she arrived, but that they quickly settled in when she started meeting the teams: "When I saw how [the staff] worked with Siddique and how they used to adore him so much, they made me feel so confident about my son. And I felt like you know what, my son can just do anything."

Siddique, who has always been an active and engaged child, loved being surrounded by people, and threw himself into his daily timetable of physiotherapy, speech and language therapy, hydrotherapy and more. He also enjoyed the sport, play and art activities that took place around his therapy timetable.

Working towards his goals

When the family arrived at The Children's Trust, they worked with the team to set his rehabilitation goals. Shaheena and Siddique wanted to get him to a place where he could walk independently and be able to play with his siblings and friends. The team of physiotherapy and occupational therapy therapists worked together to help him improve his mobility so he could reach these goals.

His therapy sessions were made as fun as possible to engage him and often involved his favourite toys, which were cars and balls. Therapists used toys, ramps, soft play equipment, walking aids and standing frames to help him progress along the way.

Anusha, Highly Specialised Physiotherapist at The Children's Trust, tells us: "He was soon shuffling around independently and pulling himself up to stand. There was no stopping him!"

During his placement at The Children's Trust, Siddique improved so that he was able to move independently. He loved swimming, could walk holding hands and was starting to take a few steps unaided. Through singing nursery rhymes in all of his therapy sessions, he was able to say words and communicate what he wanted, which built his confidence and enabled him to play with other children.

The next step

Shaheena tells us: "I can't really put into words the difference The Children's Trust has made for my son and just saying 'thank you' doesn't seem big enough. Our next goal is for Sid to walk again unaided, and one day, I'd like him to be a doctor – but I always want him to know that his future is in his own hands!"

The Children's Trust School and residential care

The Children's Trust School is a residential, non-maintained special school for children and young people aged 2–19 with complex needs, including neurodisability. Located on the same site as our specialist neurorehabilitation centre in Tadworth, it brings together education, health, therapy and care to support every pupil to live the best life possible.

With both day and residential placements available, we offer age-appropriate education and activities, from dedicated early years classes for the youngest children, to further education-style classes for older teenagers.

'Outstanding'

Rated 'Outstanding' by OFSTED Education since 2023, the school is a creative, joyful and inclusive place. The students are supported by a dedicated team using communication technology, music and the arts to help them flourish. Every child follows a personalised learning journey developed with them and their families, with clear goals and high aspirations.

The integration of education, health, therapy and care on one site makes the school and our seven residential houses a unique environment, where every moment can support learning and progress. Children benefit from tailored programmes shaped by therapists, teachers and families working together.

National recognition of excellence, innovation and success

This year, the approach has continued to attract national recognition. The school holds Artsmark Platinum status, a national award recognising excellence in arts and cultural education, and has been highlighted by Challenge Partners, a UK-wide network of schools, as an example of curriculum innovation and success. Pupils regularly take part in creative learning opportunities, from drama and dance to enterprise projects like Platinum Candles, building confidence, communication, and independence in ways that matter to them.

We've continued to build on this strong foundation. Our school development plan sets out a structured, long-term approach to improvement, led by expert staff and grounded in what's best for children. Initiatives like our subject specialist teams help ensure each area of teaching is continuously improving, supporting staff to take ownership of curriculum areas and share expertise across the school.

Rated 'Outstanding' by OFSTED Education since 2023

"The integration of education, health, therapy and care on one site makes the school and our seven residential houses a unique environment, where every moment can support learning and progress."

Ofsted Outstanding Provider

MUSIC MARK SUPPORTING CONNECTING INFLUENCING

ARTS COUNCIL ENGLAND

Artsmark Platinum Award Awarded by Arts Council England

WE'RE A NASS MEMBER

Harvey's story

Harvey's story is a powerful testament to what meaningful, personalised education and care can achieve.

Harvey's School Journey – A Celebration of Progress, Belonging, and Quality of Life at The Children's Trust School

Since joining The Children's Trust School in 2014, Harvey has grown in ways that beautifully reflect the school's mission: to support children and young people with complex needs to live the best life possible with excellent education, health, therapy, and care.

Harvey arrived at the school at age seven, experiencing significant sensory sensitivities. Eye contact was fleeting, and he often rocked in his chair to regulate his emotions in response to sounds and textures that he found overwhelming or difficult to process. Through a respectful, age-appropriate, and highly personalised approach, anchored in routine, consistency, integrated therapy, and meaningful engagement, Harvey began to flourish.

Now 18, Harvey is a cherished member of the Sixth Form's Platinum class and is known and loved throughout the school.

"He's one of those young people who is known by all," says Headteacher Launa Randles. "He has a truly captivating smile, and over the years, he's grown into a deeply valued and connected member of our school community."

> "It's not just about what he eats. It's about his participation, his enjoyment of food, and his progress. It's about quality of life."

One of Harvey's favourite ways to engage with his environment is through his 'happiness bag', a collection of textured sensory items he selects and explores. This simple yet powerful tool reflects his growing ability to make choices for himself and to enjoy the world around him. He now participates in yoga sessions, tracking the singing bowl with his eyes, and holds longer periods of eye contact, showing deeper connection with those around him.

A particularly profound milestone in Harvey's journey has been his progress with eating. Initially, Harvey had difficulty eating and was reliant on a feeding tube. But in 2016, Harvey began messy food play sessions to build tolerance and curiosity. With the right support from therapists and educators, he now enjoys a variety of warm, pureed meals and independently reaches for his favourite crisps, Wotsits and Monster Munch!

"It's not just about what he eats," says Launa. "It's about his participation, his enjoyment of food, and his progress. It's about quality of life."

That focus on quality of life is central to Harvey's experience. He has developed the strength to sit independently on a bench, earned a Trinity College qualification in Music Development, and most importantly, learned to express his preferences and communicate when he needs a break.

"Before, he might have been passive," says Phil, Harvey's teacher. "Now he tells us, in his way, what he wants and needs. That's huge."

"At The Children's Trust School, we focus on what matters most: quality of life," says Launa. "Harvey has taken our offer and flourished. He's not just part of the community, he's an inspiration within it."

Harvey's story is a powerful testament to what meaningful, personalised education and care can achieve. Over his years at The Children's Trust School, he has made remarkable developmental progress, found joy and connection, and become an active participant in his world.

Community Rehabilitation Service

Our Community Rehabilitation Service supports children across the UK after a brain injury, offering a flexible three-tiered approach, harnessing the power of digital information and remote rehabilitation, alongside intensive rehabilitation in the community.

Tier one

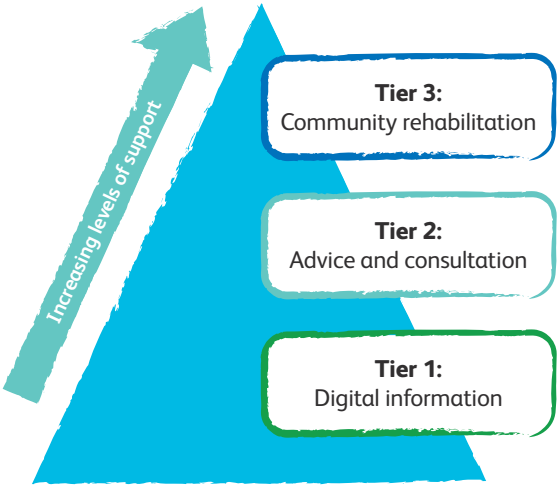
Bumps Happen is our online resource for families, schools, and professionals. It provides clear information, which helps parents understand how to spot a concussion, what to do next, and how to support their child in returning to school and other activities after a bump to the head. It's also a first-step resource for general practitioners (GPs), teachers and other professionals working with children who've had a concussion.

Tier two

Our national virtual Acquired Brain Injury (ABI) team offers tailored advice and education adapted to each family's needs, including in areas where in-person therapy isn't available. Support might include multiple sessions with parents, children, or school staff – delivered in a flexible way that fits around busy lives. Families don't need to know what to ask – we're here to guide them through it

Tier three

Some children need more hands-on or intensive therapy to help them reach their goals. Our team offers home- or school-based sessions within an hour's drive from our specialist centre in Tadworth, or families can visit our site for outpatient support. We also offer virtual assessments and ongoing support for families further afield.



> The community service at The Children's Trust has been a lifeline for us the last 2 years since leaving residential rehab , where our local community team have failed to deliver and support ongoing rehabilitation needs which is the same for many in our shoes The Children's Trust community team have ensured my son gets what he needs in order to keep progressing in his recovery. We are so grateful for this service and the ongoing support it provides.

Community rehabilitation: helping Orion thrive after brain injury

Orion, now aged four, was just two years old when he acquired a brain injury through meningitis.

Orion was diagnosed with pneumococcal meningitis and septicaemia, which is blood poisoning caused by large amounts of bacteria entering the bloodstream. The meningitis had left him profoundly deaf, and he received cochlear implants.

Tricia, Orion's mum, remembers: "We were told that no one knew what the outcome would be, whether he would make it or what life would be like afterwards. When Orion was finally able to return home, he was not able to crawl or roll over and needed help to hold himself up in a sitting position. He was two years old and had lost all of these skills. The whole experience had been such a nightmare whirlwind that we didn't know what we were looking for."

Starting the rehabilitation journey

The hospital referred Orion and his family to The Children's Trust Community Rehabilitation Service.

Tricia remembers: "We didn't know what questions to ask as everything was still so new to us. Our world had been turned upside down."

Nicola, Community Rehabilitation Nurse at The Children's Trust, sent out some information straight away and called the family to see how they were coping. She then supported the family by providing brain injury education. She also supported Orion's return to nursery by working with his nursery and professional health network and carrying out a series of virtual education sessions with them and his parents.

Tricia said: "The Community Rehabilitation Service support was invaluable. The team helped us to know where to turn and what questions to ask. They provided training to Orion's nursery so that when he was well enough to return, they understood how to support him."

Continued support

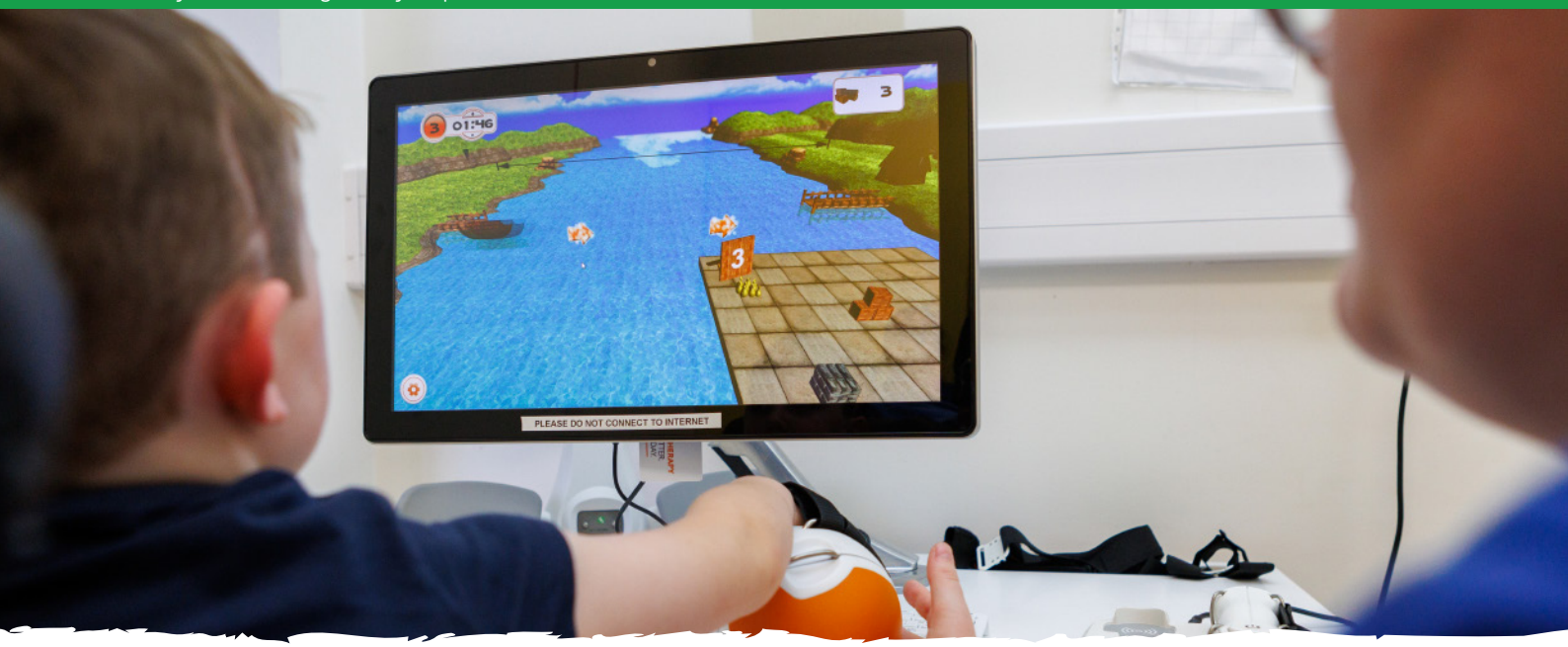
Care plan for Orion, and then again with his transition to his school.

A year later, the family reached out to the team again as Orion was struggling to manage the fatigue that came with his brain injury. The impact of this fatigue meant that Orion was unable to attend school for a full day and was missing out on fun activities.

Lois, Community Rehabilitation Coordinator at The Children's Trust, supported the family with further virtual sessions with Orion's parents, school and network of occupational therapists and physiotherapists.

Lois tells us: "I spoke to Orion's parents in October to see how his return to school had gone. It was wonderful to hear how he had turned a corner with his fatigue. He is waking excited to attend school, and his attendance has increased to five days a week. He is also managing some activities after school like swimming, as well as some outings at the weekend. He is self-managing his fatigue and those around him are able to support him with this, which is fantastic progress."

Tricia explains what the ongoing support has meant: "There are so many unknowns with meningitis and acquired brain injuries long-term, it feels like a relief to know that The Children's Trust is always there; whether it's because Orion is transitioning somewhere new or because something has changed and we need advice."



Quality visits and regulatory inspections

Aiming high

We aim to run our charity to the highest standards and to always work in an open and transparent way. Our continued progress on improving the quality of our work is subject to internal audit, external regulatory inspection from both OFSTED Care and the Care Quality Commission, and multi-agency oversight.

Our regulators

In 2024/25 our residential neurorehabilitation services and residential houses supporting children and young people who attend The Children's Trust School remained registered with both OFSTED Care and the Care Quality Commission (CQC). Our regulators provide valuable feedback from different perspectives, helping us to keep improving and providing assurance that our measures are safe, effective, caring, responsive, and well-led. The Children's Trust School is regulated by OFSTED Education. We are also regulated by the Charity Commission, the Fundraising Regulator and the Gambling Commission.

Learning from unexpected deaths

As reported in our 2023/24 accounts, we were deeply saddened by the unexpected deaths of two children in our care during 2023 and we continue to extend our sincere condolences to the children's families and carers.

Their loss has had a profound impact on our team and the way we care for, support, and involve the children and families we work with today.

In October 2024 and May 2025, The Children's Trust received Prevention of Future Deaths reports in relation to their deaths in 2023. Both reports have been formally responded to, detailing the significant additional actions we have taken.

We fully acknowledge the coroners' concerns and have responded with urgency, transparency and a deep commitment to change. These heartbreaking experiences have led to significant change over the past year to drive lasting improvements in how we care for children and support families. Further detail of what we've done to strengthen care and safety is outlined in our progress against objectives on page 33.

We have made significant progress, but we know this work is never finished. The changes we've made are embedded into our everyday practice, and external assurance from our regulators is helping us to drive continuous quality improvement.

External assurance

Both the Care Quality Commission and OFSTED Care have conducted targeted inspections over the last 12 months providing The Children's Trust with significant assurance that quality improvement work including our focus on monitoring and observation levels and incident management is embedded within practice. We continue to receive positive feedback from regulators and inspectors, reflecting the dedication, skill and compassion of our staff.

Ofsted Care Inspection, October 2024 'Good Rating'

Ofsted Care Inspection, October 2024 'Good Rating'

- Overall experiences and progress of children and young people: Good rating.
- How well children and young people are helped and protected: Good rating.
- The effectiveness of leaders and managers: Good rating.

> **"Staff provide genuine, nurturing care to children and look after them in a way that is thoughtful and kind... Staff talk with passion and enthusiasm about how much they enjoy spending time with children, and this contributes to a culture where the needs of children are always central to care practice."**

The report notes that children, alongside their families, are actively involved in their care planning, giving them a sense of ownership in their lives. One family member said: "I'm on a high when I come here. Staff are so supportive. I feel like I belong and have a sense of purpose."

"The children's home provides effective services that meet the requirements for good." OFSTED Care also inspected in January 2025 and in July 2025 with no change to our rating.

The report highlighted two areas for improvement which have been addressed:
"Ensure that children's plans are explicit in relation to the expectations of staff in relation to the supervision and support that children need."

"Ensure that all employees receive formal supervision at the frequency outlined in the providers policy."

CQC Visit, March 2025

CQC no longer provide a rating for services or organisations that are defined as being a children's home and are dual registered with Ofsted.

However, in March 2025 CQC carried out an overnight targeted unannounced visit focused on monitoring and observation levels and incident management.

The The report stated that they:

> **"We found areas of good practice from the revised policy of monitoring and observation as well as an improved and rigorous approach to the recording, management, investigation of and learning from incidents."**

The report recommended that The Children's Trust: "strengthen their recording of equipment checks in children's records when there is equipment in children's bedrooms."

We welcome and are addressing the feedback from our regulator.

Ofsted Education Inspection September 2023 – 'Outstanding Rating'

The Children's Trust School was rated outstanding across all areas that were assessed in our most recent Ofsted Education inspection in September 2023.

Ofsted inspectors praised the dedication, skill and passion of our staff who are driven to ensure all children and young people with neurodisability and complex needs experience life in all its richness.

> "Pupils flourish at this school. Their individuality is recognised and nurtured. One parent told us "This school opens up a whole new world for its pupils."

Ofsted Outstanding Provider

At time of writing, it is worth noting that there are planned regulatory changes impacting The Children's Trust and three of our seven houses. Whilst we will remain as a dual-registered provider, in 2025/26 CQC will become the sole regulator for rehabilitation houses. OFSTED Care will no longer regulate these houses, and they will be de-registered with OFSTED Care. Rehabilitation is a health-focused service, and this aligns regulatory compliance and inspections more closely with the children and young people who access this service.

There are no changes to how the residential houses supporting children and young people who attend The Children's Trust School are regulated – OFSTED Care will retain primary regulatory oversight of these houses, with CQC continuing in a secondary health regulation capacity.
A smooth handover process is in place, with all three parties working closely together to act in the best interests of the children and young people.

2024/2025: progress against our strategic objectives

We supported 406 children and young people in 2024/25 through our national specialist centre, school, therapy and community programmes. You can read more about our impact on pages 16-17.

This has been a year of steady progress and renewed focus for The Children's Trust. While continuing to deliver the high-quality care, education and rehabilitation that children and families rely on, we've also laid important foundations for the future. We stabilised our finances, engaged and listened to staff across the organisation, and strengthened how we work together.

In last year's report, we set out four strategic objectives to guide our work in 2024/25. Over the past year, as outlined below, we've made meaningful progress across all areas – from strengthening safety and financial resilience, to embedding our organisational values and setting a clear direction for the future through our new strategy.

Objective one: Enhance the safety and quality of our services for children and young people and their families

Embedding a consistent culture of continuous improvement and patient safety

As outlined on page 30, the past year has prompted deep reflection, meaningful change, and sustained action across The Children's Trust. Following two unexpected deaths of children in June and September 2023, we undertook extensive work to understand what happened, what we could learn and to support the coronial process. We took substantial steps to strengthen the safety, responsiveness, and culture of care across our organisation. We focused on learning from what went wrong, listening to families and staff, and embedding improvements into everyday practice.

We have significantly strengthened our monitoring and observation protocols, increased frontline staffing, and introduced 24/7 on-site clinical leadership. We have made a number of improvements to how we listen to families and respond to their feedback, and raised the level of clinical oversight in every house. We also introduced stronger handover and communication processes to ensure staff have the information they need to provide the high standards of care detailed in individual care plans.

Our thoughts remain with the families of the two children. Their tragic loss has driven significant and lasting improvements in how we care for, support, and involve the children and families we work with at The Children's Trust. The changes we've made go beyond policies and procedures; they reflect a meaningful and lasting shift in our culture and the way we work.

Implementing the Patient Safety Incident Response Framework

As part of this work we continued to embed the Patient Safety Incident Response Framework (PSIRF) across the organisation, which shifts the focus away from individual fault and towards understanding broader systemic issues. Teams from different departments worked together to improve how we report, learn from, and respond to incidents. In March 2025, we updated our internal policy and guidance to reflect this approach. We also reviewed and closed past incidents, helping us to identify important lessons and focus staff training where it's most needed.

Quality improvement through experience and feedback

Our Friends and Family Test showed that 92% of the families who responded to the survey said that they "would recommend our service to friends, family or other parents if they needed similar care or treatment". At the same time, feedback highlighted areas where we could improve day-to-day experiences.

In response, we addressed these suggestions in practical ways – for example, one of the key themes raised was food provision for the children and young people. We set up a working group to better understand concerns and implement changes for example around portion sizes and menu options, particularly for younger children.

We also introduced personalised "Hello, my name is..." badges after hearing that some families weren't always sure who was caring for their child. These small but meaningful changes have helped strengthen communication, improve mealtime experiences, and build trust between families and staff.

Developing the Clinical risk register and board assurance

This year we introduced simpler, more joined-up ways of tracking clinical risks and providing oversight across the organisation. We regularly bring together key issues from different teams so they can be reviewed and addressed quickly. We also designed an updated Board Assurance Framework to provide assurance over the management of the charity's biggest inherent risks; a number of which relate to safety and quality of care. Its implementation is in progress starting with identifying the key controls and assurance activities already in place and where there may be overlaps or gaps.

Implementing the Electronic Patient Records System

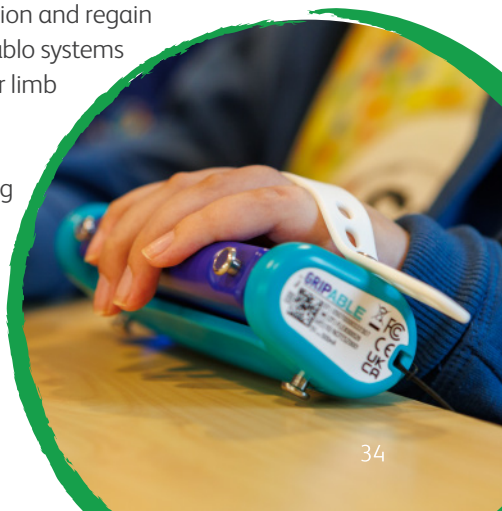
In 2024, we completed the rollout of electronic patient care records across our rehabilitation services. This means that staff can now access and update children's care plans more easily, helping to ensure that everyone involved in a child's care has the most up-to-date information. It's made communication between team members more consistent and reduced the risk of important details being missed. We're now investing in mobile equipment so that staff can update records at the bedside, making it easier to keep information accurate and up to date in real time.

Enhancing safety and clinical governance

We made changes to our nursing and care team structure to strengthen clinical leadership and enhance the safety and quality of our services. Each of our seven houses now has a senior clinical lead and round-the-clock clinical support on site, helping us to provide safer, more consistent care and to respond quickly when needed.

Investing in neurotechnology to improve rehabilitation outcomes

With generous voluntary support, we invested in our neurotechnology programme. This has enhanced our service offer to provide high intensity and increased dosage of therapy. Several pieces of neurotechnology have been introduced to improve rehabilitation outcomes for children and young people. This game-changing equipment used alongside traditional therapy enables children to benefit from high-intensity rehabilitation and regain everyday functions. The Diego and Pablo systems have supported higher intensity upper limb rehabilitation for the re-gaining of everyday tasks such as brushing hair, online gaming and managing dressing fastenings. The Innowalk has provided many children with the opportunity to stand again, when this hasn't been possible with traditional therapeutic equipment such as standing frames.



Objective two:
Strengthen financial stability and sustainability

Financial performance

Financial KPIs	31/3/2025 £'000	31/4/2024 £'000
Total income	36,006	33,613
Total expenditure	34,524	33,070
Year end trade debtors	3,127	3,398
Year end trade creditors	1,230	1,202
Cash and investments balance	6,103	4,325

We ended the year with a surplus, increasing our income by £2.4m to £36m, and limiting the increase in total costs to £1.4m. Our balance sheet position has improved with debtors reducing and strengthening our cash reserves to £6.1m. Careful financial management meant we have not needed to draw down further on our loan facility. This stability puts us in a stronger position to invest in our services and continue supporting children and families who rely on us.

Improved financial governance

This year we strengthened how we manage money and risk across the organisation. We updated key policies to reflect best practice, identify efficiencies, and support long-term stability. These include a new Reserves Policy, which provides a more dynamic view of how the Charity approaches its reserves; and updated Anti-Fraud, Bribery and Anti-Money Laundering policies which will be utilised as part of the Charity's overall fraud risk assessment.

Undertake a strategic property review and options appraisal

We have engaged with a partner to assess the options for the optimal use of the Tadworth estate both in the short and long-term. Consideration was given to the challenges that are inherent in the upkeep of Tadworth manor and surrounding grounds, however it was agreed that with the focus on the delivery of the new strategy there was no urgent need to make any significant changes at this time.

Enhance the transparency of service financial performance

As part of the strategic analysis, a new financial model was created to identify cost to income ratio at a service-level, including a more considered methodology for allocating support costs. This is now being refined to enable it to be used in a more dynamic fashion.

Improve financial reporting and working capital management

The monthly reporting process has been re-engineered to highlight key financial drivers and give users of the reports greater insight into trends and risks. Through the year there has been an increased focus on cashflow management and on engaging with debtors to improve working capital. There is also more of a focus on looking ahead to allow the charity to understand future impact more readily.

Identify and implement process efficiencies

There has been a dedicated focus on several efficiency projects through the year, this includes a significant upgrade to the Fixed Asset Register to provide a more efficient and accurate process and the staff expense process has been updated to be simpler and more efficient.

Develop new voluntary fundraising propositions

We have developed our legacy proposition The Gift of Possible and mailed over 5,000 supporters to inspire them to consider leaving a gift in their will. We have developed our case for support for our neurotechnology appeal and secured a lead gift and multi-year pledge. Our Christmas Appeal – Make Christmas Magical was a positive step towards closer integration and provides important learning as we build our strategic appeals framework.

Objective three:

Continue to develop an inclusive, transparent 'one team' culture at The Children's Trust

Thanks to feedback through our staff surveys and active engagement with colleagues in working groups, we committed to three areas of focus as we continue to develop an inclusive, transparent 'one' team culture.

Embedding our promises

We launched a leadership development programme for 80 of our leaders and managers, focused on bringing our organisational promises to life in everyday practice. These sessions are helping our leaders deepen their shared sense of purpose and strengthen the values-led approach that underpins how we work together across The Children's Trust. Our five promises – Child First, Aim High, Care Deeply, Be Open and Own It – guide how we lead, collaborate and make decisions at every level.

Introduce a Freedom to Speak Up Guardian

The organisation recruited and welcomed its first Freedom to Speak Up Guardian in March 2025. This independent role gives staff a safe and confidential way to raise issues and suggestions to the organisation and to feel heard. The role is linked to the National Guardian's Office, an independent service which supports the Freedom to Speak Up Guardians and shares best practice in creating open and transparent cultures. The guardian also ensures issues and suggestions raised are followed up with actions, recognising the importance of taking action to resolve issues and improve safety, as well as listening. Key themes and trends will be shared with the Senior Leadership Team each quarter and trustees on a six-monthly basis to support organisational learning.

Wellbeing and engagement

We took a closer look at how we support staff wellbeing and engagement, carrying out a comprehensive review led by a cross-organisational working group. The review focused on the tools and systems we use to support staff – including wellbeing resources, internal communication channels, and ways for staff to give feedback – with the aim of addressing key issues raised in previous staff surveys. The resulting recommendations are now with the Senior Leadership Team, who will prioritise and implement changes ahead of our next staff survey in October 2025.

Objective four: Setting The Children's Trust up for the future

Thanks to the dedication, professionalism and tenacity of all staff and volunteers, The Children's Trust has pulled through some very difficult times. In 2024/25, the Senior Leadership Team and trustees, with the support of a dedicated strategy taskforce, developed options for the charity's future. We have started wider engagement with colleagues and key stakeholders who will play a crucial role in shaping our operational plans further as we start to implement the new strategy from 2025/26 onwards.

In developing our new strategy and vision for 2030, our promises were at the forefront of how we approached this work. The needs of children and young people with brain injury and neurodisability and the support needed for their families are at the heart and will determine the pace of change we will deliver in the next five years.

Engaging children, young people and their families

We set out to engage children, young people, and their families in developing what we stand for. A range of methods are used within the organisation to obtain regular feedback on what we do and how we do it which shapes our thinking at a strategic level. These include the School Council, School Parent Forum and the 'Have Your Say' group. We have a Children and Young People Experience Forum which looks at all the feedback we receive, identifies themes and learning.

Funding was received from Surrey Youth Focus to undertake the Unheard Voices project to shine a light on the voices of children, young people and families that are temporarily resident in Surrey whilst undergoing neurorehabilitation. Learning has identified the need for the organisation to provide more information to families about the local area, especially local places that are known to be accessible in a way that meets their child's needs and transport options. It has also shown that there is considerable scope for collaboration with the local community in finding or putting on accessible activities that would benefit the children, young people and families at The Children's Trust and those in the community with disabilities and additional needs.

Activate specialist expertise and insight to shape our new strategy

Our Board of Trustees and co-opted members to our Board Committees have provided specialist expertise and insight throughout the year to challenge our thinking in developing the strategy, including introductions to other relevant organisations in the wider sector who have provided advice and insights.

Analyse our operating environment

The environment we operate in is constantly changing. We have seen significant external changes over the past year that have informed our need for a dynamic and agile approach. Funding, regulation, inflationary pressures and other external factors will continue to impact our work at pace. In developing the new multi-year organisational strategy, our teams conducted in-depth analysis of our current business model, and the wider health and education landscape. Through this work we have identified opportunities for The Children's Trust to adapt to deliver the biggest impact for children and young people with acquired brain injury and neurodisability.

As the external environment continues to change, we are adapting and flexing our approach, including aligning our work with the NHS's Fit for the Future 10 Year Health Plan, ensuring our strategy reflects national ambitions around community care, digital transformation, health equity, and partnership with the third sector.

Seek external input to challenge our thinking

In 2024, The Children's Trust convened a Risk Summit under the NHS England framework to seek support and guidance from the wider health and social care system. The summit focused on reviewing and strengthening the medical model of care within our residential settings, as well as examining the monitoring and observation practices in place for children and young people. This collaborative initiative proved to be a valuable exercise, helping to identify and address systemic barriers while facilitating access to expert advice. As a result, we have initiated ongoing engagement with key partners, fostering continued dialogue and shared learning to ensure the highest standards of care and clinical oversight.

In The Children's Trust School, we have proactively engaged colleagues, parents and carers, as well as external stakeholders, and our challenge partners are helping us to develop the school curriculum in readiness for changes in the regulatory framework.

We continue to horizon scan and gather market intelligence as part of our engagement with the wider system and on potential opportunities for collaboration as well as any competition for new service offerings. Throughout the process, we have continued to engage with our regulators, partners, statutory and voluntary funders to understand their objectives and how we can best work together to support children, young people and their families.

During the year, the Board has been engaged in and approved the charity's 2030 strategic vision.

The business plan being developed will ensure resources are directed to those areas which will have the biggest impact on the achievement of our strategic objectives, including the effective management of internal and external risks. Each strategic objective will have a clear owner, and an executive steering group to oversee strategic execution and operational delivery.

Our strategy and goals

As we look to the year ahead, we are entering a new phase for The Children's Trust – one that will shape the way we respond to the growing and complex needs of children with brain injury and neurodisability across the UK.

Thanks to the resilience and dedication of our staff, volunteers and supporters, over the past year, we have achieved financial stability, strengthened our foundations, and created the conditions for real progress. We are now poised to take our next steps with confidence and ambition.

Too many children across the country still miss out on the specialist rehabilitation they need. This year, we are launching a new five-year strategy that sets our direction to 2030. It is grounded in need, informed by experience, and shaped by the insight of those who deliver and receive our services every day.

Our vision is clear:

to be the UK's leading provider of neurorehabilitation for children with brain injury and neurodisability, delivering world-class outcomes for children, young people and their families through our innovative technology, compassion and expertise.

To help us get there, we will focus our energy on five goals:

Goal 1 Delivering safe, effective and high-quality services

Goal 2 Enhance and expand our neurorehabilitation services

Goal 3 Future-proofing our education offer

Goal 4 Investing in our people

Goal 5 Strengthening our finances

Goal one
Delivering safe, effective and high-quality services

- We will continue to provide personalised, child-centred care for children, young people and their families.
- Continuous learning and improvement will remain central to how we work.
- We will strive for clinical excellence in line with best practice and regulatory requirements.
- We will seek strong relationships with external stakeholders and partners to ensure that our services benefit from integration with the wider health and social care systems.
- Design and strengthen integrated end-to-end pathways for children and young people with acquired brain injury and neurodisability that help families transition from hospital to home.

Goal two
Enhance and expand our neurorehabilitation services

- We will increase our impact and reach through enhancing and expanding our neurorehabilitation services.
- We will invest in neurorehabilitation, testing and seeking out where we can have the greatest impact.
- We will grow our capacity at our National Specialist Neurorehabilitation Centre to ensure we are supporting the children who need us most.
- We will manage the natural transition (at 18/19 years) of the children and young people we currently support in school residential placements ('our Children's Home') so that we can create greater capacity for much needed neurorehabilitation placements.
- We will explore, test, and develop new services where we are well placed to use our expertise.
- We will continue to invest in and provide unrivalled access to the most innovative neurotechnology to improve outcomes for children and young people.
- We will strengthen our community-based rehabilitation.

Goal three
Future-proofing our education offer

The Children's Trust School provides outstanding education to children with complex needs. To help the school to continue to flourish and thrive in the future, we will:

- Explore options so that The Children's Trust School may operate independently in the future.
- Work together with suitable partners to put in place a fit-for-purpose business model and funding arrangements that allow the school to connect to the wider education system and infrastructure.

This will allow the school to grow its reach and impact in the years to come.

Goal four
Investing in our people

Our ability to deliver exceptional rehabilitation, care, and education relies on our people. Together, we will create a culture of excellence and inclusivity to be an employer of choice.

- We will continue to invest in staff development to ensure we attract and retain a skilled, supported workforce ready for our future service model.
- We will invest in the mental health and wellbeing of our colleagues.
- We will roll out leadership development programmes, create opportunities for learning and progression, and nurture a culture of openness, inclusion, and ambition.

Goal five
Strengthening our finances

To sustain and scale our work over the next five years, we will strengthen our finances by ensuring our services are fundable and our resources focused on growing and developing services where we can make the greatest impact to children, young people and their families.

We will:

- Grow our income through business development of health-funded, specialist neurorehabilitation placements, growing existing services and testing and developing new services.
- Deliver targeted communications to promote and support the wide range of our work and deliver strategic fundraising appeals to grow our income over the next five years.
- Launch an appeal to support our ambition around neurotechnology – offering children the chance to move, communicate and connect in new and meaningful ways.

Our promises – to put children first, to care deeply, to aim high, to be open, and to own it – will guide us through this next chapter. Reaching our new goals will be a gradual journey. But with a clear vision, a shared sense of purpose, and incredible people behind us, we will shape a stronger future for the children and families who need us most.

Trustees' duty to promote the success of the charity – section 172 Statement

Trustees have a duty to act in good faith to promote the success of the charity for the benefit of its stakeholders and in doing so are required by section 172 of the Companies Act 2006 to have regard for various specific factors including:

The likely consequences of any decision in the long-term

All the work we do at The Children's Trust is designed to support children, young people, and their families to live the best life possible – today, and in the future. In 2024/25, we began shaping our new five-year strategy. This process is helping us respond to a changing external landscape – from growing demand for our services and pressures in the wider healthcare sector, to advances in rehabilitation and education – so we can focus our resources where they'll have the greatest long-term impact.

Our values and organisational 'Promises' guide how we work and the decisions we make. Our trustees and Senior Leadership Team regularly review strategic plans to make sure our direction is sustainable and in line with what matters most to the children and families we support – and that our organisation is financially and operationally equipped to meet our future needs. We make decisions supported by careful financial planning and oversight to make sure that our services stay strong, stable, and sustainable. This ensures that every step we take today strengthens our ability to support children and families far into the future.

Decisions about our future strategy

Having restored financial stability in 2023-24, a key focus for trustees and the Senior Leadership Team this year has been to define and develop our new, longer-term vision and strategy. Although our finances are in a much stronger position now, we know we need to address some of the underlying challenges in our business model that pose a threat to longer-term sustainability. Simultaneously, we are passionate about finding ways to increase our reach and social impact.

Throughout the year, the trustees and Senior Leadership Team have held many discussions, examining the external threats and opportunities alongside the strengths and weaknesses of our current business model and services. In agreeing our risk responses, including those opportunities we wish to pursue, our primary concern has been, and will continue to be, the care, safety and wellbeing of the children, young people and their families who depend on us.

We have also committed to investing in the future of our 'outstanding' education provision, The Children's Trust School. Our new strategy envisages the school may operate independently from the charity going forward. We believe this will give the school greater operational freedom and access to wider resources from across the education sector, helping it to thrive. It will also allow the charity to reduce regulatory complexity and to focus on the growth of new and existing services.

The interests of the charity's employees

A key focus of our strategy is our approach to our people – how we look after, motivate, and develop our employees and volunteers and create a sense of being part of something special.

In developing our new vision for 2030, a strategy task-force was established inviting members of the operational leadership team to input into the process and providing an opportunity to raise any concerns. We also wanted to test our new vision with the wider workforce before agreeing concrete objectives and business plans. We convened a series of 'all-staff' meetings and engagement opportunities to share our strategic thinking and to seek feedback. Overall, employees were receptive and enthused by what they heard. However, for some colleagues, particularly in our school, we acknowledge there is greater uncertainty at this time, and we are committed to engaging, listening and supporting as we explore the options to future-proof the school.

During 2024/25 we also undertook a significant restructure of the nursing and care directorate with the objective of ensuring the right level of support, leadership and governance is in place to meet the needs of the children and young people in our care. We consulted with staff on the changes, listened to feedback and amended our plans as appropriate. We worked hard to ensure that the decisions we made on staffing and services were taken with our promises in mind.

We continue to offer a range of communication channels to ensure staff are kept up to date and can raise any concerns they may have. Notably in March 2025, we appointed a new Freedom to Speak Up Guardian. The guardian is committed to identifying and addressing barriers to speaking up, to support an open and transparent culture where everyone feels safe to raise concerns and make suggestions for improvements, without fear of reprisal. The Freedom to Speak Up Guardian follows up to ensure that concerns are listened to and that there is appropriate learning from cases.

We know that organisational change can introduce uncertainty for our colleagues and takes time to implement effectively. We would like to thank all our staff and volunteers for their continued commitment, professionalism, and resilience.

The need to foster the charity's relationships with suppliers, customers, and others

We recognise that the charity can only succeed if our relationships with referrers, funders, donors, and key suppliers continue to thrive.

We remain thankful to our loyal supporters and philanthropists who continue to show their generosity through funding our vital work or giving their valuable time and expertise. Their dedication to the charity means we can continue to be here for children and young people with brain injury and neurodisability.

Our partnerships with local authorities and other funders are extremely important to us too. We have engaged with our partners on our new strategy and appreciate their support and commitment as we embark on this period of organisational change. We are proud of the difference our services make to our beneficiaries and are grateful to our funders for recognising our unique proposition and the value we bring.

The impact of the charity's operations on the community and the environment

We operate from our national specialist centre in Tadworth, nestled among 26 acres of mature trees and gardens. We are a service organisation which relies heavily on the NHS supply chain and employs a primarily local workforce. As such we have an inherently low carbon footprint and low environmental effect on the local community. Our retail portfolio adds social value providing volunteering opportunities that create a sense of purpose and community. It prevents thousands of preloved items from going into landfill, helping financially stretched families to buy clothing, toys, books and baby equipment. We are committed to minimising the environmental impact of our activities wherever we can. The charity's impact on the local community and wider environment will remain a key consideration as we roll-out our new strategy.

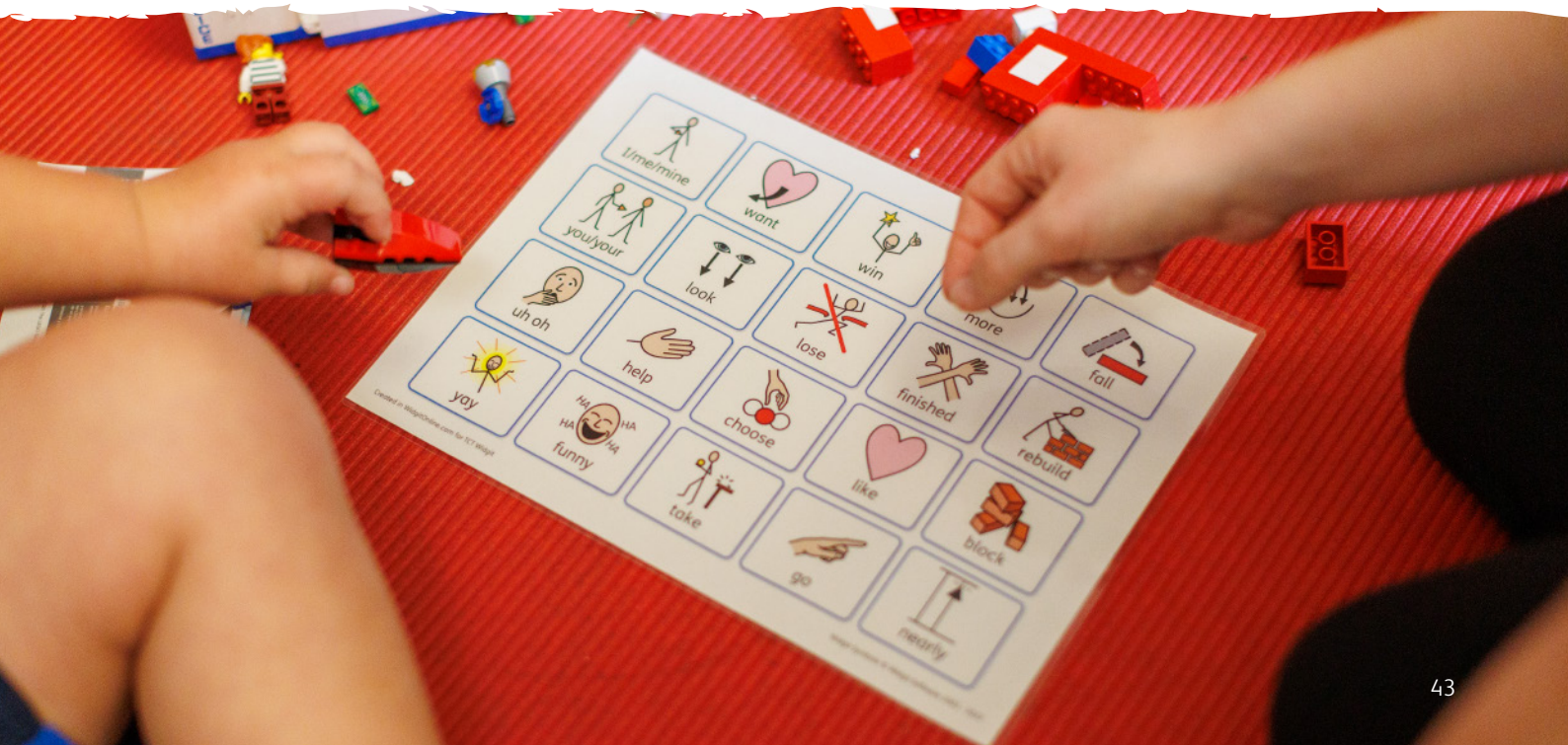
The desirability of the charity maintaining a reputation for high standards of business conduct

We believe that maintaining a reputation for high standards of service delivery and business conduct is fundamental to the long-term success and viability of the charity. We keep this in mind in everything we do from recruitment and training, the setting of policies and procedures, the choice of suppliers and partners we work with, the level of risk we are prepared to accept to the governance and monitoring arrangements we put in place. We are committed to organisational learning and improvement whenever we fall short of our own standards.

In 2024/25, 92% of families who completed our 'Friends and Family test' would recommend The Children's Trust to friends, family and other parents who needed similar care or treatment. This year we have introduced a new Clinical Governance Department which includes a Patient and Family Experience and Patient Safety role. The department is responsible for ensuring that the voices of both children and families are embedded at all levels of the organisation and that there is a consistent process for making sure feedback and concerns are escalated and acted upon.

The need to act fairly between members of the charity

The organisation, being a charitable company limited by guarantee, does not have shareholders and its members are limited to the trustees, who are directors of the company. All trustees have an equal voice in key decision-making.



How we work

The people who work and volunteer with us are the heartbeat of The Children's Trust. Whether providing specialist care, supporting services, running events or helping in shops, their dedication makes everything we do possible.

Our staff

In 2024/25, we increased the number of frontline staff and employed 641 people compared to 623 people in the prior year. Like many in health, education and care, we face ongoing challenges in recruiting and retaining skilled staff. We've successfully responded by expanding recruitment – including international hires – and invested in training, apprenticeships and career development.

Over the year, we welcomed more than 55 sponsored staff, mainly in nursing, care and therapy roles. We've also supported staff to grow their skills through on-the-job training and formal qualifications. Some are working towards nursing or therapy roles through apprenticeships, while others are developing their careers in areas like finance and administration.

Staff engagement and wellbeing remains a key priority, and to strengthen a positive and supportive working environment, we introduced a Wellbeing Working Group alongside a new Leadership Development Programme for managers, which launched in April 2025. We also appointed a Freedom to Speak Up Guardian to help foster a culture of openness and support. All staff are now required to complete FREDIE and neurodiversity training. FREDIE stands for Fairness, Respect, Equality, Diversity, Inclusion and Engagement and helps build an inclusive culture and aims to promote a respectful working environment.

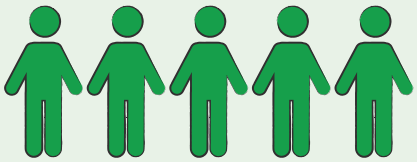
Our volunteers

Volunteers are a vital part of our work. In 2024/25, 1,519 volunteers supported us in roles ranging from fundraising and retail to school-based and behind-the-scenes support.

Retail and event volunteers alone contributed over 3,600 hours each month. Others helped with driving, admin and activities such as our Pets as Therapy programme. We welcomed 30 school work experience students and continued to support Duke of Edinburgh placements.

1,519

volunteers supported us in roles ranging from fundraising and retail to school-based and behind-the-scenes support.



>3,600

hours were contributed by retail and event volunteers alone.

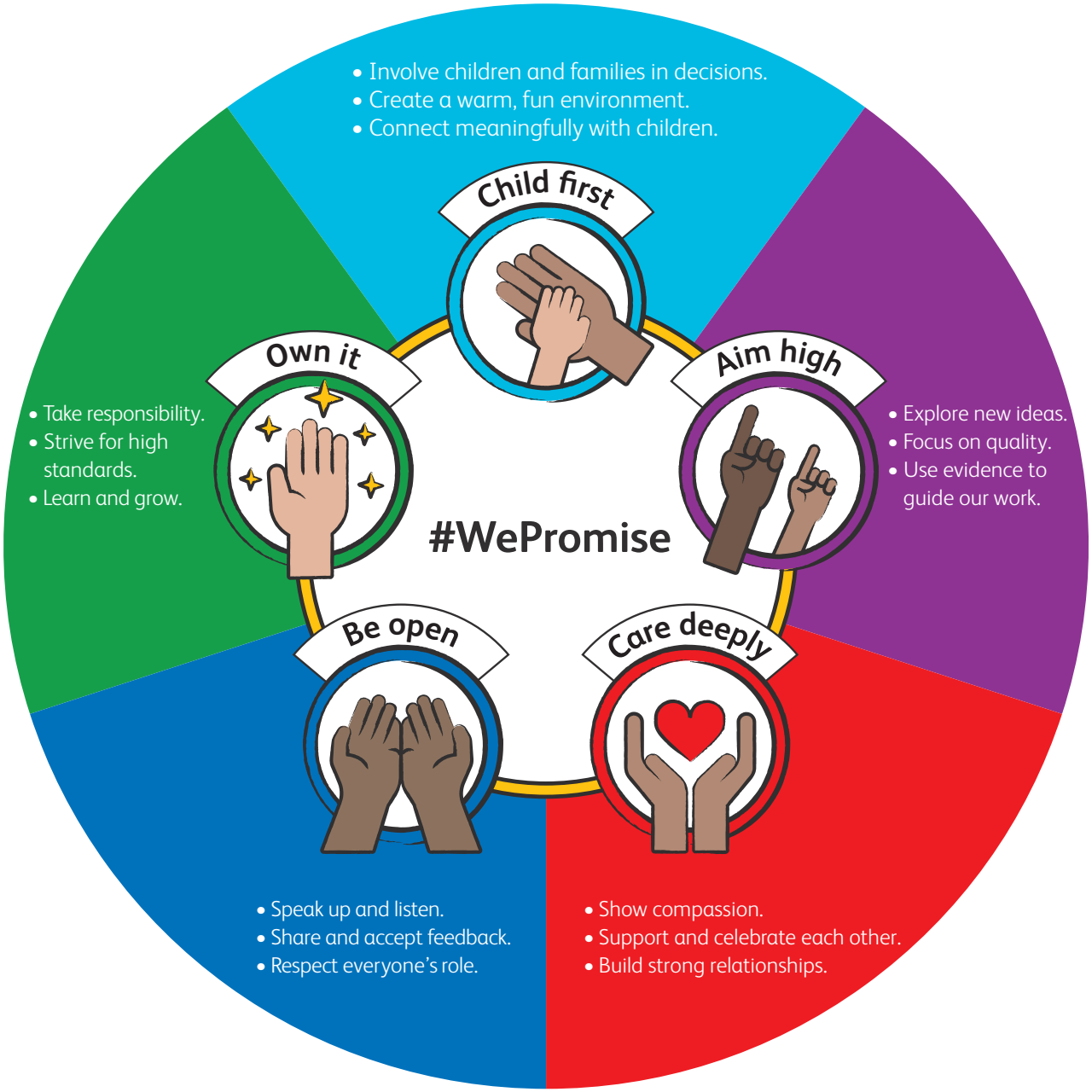
Samuel received rehabilitation at The Children's Trust in 2015, and this inspired him to volunteer and give back. Samuel's mum, Karen, shared: "Being part of something bigger is essential for all of us. While I can't speak for Samuel, as the patient, he has always been the centre of attention – but volunteering shifted the focus to someone else, creating a sense of shared purpose.

Since he was four, everything has revolved around his treatment and recovery. Volunteering allows him to be part of something bigger – a small piece in a much larger effort, working alongside others to make a positive impact. That's something truly special."

> "Volunteering allows him to be part of something bigger"

Our culture and Promises

Our values, known as Promises, reflect the kind of organisation we strive to be – caring, open, ambitious and child-focused. Created with staff, volunteers and families, they guide our everyday work and relationships.



Our Promises help ensure The Children's Trust remains a place where people are proud to work, volunteer and receive care.

How we generate income

Statutory income

In 24/25 £29.1 million (23/24 £27.4 million) of the charity's income came from:

- Rolling, multi-year contracts for the residential and day school children who can be supported by us from the age of two to 19 years
- Our block contract with NHS England for the rehabilitation of children with the most complex needs following their brain injury.
- Placements funded primarily by Integrated Care Boards (ICBs), foreign embassies or, in some cases, privately.

We also receive a grant from NHS England ('NHS England Children's Hospice Grant') to contribute to the operating costs of delivering palliative care services to children and young people. In 2024/25 we received £320k (2023/24 £314k).

We also received a capital grant of £21k in 2024/25 (£20k in 2023/24) from the Department for Education in respect of The Children's Trust School.

Voluntary income

We are so incredibly grateful to everyone who gives their support to The Children's Trust. Donors, organisations and volunteers, through gifts of money and time or by donating goods to our charity shops, raised a total of £6.1m in voluntary income in 2024/25 (£5.4m in 2023/24).

The generosity and kindness of our supporters makes our work helping children and young people with brain injury possible.

This year our fundraising and retail shops, accounted for 12% and 6% (2023/24: 10% and 7%) respectively of total income generated by the charity (total of 18%) despite continuing financial pressures and high inflation.

Each and every one of our supporters is important to us whether you have given for the first time this year or have been supporting our work for many years. We appreciate every gift no matter how large or small.

Fundraising and retail income enables us to fund core costs and to invest in our future through funding capital expenditure that is critical to providing a safe and nurturing environment for children and young people with brain injury and neurodisability. This helps us to create a unique and homely environment and purchase specially adapted equipment and lifechanging neurotechnology. Thanks to our supporters we can continue providing services such as accommodation for parents so they can stay with their child, play and music therapy, and adapted transport so children can attend hospital appointments and access the outside world. We also rely on voluntary funding to provide our critical online information service and UK-wide Community Rehabilitation Service.

Thanks to our incredible supporters our fundraising income was a total of £3.9m in 2024/25 (£3.0m in 2023/24). Thousands of people got involved in so many ways from giving donations, to taking part in fundraising activities including clay pigeon shooting, Morris dancing and our squad of 50 runners taking on the London Marathon.

Our 14 retail shops across Surrey, Sussex and Kent raised £2.2m (£2.4m in 2023/24). Over 500 volunteers helped to accept, sort and sell thousands of preloved items. From fashion, bric-a-brac and children's toys, our team helped find items a new home and prevented tonnes of goods from going into landfill. Our income saw a reduction from 2023/24 with significant loss of trading in Sevenoaks due to a fire, and staff shortages and shop repairs leading to lost trading opportunities across the portfolio.

Our principal fundraising activities are focused across seven areas:

1	A chain of shops and online retail selling new and donated goods;
2	Soliciting gifts from trusts, foundations, and statutory partners;
3	The solicitation and stewardship of donations from supporters or as entries to our lottery or raffles being paid either by regular gifts or as cash gifts;
4	Leaving a legacy, supporters leaving a gift in their Will;
5	Running our own events and entering individuals into third party events and activities;
6	Building partnerships with businesses, schools, community groups and other organisations to support them in raising money on our behalf;
7	Supporting individual members of the public to conduct their own fundraising activities in aid of The Children's Trust.

Significant donations from foundations & philanthropists

We are sincerely grateful for both the financial contributions and the enduring relationships we have built with our public and private foundation and philanthropic supporters. During the year we have been able to call on these relationships when needed. We are continually inspired by our supporters' generosity. This year many extended their impact through matched giving appeals, and one donor showed exceptional support by converting an earlier loan into a donation, waiving all planned repayments.

We are delighted to share that The Steel Charitable Trust has continued to support us with a grant towards core running costs across the organisation. Gifts like this mean we can keep the engine of the organisation running - from the front-line staff to the back office, every part has kept moving.

The Peter Harrison Foundation released the final £30k instalment of a three-year grant towards our music therapy programme which helps children and young people enjoy music whilst developing or regaining skills such as eating, talking, and walking following a brain injury. Multi-year commitments from donors like these are critical to us achieving our strategic goals. They ensure consistent resources, support long-term initiatives and strengthen our organisation resilience. We continue to value and be thankful for these relationships.

A lasting legacy

The Children's Trust was founded on a legacy. Caring for children at Tadworth Court in Surrey began in 1927 when Peter Reid left a legacy of £20k to create a country branch of Great Ormond Street Children's Hospital. Gifts in Wills are incredibly important to us, and we would not survive and grow without the thoughtfulness of those who leave these gifts. In 2024/25 we received £442k from generous supporters who left a lasting legacy so that we can continue to be there for the children who need us.

Supporter highlights

We are very grateful to all the companies who supported our work across the year through donations, employee volunteering, gifts in kind and raising awareness of our work. In 2024/25 we were delighted to have been supported by Fidelity and its employees, they raised and donated £31k in 2024/25 and we look forward to continuing to work together in 2025/26. We were also thrilled to be supported by Bucher Municipal, who as part of their centenary celebrations, raised an incredible £95k through auctioning off one of their road sweepers. We also thank all our supporters who came to our Winter Festival, took part in our Elf Fun event, Christmas Raffle or donated to our Christmas Appeal, through these activities we raised £107k.

Kingswood Supporter Group

The Kingswood Supporter Group was established in 2000 by a group of three local women and has since grown to 12 members. Every year they have organised a fundraising event for the benefit of The Children's Trust from fashion shows and sponsored walks to lunches and gala dinners. In 2011 their Savoy Ball was attended by over 350 people and raised a staggering £66k and in 2014 a black-tie dinner at the Shard raised almost £34k. The Kingswood Supporter Group's 2024 Spring Lunch raised an impressive £6k. They have raised over £300k since they began fundraising for us and we are extremely grateful for their ongoing support. With their 25th year in 2025, we were delighted to celebrate their silver anniversary at a spring lunch at the Kingswood Golf Club.

The Friends of The Children's Trust

Established 40 years ago as an independent charity, The Friends of The Children's Trust stemmed from the original fundraising team of The Children's Trust. Their dedicated committee has worked tirelessly to raise money through events, and by inspiring the local community to get involved.

In 2024/25, The Friends of The Children's Trust agreed to merge with The Children's Trust. We're incredibly grateful for everything the volunteers on the committee and all those who supported them have achieved, most recently they have generously funded summer outings for the children and young people we support.

Financial performance and position

Overview

The charity concluded the financial year in an improved position, reporting a net surplus of £1.5m. This outcome not only exceeded initial expectations but also marked a notable £3.5 million improvement compared to the previous financial year. The result not only allows us to move towards our target level of reserves but also represents a tangible milestone in the charity's improvement plan, which was implemented to address both operational efficiency and long-term financial sustainability.

The core Charitable Services delivered income of £36.0m, an increase of £2.4m from the previous year, highlighting not only the ongoing high demand for our services but also the continued efforts of the Business Development team in securing essential fee increases. These negotiated increases were critical in ensuring that the charity could continue to provide its services at the expected quality level, despite broader economic pressures and rising operational costs.

Fundraising income, including from the charity's retail portfolio, increased by £0.6m to £6.1m in the year. This upward trend in fundraising income reflects the ongoing efforts of the Fundraising team, as well as public support for the Charity's mission and its demonstrated impact.

Expenditure remains tightly controlled, balancing the need to deliver high quality and safe services whilst aiming to build back up the charity's reserves. Total expenditure has only increased 4% in the year, to a total of £34.5m. Due to the nature of the work that the charity undertakes, staff costs will always represent a high share of the total cost base and as such is susceptible to increases in wage inflation and payroll taxes. In order to retain and attract staff the Charity is required to align to professional pay scales (e.g. NHS, Teaching) for the majority of the workforce, which therefore means externally applied increases need to be recouped through negotiated fee increases.

Reserves

As of 31 March 2025, the charity's reserves stood at £19.4m (2023/24 £17.9m), these reserves are made up of several distinct components. £0.1m (2023/24 £0.06m) relates to Restricted Funds, £0.07m relates to Endowment Funds, and £15.4m is designated to represent Fixed Assets. With no revaluation needed in year of the Tadworth Court estate, the Revaluation reserve remains as £1.3m.

In the year it was agreed that the £1.8m figure that represents the balance on the Department of Health and Social Care grant made in 1995 in relation to Tadworth Court was not restricted and instead is part of the unrestricted total. Overall, the Charity's Free Reserves are now £2.5m, an increase of £1.3m in the year.

The current target range of free reserves is £3.9m to £7.5m, as such the 2024/25 figure of £2.5m remains below the target, with our intention to move into this range over the course of the 5-year strategic period.

Reserves Policy

The Reserves Policy outlines the purpose, calculation, and management of the charity's reserves. The reserves are held to meet working capital needs, cover unexpected expenses, manage income shortfalls, and invest in future opportunities. We define free reserves as unrestricted funds available for general use, excluding fixed assets, designated funds, and restricted or endowment funds. The Finance, Investment & Resources Committee oversees reserve levels, ensuring they align with the charity's financial strategy.

Our policy sets out a structured approach to calculating reserves, dividing them into two levels. Level 1 reserves cover operational risks, including income shortfalls, budgeting errors, and financial uncertainties such as staffing costs and property maintenance. Level 2 reserves focus on strategic investments necessary for future growth. The charity considers external economic conditions, contractual funding risks, and unexpected financial pressures when determining its target reserve levels. The Trustees review and adjust reserve targets based on financial assessments and external factors.

Going concern

Background

In accordance with the Charities Statement of Recommended Practice (FRS 102), the Trustees are required to assess the charity's ability to continue operating as a going concern. This assessment ensures that the financial statements are prepared on a realistic basis and reflects management's confidence in the charity's future viability.

As part of this assessment, Trustees have considered all available information about the charity's financial position, strategic direction, and operational capacity for at least 12 months from the date the financial statements are signed.

In response to previous financial challenges, the charity entered into a recovery plan in the 2022/23 financial year. The plan was designed not only to safeguard the continuity of essential services but also to improve the long-term sustainability of the charity. Key actions included securing necessary increases in service fees and undertaking a comprehensive internal restructure to reduce inefficiencies and enhance the effectiveness of the operational model.

Operational Performance and Position

These interventions have proven effective, with the charity delivering two consecutive years of surplus: £0.6 million in 2023/24 and £1.5 million in 2024/25. The performance has strengthened the charity's financial base, resulting in increased Free Reserves and improved overall liquidity. As of 31 March 2025, the charity also remains in compliance with its loan covenants and retains access to a £1.5 million loan facility from Charity Bank and Big Society Capital, which provides an additional layer of financial contingency. Strategic cash flow projections indicate ongoing compliance with covenant requirements over the next five years.

Cash Flow Analysis

A future cashflow forecast has been completed to support the development of the charity's future strategy. This forecast incorporates anticipated changes in residential care services, projected growth in residential rehabilitation, and the related staffing requirements.

The analysis demonstrates positive cash generation for at least 12 months after the date of signing the accounts, and indeed across the strategy period. However, it highlights a sensitivity to fee increases, which are necessary to offset projected wage inflation – the primary driver of cost increases in future years.

External Factors

The external operating environment remains complex. The restructuring of NHS national bodies and the continued delegation of responsibilities are expected to create administrative challenges. Nonetheless, these changes also present opportunities for closer collaboration with the Integrated Care Boards, which will be integrated into the charity's evolving strategic priorities.

Future Expectations

For 2025/26, the charity has budgeted for a modest surplus of £0.1 million, reflecting the anticipated early impact of the new strategy. This conservative projection demonstrates the charity's commitment to financial realism while remaining forward-looking.

Conclusion

Taking into account current financial performance, cash flow projections, strategic planning, and external conditions, the Trustees are satisfied that the charity has adequate resources to continue operating for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Investment Policy

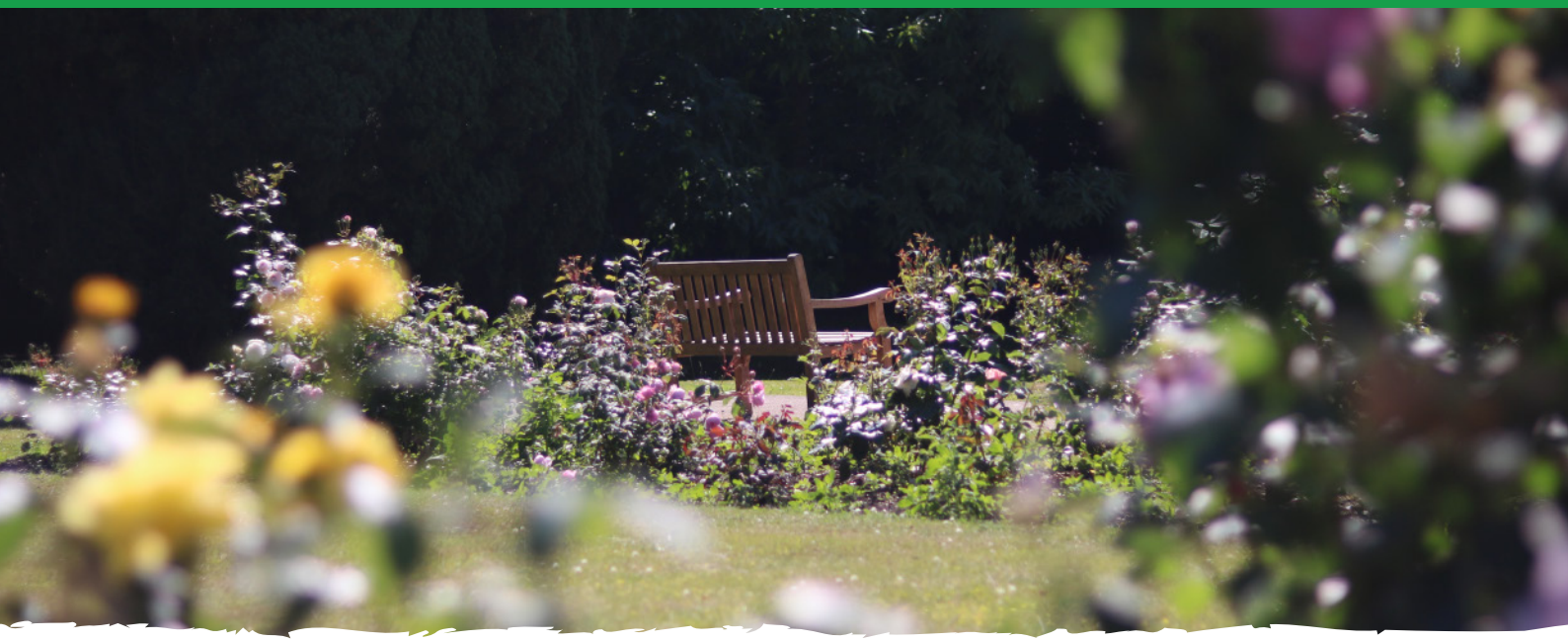
The charity maintains a carefully considered Investment Policy, which guides the investment of surplus reserves. The overarching objective of the policy is to at least preserve the real value of the charity's assets over time. This is achieved by targeting a total return (capital growth plus income) of Consumer Price Index (CPI) + 3.5% per annum, net of fees.

Rather than focusing on short-term income generation, the charity takes a balanced approach that aims to deliver both income and long-term capital appreciation. The investment horizon is set as long-term, defined as more than five years. This allows the charity to invest in a diversified portfolio that is more likely to yield stable, sustainable returns while managing risk prudently.

The day-to-day responsibility for managing investments rests with external investment managers, currently Rathbones. However, strategic oversight lies with the Finance, Investment & Resources Committee, which ensures that investment decisions align with the charity's ethical guidelines, financial goals, and mission-driven purpose. Performance reports from Rathbones are reviewed regularly, and adjustments to the portfolio are made as needed in response to market developments and changes in the charity's financial outlook.

In the year to 31 March 2025 our investment assets rose by 3.5% (2.6% after charges). This was in line with the average charity return from the ARC Steady Growth Universe of 2.7%. The return can be split into capital and income with 2.5% coming from income. Over the period we received £55k in income and there were no withdrawals. Over the last three years our fund has gained 8.8% (6.3% net) which was just behind the average return from the ARC Steady Growth Universe of 7.8%.

US equities initially led markets driven by the technology sector but much of this was given back towards the end of the period following competition from the Chinese company Deep Seek in Artificial Intelligence and on fears of Tariff proposals from President Donald Trump. At the same time European equities picked up on the prospect of increased spending by European governments on armaments and infrastructure.



Principal risks and uncertainties

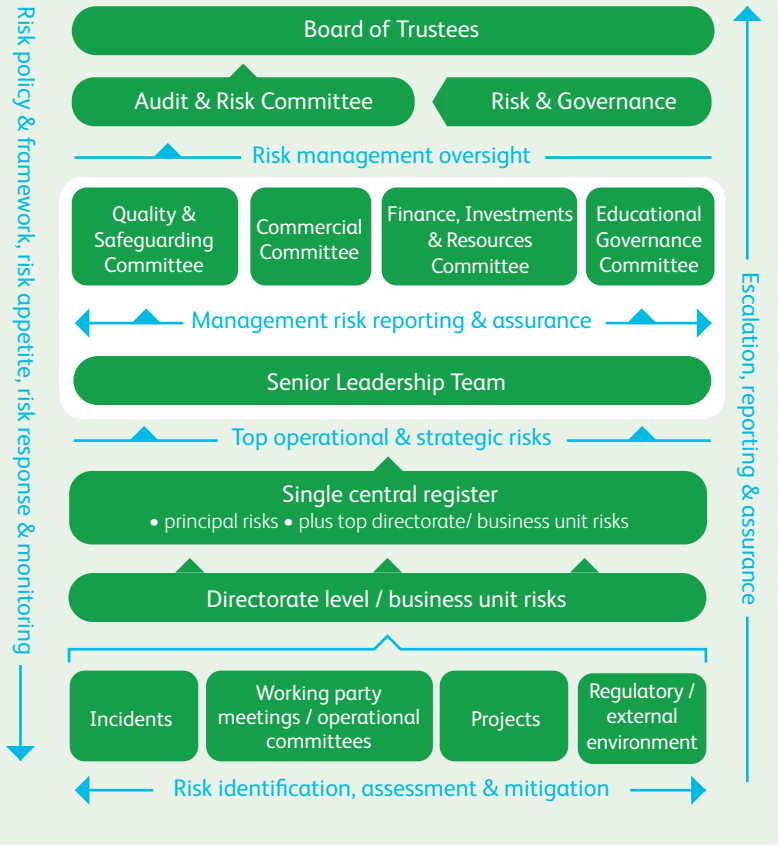
The following sets out the Board's assessment of the charity's principal risks at the time of writing, alongside the control measures and mitigations in place to manage them to within an acceptable level.

Our approach to managing risk

Risk is characterised as the effect of uncertainty on objectives. Uncertainty can arise from many sources including internal compliance breaches, system failures and human error, and external disruption. At The Children's Trust, we care for some of the most vulnerable and medically complex children and young people in society, many of whom have life-limiting conditions. Our number one objective is to provide high-quality, safe and effective services to these children and young people. Our approach to managing risk is to strive for excellence in all aspects of care and service delivery, achieving the highest levels of externally validated assurance, and ensuring we learn and improve if we fail to meet our high standards.

Another fundamental objective is the long-term sustainability of the charity. Being able to fulfil our purpose and increase our reach and impact is conditional on us maintaining a highly skilled, highly motivated workforce and on ensuring our services are financially viable. There are a number of risks arising in the external environment which threaten these core objectives. Our approach to managing these risks focusses on increasing organisational preparedness, agility and resilience.

Our risk governance framework



Our risk governance framework

The Board is ultimately accountable for the management of the charity's principal risks but it delegates some of its risk management oversight to its sub-committees for specific areas of risk which are outlined in their respective terms of reference.

The Audit & Risk Committee provides assurance and oversight to the Board on the continued development of the overall system of internal control in line with the Board's risk appetite and supported by the Risk & Governance team.

Risk assurance

During the year, the Audit & Risk Committee has supported the Board in understanding how risk might change as the new strategy moves into implementation and what level of mitigation and assurance may be appropriate. With an evolving risk landscape and bold new strategy, it's increasingly important that our Senior Leadership Team and trustees have reliable, evidence-based assurance that the charity's responses to risk are robust and effective.

The Board Assurance Framework has been reviewed and internal assurance activities assessed to identify areas where the level of assurance may need to be strengthened.

Risk management and reporting

In 2024, the Risk & Governance team developed a new SharePoint-based risk management tool enabling senior and operational leaders to identify and assess risks and capture the controls and risk mitigations using a common framework. The Risk & Governance team meet regularly with the senior leadership to discuss existing and emerging risks and the effectiveness of controls in place to mitigate them. Those risks with a high residual score are escalated for review at meetings of the Senior Leadership Team and presented at each board sub-committee meeting. Each risk recorded in SharePoint is assigned a risk category which allows risks to be aggregated, informing the reporting of principal risks to the Audit & Risk Committee and Board.

As part of the development of our new strategy we undertook SWOT and PEST analyses examining risks in the internal and external environment and evaluating potential risk responses.

External Risks

Objective of risk response:
increase agility, preparedness and resilience

Key:
- Risk is increasing
- Risk is static
- Risk is decreasing

Goal 1	Delivering safe, effective and high-quality services
Goal 2	Enhance and expand our neurorehabilitation services
Goal 3	Future-proofing our education offer
Goal 4	Investing in our people
Goal 5	Strengthening our finances

Risk	Mitigations
Political and macro-economic HIGH	Link to goals 1 3 4 5
Further increases in employment taxes or public sector pay awards will increase financial pressure and, if unfunded by our commissioners, may lead to operational deficits. Changes in immigration policy and the hiring of overseas workers could adversely impact our ability to recruit or retain our valued international nurses and carers. A deterioration in the economy could lead to a decline in voluntary income, increases in procurement costs and reduced referrals from those who commission our services in the NHS and Local Authorities.	We closely monitor changes in government policy and seek to recoup associated cost through our income contract negotiations. Our Reserves Policy, approved by the Board, sets ranges of financial contingency and uses for reserves. Our financial planning budgetary control and forecasting processes are aligned with and monitored against this policy. We have robust financial controls to limit overspends and to provide early warning indicators of risks to cash and liquidity.
NHS strategy and commissioning landscape MOD	Link to goals 1 5
The delegation of national specialist commissioning to ICBs and the recently announced reshaping of NHS national bodies of NHS England could impact the volume of referrals we receive and/or the income we can achieve. There could also be adverse impacts on cash flow due an increase in aged debt and on central support costs as more resource is needed managing and responding to more ICBs.	We are developing a clear and coherent commissioning and ICB engagement strategy and will focus on demonstrating the charity's value proposition and social impact through powerful impact data and reporting. We have robust controls in place around billing and credit control and maintain sufficient levels of cash to manage peaks and troughs in receipts.
Market disruption and new service providers MOD	Link to goals 1 4 5
We are aware of some potential disruption to the market in which we operate from a potential new, privately funded service provider. This may increase risk around the recruitment and retention of highly-skilled clinical staff, which in turn would directly impact the ability to maintain a safe service for the children who need us. Opportunities may include collaboration for mutual benefit.	We will continue to monitor developments closely and develop strategies to retain our workforce. Our focus will be on establishing the charity's competitive point of differentiation and investing accordingly. We will also seek to diversify income streams as far as possible.

Internal Risks

Objective of risk response: reduce the likelihood and potential impact

Risk	Controls / Mitigations
Avoidable safety/ safeguarding incidents MOD	Link to goals
Delivering safe, effective quality services is our primary objective. We want to avoid failures in our policies, practices and governance that cause harm to children and young people or to our staff. In the long-term, the effect of the transition away from residential care and successful implementation of the new strategy is expected to reduce clinical risk overall. However, we also want to avoid any increase in risk to children and young people during this period of organisational change.	We regularly review and update our policies, procedures, training, and competency-based assessments to ensure they are aligned with clinically accepted best practice and are fully embedded. Our frontline staff receive regular competency-based training satisfying all mandatory training requirements and clinical competencies specific to the cohort of children and young people at The Children's Trust. We held a Risk Summit in 2024 to seek external system input into our clinical policies and practices, and we welcome external challenge through regulatory inspections and quality assurance visits from our partners and commissioners. During the year we undertook a nursing and care restructure focussed on strengthening leadership, supervision and support for staff. We have also increased frontline staffing levels and tightened up our policies and practices around monitoring and observations.
Recruitment, Retention & Well-being MOD	Link to goals
Whilst many staff are excited about the new strategic direction, for others it will be another significant period of organisational change and uncertainty, in particular for our school staff. A number of the existing workforce risk factors around pay and the scarcity of paediatric healthcare professionals with a specialism in neurorehabilitation remain. Some of the new services may introduce new critical dependencies but these are expected to be low in number. Positively, the increased specialism creates an opportunity for the charity to think creatively about its recruitment and retention strategy in future. Separately, aligned with the broader national picture, we have seen a rise in the number of complex mental health cases. Investing in the well-being of our staff and volunteers and ensuring we have adequate policies and processes in place, is critical to avoiding harm and to the achievement of our wider strategic objectives.	There are regular management meetings to monitor establishment and anticipate workforce shortages in a timely manner. We have processes in place to manage and minimise attrition including learnings from exit interviews. We adopt an international recruitment strategy when we cannot fill vacancies from the local market and this has proved very successful historically. We have an outsourced Occupational Health Service and refer staff to this service when needed. We also offer an Employee Assistance Programme and have in place a Mental Health Crisis Procedure. We are working at pace to agree a strategy for the school and to provide certainty for staff.
Financial Control and Liquidity MOD	Link to goals
In the long-term we expect that our new strategy will reduce risks to financial sustainability from the levels we see today. However, our modelling does anticipate deficit years, earlier on as we make the transition. One longer term change to inherent risk is greater income volatility. Our new business model will be more reliant on short-term placements and spot contracts, albeit the reduction in predictability of income is off-set by higher expected margins. We expect demand and available funding for our specialist rehabilitation services to remain strong and have identified a number of opportunities for growth in new services. At the time of writing the future educational offer is uncertain but options are being actively identified and explored. This could present both risks and opportunities for our financial modelling.	Key financial controls include clear delegation of authority from the Board to the Senior Leadership Team, clear budgetary accountability, monthly management accounts, 12-month cash-flow forecasting and quarterly reforecasts. As part of our strategy development and financial modelling we undertook sensitivity analysis and have reviewed our reserves policy to ensure we maintain sufficient liquidity throughout the transition to our new service model.

Risk	Controls / Mitigations
Strategic execution and organisational change MOD ↑	Link to goals
The new strategy will require significant change across the entire organisation. There is a risk that we won't have sufficient capacity or the capability to deliver such significant strategic change effectively alongside day-to-day operational activities. Conversely, we need to ensure that the focus on strategy and organisational change does not undermine the quality of our systems, processes controls and governance for maintaining safe and effective services.	Our business plan will include key milestones and KPIs which will be regularly monitored by management and trustees. Our Workforce Plan which is in development, will identify key people dependencies and skills gaps and will ensure there is sufficient organisational capacity and adequate capability to deliver strategic projects whilst maintaining high-quality operational standards. The Quality & Safeguarding Committee will lead on the oversight of safe, effective, high-quality care during our strategic transition.
Cyber Security MOD –	Link to goals
The level of cyber threat facing organisations globally remains high. A major cyber-attack impacting the charity either directly or indirectly, could lead to loss of confidentiality, integrity or availability of critical personal, financial and business data and subsequently major business disruption and reputational damage.	We have a suite of information security and data protection policies in place, overseen by our Information Governance Committee. In 2024 the Director of Resources commissioned an external, pro-bono Cyber Essentials Plus assessment. We continue to invest in security measures and cyber defences, proportionate to the level of risk we face, including anti-virus and malware detection software, multifactor authentication across our corporate network and systems, regular vulnerability scanning and penetration testing, system back-ups and disaster recovery plans, due diligence on IT suppliers and data processors. We have an outsource arrangement in place with a specialist firm for 24/7 security, incident and event management services.
Major Business Interruption MOD ↓	Link to goals
We operate from a single, campus-style site in Tadworth. Prolonged outages of critical services such as power and telecommunications, or local major incidents (including pandemics) affecting the ability of our staff to come in to work, have the potential to cause significant business disruption, undermining the quality and safety of our services.	During the year, the Risk & Governance team have reviewed and updated our Business Continuity Plan, Major Incident Plan, Emergency Procedures File and Contacts. Post-year end the team has also facilitated two desktop crisis simulations with some of the Senior Leadership Team and other staff members to test our planning and preparedness. We have made significant investment in upgrading our back up power generators, improving resilience in the event of a major, prolonged outage. Our focus for 2025 will be to strengthen our relationships with external partners so that in the rare but plausible event that we needed to urgently evacuate our entire site, or that there was a local major incident, arrangements for a coordinated, system-wide response would be in place.

Environmental, social and governance

The Environmental, Social and Governance section of this annual report outlines the charity's commitment to sustainable and responsible practices. In a rapidly evolving regulatory landscape, we recognise the critical importance of managing our environmental impact. This section outlines our achievements in energy efficiency over the year 2024/25.

Streamlined energy and carbon report (SECR)

Reporting period: 1 April 2024 to 31 March 2025.
Methodology: All the SECR data requirements for unquoted 'large' companies have been met, and the energy consumption and emissions are reported below.
This includes UK consumption of electricity, gas and transport fuels where the organisation is responsible for the fuels. The methodology used to calculate emissions is the GHG Reporting Protocol Corporate Accounting and Reporting Standard (2022). UK Government greenhouse gas emissions conversion factors for 2022 have been applied.
Scope 2 emissions from purchased electricity have been calculated using reported consumption data from our energy provider.

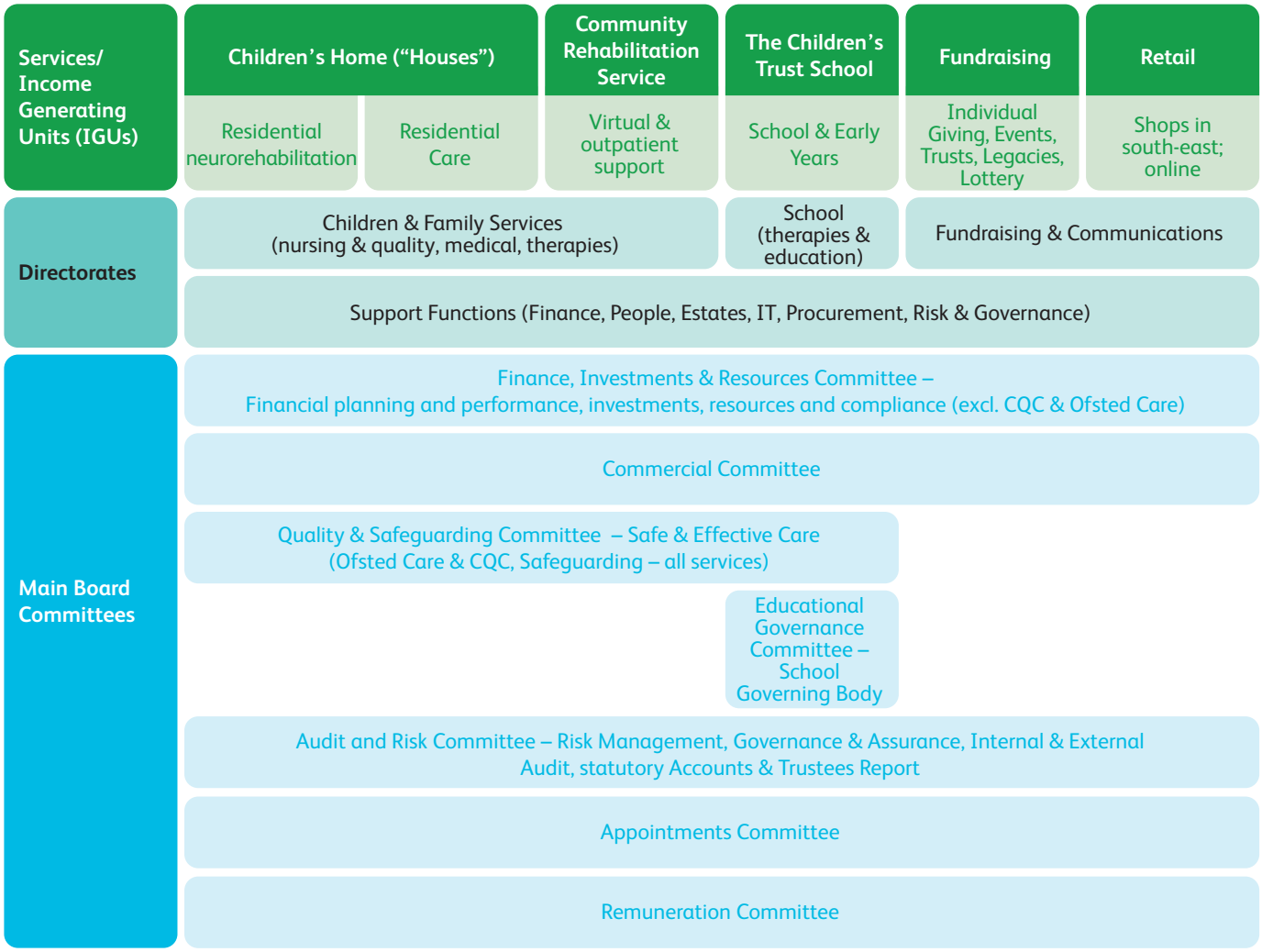
Third party verification			
No third party data verification of the emissions data has been carried out			
Reported emissions (and carbon offsets)			**tonnes CO2e**
	2024/25	**2023/24**	**2022/23**
Total gross emissions (scope 1, 2 and 3)	403.2	395.3	422.3
Total direct and indirect emissions (scope 1 and 2)	393.2	382.5	413.3
Total direct (scope 1) emissions	160.6	181.9	193.2
Direct emissions (scope 1) stationary combustion	139.2	131.0	137.6
Direct emissions (scope 1) mobile combustion	21.4	50.9	55.6
Direct emissions (scope 1) from transport mobile combustion	21.4	50.9	55.6
Direct emissions (scope 1) from other mobile combustion	0.0	0.0	0.0
Direct emissions (scope 1) from agricultural sources	0.0	0.0	0.0
Total indirect emissions (scope 2)	232.6	200.5	220.1
Indirect emissions (scope 2) from electricity	232.6	200.5	220.1
Total other indirect emissions (scope 3)	10.0	12.8	9.0
Other indirect (scope 3) emissions from business travel	10.0	12.8	9.0
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	10.0	12.8	9.0
Energy consumption			**kWh**
Total energy consumption used to calculate emissions	1,909,410	1,954,528	2,071,267
Energy consumption, combustion of gas	685,696	655,072	668,162
Energy consumption, electricity	1,089,586	1,031,077	1,132,085
Energy consumption, combustion of transport fuel	134,128	268,379	271,020
Energy consumption, other	0	0	0
Intensity ratio	**tCO2e/sqm**	**tCO2e/sqm**	**tCO2e/sqm**
Intensity ratio	0.028	0.027	0.029
The reported emissions intensity ratio is the total gross emissions (scope 1, 2 and 3) per Square Meter of Total floor area.			
Intensity ratio based solely on mandatory data	True		

Energy efficiency action report

1	Our total energy consumption has seen further reductions against the previous two years.
2	Our owned fleet remained static in the year with one addition of an ev car in the last two months of the year.
3	Lighting replacement/ upgrades to LED continued under operational expense during the period.
4	Accommodation has run at nearly full capacity throughout the year.
5	We have maintained 14 retail units throughout the year.
6	While our grey fleet usage has increased, overall transport fuel usage had seen a significant drop.
7	Gas usage has increased against the previous year which is attributed to a greater heat requirement with June to September recording cooler temperatures against the previous year.
8	Electricity consumption has seen a slight increase on the previous year.
9	The intensity ratio is reflective of the total floor area of the estate.
10	The data in this report is understood to be accurate at time of writing.
11	Electrical consumption data for Redhill is estimated due change in unit data is currently not available.

Organisational structure and governance

The Children's Trust is a charitable company limited by guarantee, incorporated, and registered in the UK and governed in accordance with its Articles of Association.



The charity's organisational and governance structure is designed to support the effective management and oversight of its three key income generating activities, being:

- Residential neurorehabilitation and disability services at Tadworth Court, including a children's home for pupils at The Children's Trust School;
- The Children's Trust School
- Fundraising, Retail and Communications.

Board of Trustees

The Children's Trust is governed by the Board of Trustees who are also the charity's directors under company law. The Board ordinarily meets six times a year, with the chief executive and other members of the Senior Leadership Team in attendance. Each meeting follows a core set of agenda items, allowing trustees to hear from and challenge management on business performance and outlook and to have oversight of governance, risk, and compliance matters. In addition, a rolling board agenda builds in strategic checkpoints, governance reviews, risk deep dives and operational spotlights at key points throughout the year.

In line with our governing document, trustees are appointed via ordinary resolution of the Board and may serve for a period of nine years with the option to stand for re-election annually thereafter, for a maximum of three further 12-month terms. When

recruiting and appointing trustees, we look for individuals who can provide strategic leadership and expertise across our key services and disciplines of nursing, care, education, therapy, and fundraising and who can support and bring effective challenges to the Senior Leadership Team on business strategy, clinical governance, quality and safeguarding, finance, governance, risk, and regulatory compliance. Like many charities, we recognise the importance of board diversity and are committed more broadly to the principles of equity, diversity, and inclusion from 'board to floor.'

All trustees follow a dedicated induction programme and complete mandatory refresher training across key areas of risk and compliance, such as safeguarding, health and safety, infection prevention control and information governance annually. We set high standards of professional conduct and integrity for our trustees and conflicts of interest are regularly reviewed.

During 2024/25, there were two new trustee appointments, and we also appointed three co-opted, non-voting committee members to further increase the breadth and depth of knowledge and skills at our key governance meetings.

The Trustees delegate the day-to-day running of the charity to the CEO and the Senior Leadership Team.

Indemnity insurance

All trustees have the benefit of a qualifying third-party indemnity provision as defined by section 234 Companies Act 2006. The charity purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its trustees (Premium 2024/25 £10k, 2023/24 £10k).

Given the breadth of sectors we operate across, the Board delegates some of its key functions and responsibilities to a number of specialist committees as follows.

Quality & Safeguarding Committee

This committee provides structured and systematic oversight of the organisation's clinical governance, risk management and safeguarding policies and procedures. It holds management to account for compliance with key regulations and statutory guidance, including the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014; Care Quality Commission (Registration) Regulations 2009; and The Care Standards Act 2000, and provides assurance to the Board over the same. The committee met six times in 2024/25.

Educational Governance Committee

This committee has delegated authority to act as the de facto 'governing body' of The Children's Trust School. The scope and objectives of the committee are informed by UK legislation and statutory guidance from Department for Education. The committee's role is to hold the school leadership team to account for the educational performance, internal organisation and management and control of the school, including the performance management of staff. The committee met four times in 2024/25.

Finance, Investments & Resources Committee

The primary purpose of this committee is to support the Board in ensuring the charity manages its finances (including investments), human resources, estates and facilities and IT responsibly and ethically in pursuit of its charitable purposes. The committee met six times in 2024/25.

Commercial Committee

During the year we established a new Commercial Committee to ensure there was sufficient strategic oversight of income generation. The committee's primary purpose is to support the Board in ensuring the Charity manages and maximises its statutory, voluntary and retail income generating activities and that the Charity's practices are responsible, effective, efficient and compliant. The committee met twice in 2024/25.

Audit and Risk Committee

The primary purpose of the committee is to provide assurance to the Board on the adequacy of the overall system of internal control, including the risk management framework and the operation of the assurance framework. The Audit and Risk Committee is responsible for oversight of financial reporting matters and integrity of the annual report and accounts. In addition, it is responsible for the appointment and oversight of the external auditor, and for monitoring management's responsiveness to both internal and external audit findings and recommendations. The committee met seven times in 2024/25.

Appointments Committee

The committee's primary purpose is to review board composition and approve new trustee, honorary officer, and Senior Leadership Team appointments. The committee meets once per annum or as and when necessary for new appointments. Some of the committee's business is conducted electronically.

Remuneration Committee

The primary purpose of the Remuneration Committee is to determine employment and remuneration policies and to approve the annual pay review (including the charity's key management personnel). The committee is focussed on ensuring remuneration is proportionate and financially prudent in the context of a sustainable charity operating within the voluntary care sector. We aim to be sufficiently competitive in the employment markets through benchmarking to relevant professional pay scales in order to attract and retain the specialist skills and talent we need. We also endeavour to pay to the National Living wage as a minimum, aligned to the National Living Wage Foundation – Outside London. The Remuneration Committee met four times in 2024/25.

Merger of The Friends of The Children's Trust at Tadworth Court with The Children's Trust

During the year, the charity undertook a merger with The Friends of The Children's Trust At Tadworth Court (293862) ('The Friends'). The sole object of The Friends as set out in its Objects & Rules was "for the care, treatment, rehabilitation and relief of sick, physically and mentally handicapped children and other persons and the prevention of illness, disability, disease and infirmity by providing financial assistance and support to The Children's Trust". The Friends were unable to continue operating due to a lack of volunteers.

At its EGM on 16 July 2024, the board of The Friends passed a special resolution to dissolve the charity. The Friends' assets, comprising cash of £3,492, were subsequently transferred to The Children's Trust on 10 and 11 September 2024. The Friends had no liabilities and held no property at the time of the merger.

Equity, Diversity & Inclusion

At The Children's Trust we are committed to a culture of equality and inclusivity, and this is reflected in how we recruit, develop and support colleagues right across our organisation. We welcome applications from people living with disabilities, individuals from diverse ethnic backgrounds and those from other under-represented groups. We also make workplace adjustments where staff acquire or develop disabilities during their employment with us.

SPARK is the staff Equality, Diversity and Inclusion (EDI) network at The Children's Trust, set up in 2020, to progress the charity's commitment to place EDI as integral to our strategy. The group has spent the past year reflecting on and revisiting our principles, and through this process, we have assessed our existing frameworks and actively sought to enhance our initiatives. This has included inviting external speakers to run engagement sessions, an example being Mark Francis from the Uspire Group who spoke about the definitions of Equity, Diversity and Inclusivity and what they mean to The Children's Trust. In order to take the programme forward, we are currently reviewing the resource requirements, to ensure this group has the framework to be effective.

We have introduced two new e-learnings for all staff. FREDIE (Fairness, Respect, Equity, Diversity, Inclusion, Engagement) and Neurodiversity in the Workplace, which aim to promote a respectful working environment.

The Worker Protection (Amendment of Equality Act 2010) Act 2023 mandates employers to take reasonable measures to prevent sexual harassment within the workplace. In light of this, ACAS has delivered in-person training Sexual Harassment Training sessions for two cohorts: the Senior Leadership Team and other senior leaders. Four additional training sessions are scheduled for June 2025. The Learning and Development team is currently piloting a more extensive presentation addressing harassment and bullying in general, with a view to rolling out across the organisation over the coming months.

Fundraising practices

As a member of the Fundraising Regulator scheme, The Children's Trust operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising.

Fundraising programmes are compliant with the Institute and our own Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes.

At the time of writing, the Fundraising Regulator has published guidance on the updated Code of Fundraising Practice, we will be training staff and reviewing our policies to ensure compliance with the new code ahead of its implementation on 1 November 2025.

The charity also operates a whistleblowing policy and a complaints policy and process. It is also registered with the Gambling Commission for the purposes of running a lottery and conducting a supporter raffle through the post.

The charity's Supporter Promise is available on our website and outlines our commitment to working to high standards. This confirms our commitment to abiding by the Fundraising Preference Service and the Mail and Telephone Preference Services and to comply with all relevant laws and standards.

During 2024/25, we engaged one commercial participator; Sterling, who are the external lottery manager for The Children's Trust lottery. We monitor their compliance and there were no incidents to report in 2024/25.

We worked with our telemarketing partner DTV Optimise who called current and past supporters to ask them to increase their gift value or set up a new regular gift or to play our lottery to help us hit our vital fundraising targets and meet our increasing needs. Every call they made was recorded, which enabled us to monitor these calls every week – no concerns were raised during 2024/25 (2023/24 = none).

We take a robust approach to handling donor complaints and welcome feedback from supporters and the public. During the financial year 2024/25, 100% of complaints were investigated (2023/24 = 100%).

Fundraising complaints:

Complaints in relation to fundraising activity (those in relation to retail operations):

- 2024/25: 12 (retail 10)
- 2023/24: 10 (retail 9)

There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office, or any other regulatory body.

Public benefit

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit in delivering its activities during the year and when reviewing the charity's aims and objectives and in planning future activities. We continue to assess our work against the principles of public benefit, ensuring transparency, accountability, and alignment with our charitable purpose.

Statement of trustees' responsibilities

The trustees (who are also directors of The Children's Trust 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). Statement of trustees' responsibilities Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity's Statement of recommended practice (SORP)
- Make judgements 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

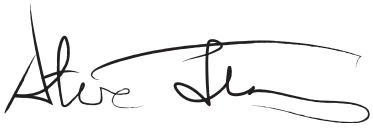
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees also confirm that, in the case of each of the persons who were directors at the time of reporting and as far as each trustee was aware, there is no relevant audit information of which the charity's auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

In accordance with Sch 7.1A of Companies Act 2006, the directors point out that they have chosen to disclose information required under Sch 7.11(1) and Sch 7.11B(1) of Companies Act 2006, within Section 172 statement in the Strategic Report (pages 41-43).

On behalf of the Board



Steve Flanagan
Chair of Trustees

26 September 2025

Further information

Reference and administrative details

Trustees

The following individuals were directors of the company during the reporting period:

Stephen Flanagan
Chair of Trustees
Commercial Committee (Chair)
Remuneration Committee (Chair)
Appointments Committee (Chair)

Fiona Sheridan
Vice Chair of Trustees
Finance, Investments & Resources Committee (Chair until September 2024)
Audit and Risk Committee (Chair from November 2024)

Timothy Davies
Finance, Investments & Resources Committee
Audit and Risk Committee
Educational Governance Committee
Appointments Committee

Denise Matthams
Quality & Safeguarding Committee (Chair)
Appointments Committee
Resigned 12 August 2025

Toby Mullins
Educational Governance Committee (Chair)

Nigel Scott
Finance, Investments & Resources Committee (Chair from November 2024)
Audit and Risk Committee (Chair until September 2024)
Appointments Committee
Remuneration Committee
Resigned 1 August 2025

Marian Ridley
Quality & Safeguarding Committee

Rory Litherland
Finance, Investments & Resources Committee
Remuneration Committee
Whistleblowing Champion
Appointments Committee

Christina Brookes
Whistleblowing Champion and EDI Steering Group
Resigned 29 July 2024

Trustee appointments

Helen Hewitt
Educational Governance Committee
Commercial Committee
Audit & Risk Committee
Appointed 31 May 2024

Helen Farmer
Quality & Safeguarding Committee
Commercial Committee
Appointed 31 May 2024

Trustee appointments post year-end

Deborah Ralls
Appointed 19 May 2025

Richard Guest
Appointed 19 May 2025

Senior Leadership Team

The following individuals were members of the Senior Leadership Team during the reporting period:

Mike Thiedke
Chief Executive

Michael Maddick
Director of Resources

Sian Thomas
Director of Nursing and Quality
Resigned 5 July 2024

Michelle Martin
Director of Fundraising and Communications

Steve Harris
Finance Director

Dr Vijay Palanivel
Medical Director and Senior Consultant in Paediatric Neurodisability

Melanie Burrough
Director of Therapies and Director of Education

Olivia Rowntree
Company Secretary, Head of Audit, Risk & Governance
Appointed 14 May 2024

Bethan Eaton-Haskins
Interim Director of Nursing and Quality
Appointed 30 July 2024

Director of Nursing and Quality
Appointed 7 March 2025

Company Secretary

Olivia Rowntree

Registered Office

The Children's Trust, Tadworth Court
Tadworth, Surrey, KT20 5RU

Advisers

Co-opted committee members
In August 2024, we appointed the following individuals as co-opted committee members (independent advisers to the Trustee Board's sub-committees).

Helen Cook, Audit & Risk Committee
Ashley Head, Commercial Committee
Resigned 31 August 2025
Bidisha Lahoti, Quality & Safeguarding Committee

Bankers
Lloyds Bank, 4th Floor, 125 London, Wall London, EC2Y 5AS Charity Bank Limited, 82 High Street, Tonbridge, Kent, TN9 1BE

Auditor
Crowe U.K LLP 55 Ludgate Hill, London, EC4M 7JW

Solicitors
Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
RPC LLP, Bridgewater House, Counterslip, Bristol BS1 6BX

Investment Managers
Investec Wealth & Investment (UK), part of Rathbones Group Plc, 30 Gresham Street, London EC2V 7QP

Independent auditor's report

Independent auditor's report to the members of The Children's Trust

Opinion

We have audited the financial statements of The Children's Trust ('the charitable company') for the year ended 31 March 2025 which comprise Statement of Financial Activities, Balance Sheet and Statement of Cash Flow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of 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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' 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 strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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

As explained more fully in the trustees' responsibilities statement set out on page 63, 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 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charity SORP (FRS 102), and [local] tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We also considered the opportunities and incentives that may exist within the charitable company for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of contract and legacy income, valuation of Tadworth Court and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the recognition of contract and legacy income, evaluating the valuation of Tadworth Court, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
2 October 2025

Financial statements

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted General Funds	Restricted Funds	Endowment Funds	2025 Total Funds	2024 Total Funds
Income and endowments from:						
Charitable activities		29,117	-	-	29,117	27,396
– Residential Neurorehabilitation		13,475	-	-	13,475	14,013
– The Children's Trust School and Residential Care		15,426	-	-	15,426	13,276
– Community Rehabilitation Services		216	-	-	216	107
Donations and legacies	2	2,829	626	-	3,455	2,636
Government grants	2a	-	341	-	341	334
Other trading activities	3	2,651			2,651	2,815
Investment income	4	128	-	-	128	80
Other income	5	314	-	-	314	352
Total income		**35,039**	**967**	**-**	**36,006**	**33,613**
Expenditure on:						
Charitable activities	6	29,667	915	-	30,582	28,427
– Residential Neurorehabilitation		13,009	323	-	13,332	12,690
– The Children's Trust School and Residential Care		16,030	591	-	16,621	15,082
– Community Rehabilitation Services		628	1		629	655
Raising funds	6	3,943	-	-	3,943	3,860
Total expenditure	6	**33,610**	**915**	**-**	**34,525**	**32,287**
Gain(loss) on the disposal of fixed assets		2	-	-	2	(128)
Impairment		-	-	-	-	(783)
Net gain/(loss) on investments	14	29	-	4	33	149
Net income		1,460	52	4	1,516	564
Transfer between funds	20a	1,758	(1,758)	-	-	-
Other recognised gains/(losses):						
Loss on revaluation of fixed assets		-	-	-	-	(2,518)
Net movement in funds		**3,218**	**(1,706)**	**4**	**1,516**	**(1,954)**
Reconciliation of funds:						
Total funds brought forward	20	16,037	1,813	66	17,916	19,870
Total funds carried forward	20	**19,255**	**107**	**70**	**19,432**	**17,916**

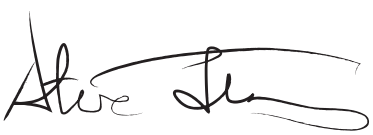
The statement of financial activities includes all gains and losses recognised in the year.
The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

As at 31 March 2025

	Note	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Fixed assets					
Intangible fixed assets	**13**	250		418	
Tangible fixed assets	**12**	16,461		16,204	
			16,711		16,622
Investments	**14**		4,732		2,109
			21,443		**18,731**
Current assets					
Stocks		20		92	
Debtors	**15**	3,713		4,245	
Cash at bank and in hand		1,371		2,216	
		5,104		6,553	
Current liabilities					
Creditors: amounts falling due within one year	**16a**	(3,622)		(3,618)	
		(3,622)		(3,618)	
Net current assets			**1,482**		**2,935**
Creditors: amounts falling due after more than one year	**16b**		(3,493)		(3,750)
Net assets			**19,432**		**17,916**
The funds of the Charity					
Unrestricted funds:	**20a**				
– General funds		2,542		1,172	
– Revaluation reserve		1,308		1,308	
– Designated		15,405		13,557	
			19,255		**16,037**
Restricted funds		107		55	
Fixed Asset Restricted Fund		-		1,758	
Endowment funds		70		66	
			177		**1,879**
Total funds	**20**		**19,432**		**17,916**

The financial statements on pages 69 to 89 were approved by the trustees and authorised for issue on 26 September 2025.
Company Number: 1757875. Charity Number: 288018.



Steve Flanagan
Chair of Trustees

Fiona Sheridan
Vice-Chair

Cash flow statement

For the year ended 31 March 2025

	Note	2025		2024	
		£'000	£'000	£'000	£'000
Net income for the reporting period before gains/(losses) on revaluation		1,516		564	
Cash flows from operating activities					
– Investment income	**14**	(112)		(53)	
– Depreciation	**12**	874		1,130	
– Amortisation	**13**	178		654	
– Impairment		-		783	
– Net (gain)/ loss in market value on investments	**14**	(11)		(132)	
– Decrease in stocks		72		185	
– (Increase)/decrease in debtors		531		(2,362)	
– Increase/(decrease) in creditors		496		353	
Net cash from operating activities			**3,544**		**1,122**
Cash flows from investing activities					
– Investment income received		112		53	
– Proceeds from sale of tangible fixed assets		2		128	
– Investment income reinvested	**14**	(112)		(53)	
– Capital expenditure	**12, 13**	(1,141)		(649)	
– Additional investments made	**14**	(2,500)		-	
Net cash used in investing activities			**(3,639)**		**(521)**
Cash flows from financing activities					
– Repayment of loans	**16b**	(250)		-	
– Loan converted to donation	**16b**	(500)		(250)	
Net cash flow from financing activities			**(750)**		**(250)**
Change in cash and cash equivalents in the reporting period			(845)		351
– Cash and cash equivalents at the beginning of the year			2,216		1,865
Cash and cash equivalents at the end of the year			**1,371**		**2,216**
Analysis of cash and cash equivalents					
– Cash at bank and in hand			1,371		2,216
Total cash and cash equivalents			**1,371**		**2,216**

The £2.5 mil additional investment made refers to a transfer into money market accounts (note 14).

i. Reconciliation of net debt	At start of year	Cash Flows	Cash Flows	At end of year
Cash	2,216	(845)	-	1,371
Overdraft facility repayable on demand	-	-	-	-
Net cash and cash equivalents	**2,216**	**(845)**	**-**	**1,371**
Loans falling due within one year	(750)	250	243	(257)
Loans falling due after more than one year	(3,750)	-	257	(3,493)
Net debt	**(4,500)**	**250**	**500**	**(3,750)**

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements – for the year ended 31 March 2025

1. Accounting policies

The Children's Trust is a Charitable Company limited by guarantee. The address of the Trust's principal place of business is given on page 90 of this report. The nature of the Charity's operations is set out in the Trustees' Report.

1.1 Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities unless otherwise stated in the relevant accounting policy note.

These financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP), Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), together with the reporting requirements of the Companies Act 2006 and the Charities Act 2011. The presentation currency of these financial statements is sterling.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Preparation of the accounts on a going concern basis

In accordance with the Charities Statement of Recommended Practice (FRS 102), the Trustees have assessed the charity's ability to continue as a going concern. This assessment supports the preparation of the financial statements on a realistic basis and reflects confidence in the charity's future operations. The review has considered the financial position, strategic direction, and operational capability of the charity for at least 12 months from the date the accounts are signed. There are no material uncertainties that exist that would cast significant doubt on the Charity's ability to continue as a going concern.

In response to earlier financial challenges, the charity implemented a recovery plan during 2022/23. This plan focused on long-term sustainability and continuity of services through key actions such as increasing service fees and restructuring operations to reduce inefficiencies. These measures have delivered positive results, including two consecutive years of operating surplus: £0.6 million in 2023/24 and £1.5 million in 2024/25, which have significantly improved the charity's financial resilience.

As at 31 March 2025, and projecting forward for the coming 5 years the charity is expected to remain in compliance with all loan covenants. Until February 2026 the Charity also continues to have access to a £1.5 million loan facility from Charity Bank and Big Society Capital. Cashflow forecasting has been carried out alongside the development of the charity's new strategy, indicating continued positive cash generation. However, this is sensitive to the successful implementation of necessary fee increases, particularly in light of anticipated wage inflation.

Externally, the operating environment remains challenging. Upcoming structural changes within the NHS, including the abolition of NHS England and increased delegation to Integrated Care Boards (ICBs), are expected to cause short-term disruption but may offer new opportunities for strategic collaboration in the longer term.

The charity has budgeted for a modest surplus of £0.1 million in 2025/26, reflecting the transitional phase of the new strategy. Based on the above considerations, the Trustees are confident that the charity has adequate resources to continue operating and have therefore prepared the accounts on a going concern basis.

1.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have 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' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Contract income is recognised in line with the delivery of the service and is accrued or deferred where required when cash is received in advance or arrears of service provision.

Legacy income is recognised in the accounts when entitlement is established, receipt is probable, and the amount can be reliably measured. For pecuniary legacies, this occurs when the charity is named as a beneficiary for a specified amount in a Will, a formal notification has been received, probate has been granted, and the estate's value is confirmed to be sufficient to meet the gift.

For residuary legacies, income is accrued once the charity has a copy of the Will confirming it as a beneficiary, probate has been granted, and the net estate value is known. To reflect the potential for changes in asset or liability values during estate administration, 80% of the estimated value is recognised on a prudent, cautionary basis.

Specific legacies (such as gifts of property or valuable items) are accrued at 80% of the estimated valuation provided by executors, to allow for selling costs and potential market fluctuations. Conditional legacies, including life interest and contentious legacies, are only recognised when the condition for entitlement is definitively met. Until such conditions are satisfied, these legacy gifts are disclosed but not accrued.

Funds received for capital projects are accounted for as restricted income. The treatment of the assets provided

depends upon the restrictions imposed by the grant. If the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

Donated professional services and donated facilities are recognised as income when the charity has control over the item.

On receipt, donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Where support costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in note 7 to the accounts.

Any irrecoverable VAT is included as part of the cost to which it relates.

1.5 Fund accounting

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

Designated funds are set aside by the Trustees out of unrestricted general funds for specific future purposes.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

Endowment funds are funds where the assets must be held by the charity, principally in the form of investments.

Income from endowments is included in income, either restricted or unrestricted, in accordance with the terms of the endowment.

Any capital gains or losses arising on the investments are allocated to the related fund. Further explanation of the nature and purpose of each fund is included in note 20.

1.6 Fixed assets

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and stated at cost or valuation less depreciation.

During 2022/2023 the accounting policy for Tadworth Court, Freehold Land and Freehold and leasehold buildings valuation moved from a cost to a revaluation model.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold land	Not depreciated
Tadworth Court	Not depreciated
Freehold and leasehold property	4%
Plant and office furniture and equipment	20%
Residential houses furniture and equipment	20%
Computer equipment	33%
Motor vehicles	25%
Motor vehicles – vans	14%
Motor vehicles – minibuses	13%

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

Assets in the course of construction are carried at cost less any identified impairment loss. Depreciation commences when the properties are ready for their intended use.

Intangible fixed assets

Intangible assets (costing more than £1,000) are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Assets in the course of construction are carried at cost less any identified impairment loss. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	33%

1.7 Tadworth Court

This balance represents the freehold of Tadworth Court. It houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at its market value and is revalued every three years unless there are material reasons to revalue more regularly. The Trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which is required to preserve or prevent deterioration is capitalised when it is incurred.

1.8 Investment

Listed investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in subsidiaries are held at cost less provision for impairment if any.

It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising. As a result the SOFA does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings, as they are both treated as changes in the investment portfolio throughout the year.

Movements in value arising from investment changes or revaluation and the profit on disposal of investments have been charged or credited to the funds to which they relate.

1.9 Stock

Stock is stated at the lower of cost and net realisable value. Shop stocks are held for resale.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Income is accrued in relation to fees due but not invoiced as at year end. Other Debtors includes funds due from Gift Aid, the lottery and legacies (where no invoice will be raised). All aged debts are reviewed at the balance sheet date and any considered irrecoverable are written off, however with the large majority of counterparties being institutional bodies the rates of write-offs are very low.

1.11 Pension costs

Some clinical and teaching employees are covered by the provisions of the NHS Pension Scheme or Teachers' Pension Scheme (TPS). Other staff are able to join the charity's defined contribution pension scheme. The employer contributions are included within resources expended and represent the amount of contribution payable to the schemes in respect of the accounting period.

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multiemployer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the Statement of Financial Activities being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1.12 Operating lease payments

Total payments under operating leases are charged to the SOFA on a straight line basis over the lease term.

1.13 Consolidation

The Children's Trust Trading Company Limited did not trade during the year. This company has not been consolidated as in the opinion of the directors it is not material to the group's results. Thus the information within these financial statements is presented as an individual undertaking.

1.14 Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The most significant of these are: (i) Properties – Properties are revalued every 3 years using market experts. The valuation of Tadworth Court as at 30 March 2024 which was obtained from an external surveyor, the policy of revaluation means that there has been no change in this value for the year 2024/25. (ii) Cost Allocations: The allocation of support costs is made across all charitable activities, they are allocated proportionate to the total amount of direct costs from each charitable activity (iii) Residuary legacies – There is uncertainty in the value of residuary legacies recognised due to the time lapse between when probate has been granted and when the final distribution is made. Residuary legacies are accrued at 80% of total value to reflect this uncertainty.

1.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.16 Creditors

Creditors 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 are recognised at their settlement amount. Accruals are made for late invoices and any others we are aware of incurring that relate to the period. Other creditor balances include March payroll pension liabilities due in the following month and Children's Funds (their pocket money). Deferred income is mainly Set Up fees – the amounts we hold for each child for specific equipment, etc. plus fundraising income for events in the following financial year. Social Security and other taxation is the March payroll deductions and employer

contribution due to be paid in the following month. Loans includes any donor loan repayment instalments due in the next 12 months.

1.17 Financial instruments

The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income, social security and other taxation liabilities, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 15 and 16 for the debtor and creditor notes.

The long-term loan received from Charity Bank and Big Society Capital bearing a market rate of interest which meets the qualifying criteria set out in section 11 of FRS 102. It is recognised at its transaction value, being the principal amount advanced.

1.18 Employee benefits and redundancy

The cost of short-term benefits, such as accrued holiday, are recognised as a liability and an expense. Termination payments are comprised of voluntary and compulsory redundancy and also settlement scheme payments. Payments are recognised in staff costs once they are quantifiable and upon communication of intention to pay.

1.19 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.

2. Donations and legacies

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Donations	2,387	549	2,936	2,032	354	2,386
Legacies	442	77	519	250	-	250
Total donations and legacies	**2,829**	**626**	**3,455**	**2,282**	**354**	**2,636**

2a. Income from Government grants

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
NHS England Palliative Care	-	320	320	-	314	314
DFE Capital Grant		21	21	-	20	20
Total Government grants	**-**	**341**	**341**	**-**	**334**	**334**

Charity shop gift aid is included in donations.
There are no unfulfilled conditions which would require the repayments of any grants.

3. Other trading activities

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Events	283	-	283	293	-	293
Charity shops	2,245	-	2,245	2,410	-	2,410
Lottery	123	-	123	112	-	112
Total other trading activities	**2,651**	**-**	**2,651**	**2,815**	**-**	**2,815**

4. Investment income

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Dividends and interest	106	-	106	53	-	53
Bank interest	22	-	22	27	-	27
Total investment income	**128**	**-**	**128**	**80**	**-**	**80**

5. Other income

	Unrestricted £'000	Restricted £'000	2025 Total £'000	Unrestricted £'000	Restricted £'000	2024 Total £'000
Lettings - both staff and parents	135	-	135	126	-	126
Catering	127	-	127	113	-	113
Nursery	29	-	29	72	-	72
Other income	23	-	23	41	-	41
Total other income	**314**	**-**	**314**	**352**	**-**	**352**

6. Expenditure on

	Direct costs £'000	Support costs £'000 (Note 7)	Governance costs £'000 (Note 7a)	2025 Total £'000
Charitable activities				
Residential Neurorehabilitation	9,159	3,991	182	13,332
The Children's Trust School and Residential Care	11,418	4,975	227	16,620
Community Rehabilitation Services	432	187	9	628
	21,009	9,153	418	30,580
Raising funds				
Costs of generating donations and legacies	1,079	470	21	1,570
Events	163	72	3	237
Charity shops	1,425	622	28	2,075
Lottery	43	20	1	64
	2,709	1,183	53	3,945
Total expenditure	**23,718**	**10,336**	**471**	**34,525**

Previous Year 31 March 2024

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2024 Total £'000
Charitable activities				
Residential Neurorehabilitation	8,356	4,174	160	12,690
The Children's Trust School and Residential Care	9,949	4,972	161	15,082
Community Rehabilitation Services	432	215	8	655
	18,737	9,361	329	28,427
Raising funds				
Costs of generating donations and legacies	870	435	15	1,320
Events	224	112	4	340
Charity shops	1,404	700	25	2,129
Lottery	47	23	1	71
	2,545	1,270	45	3,860
Total expenditure	**21,282**	**10,631**	**374**	**32,287**

7. Allocation of support costs

2025	Care and rehabilitation services £'000	The Children's Trust School £'000	Community £'000	Fundraising £'000	Retail £'000	Total £'000
Facilities	1,605	2,001	76	225	250	4,156
IT	621	774	29	87	97	1,609
Human resources	537	670	25	75	84	1,391
Depreciation: Other	406	506	19	57	63	1,051
Finance	336	419	16	47	52	871
Risk (insurance)	150	188	7	21	23	390
Chief Executive's Office	178	221	8	25	28	460
Communications	158	196	7	22	25	408
Total support costs allocated (note 6)	**3,991**	**4,975**	**187**	**559**	**622**	**10,336**

2024	Care and rehabilitation services £'000	The Children's Trust School £'000	Community £'000	Fundraising £'000	Retail £'000	Total £'000
Communications	135	161	7	18	23	344
Facilities	1,534	1,826	79	209	257	3,905
Human resources	550	654	28	75	92	1,399
Finance	430	512	22	59	72	1,095
IT	532	634	28	73	89	1,356
Chief Executive's Office	138	165	7	19	23	352
Risk (insurance)	155	186	8	21	26	396
Depreciation: Other	700	834	36	96	118	1,784
Total support costs allocated (note 6)	**4,174**	**4,972**	**215**	**570**	**700**	**10,631**

Basis of allocation

Support costs are recharged relative to the proportions of direct costs.
Risk (insurance) costs relate to insurance. All other Risk and Governance costs are shown in Note 7a.
The 2023/24 figures have been updated in line with the changes to the allocation of direct costs.

7a. Allocation of governance costs

	2025 £'000	2024 £'000
Risk and governance	377	270
External audit	94	102
Total	**471**	**372**

Risk and governance costs include the cost of the Governance team and Legal fees

8. Net income / (expenditure) for the year

	2025 £'000	2024 £'000
This is stated after charging:		
Depreciation	1,051	1,784
Impairment	-	783
Payments under operating leases:		
Retail properties	286	334
Equipment	70	70
Auditor remuneration (exclusive of VAT)	94	102
Audit of the financial statements 22-23	-	30
Audit of the financial statements 23-24	24	72
Audit of the financial statements 24-25	70	-

9. Gift Aid

For the year ended 31 March 2025, the charity received Gift Aid payments of £533k (2023: £421k).

10. Staff remuneration and pensions

	2025 £'000	2024 £'000
Salaries	21,212	19,377
Social security costs	1,994	1,993
Pension costs	1,422	1,306
Temporary staff costs	402	630
Agency staff costs	725	150
Total	**25,755**	**23,456**

The year end head count was 641 staff (2024: 623 staff). This figure includes permanent, temporary and agency staff, and the average monthly numbers of full-time employees during the year were as follows:

	2025 FTEs	2024 FTEs
Charitable activities	355	340
Fundraising	23	20
Shops	26	26
Support	95	92
Governance	3	3
Total	**502**	**481**

Key management personnel include the Trustees, Chief Executive and the Senior Leadership Team. The total employee benefits of the charity's key management personnel were £1,121k (2024: £1,040k). (Trustees = £nil). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The total number of employees whose emoluments for the year (not including national insurance or pension contributions) exceeded £60,000 was as follows:

	Clinical & education	Executive	2025 total	Clinical & education	Executive	2024 total
£60,001 - £70,000	14	9	23	11	7	18
£70,001 - £80,000	3	4	7	3	5	8
£80,001 - £90,000	5	1	6	3	-	3
£90,001 - £100,000	4	3	7	1	1	2
£100,001 - £110,000	1	-	1	-	-	-
£110,001 - £120,000	-	-	-	-	1	1
£130,001 - £140,000	-	1	1	-	-	-
£220,001 - £230,000	1	-	1	1	-	1
Total	**28**	**18**	**46**	**19**	**14**	**33**

The Chief Executive's emoluments fall into the £130,001-£140,000 band. (2023/2024, the Interim Chief Executive's emoluments fell into the £110,001 - £120,000 category on a full year basis).

During the year the charity made payments to 13 staff in respect of redundancy and termination totalling £106k (2024: 23 staff totalling £189k).

2 of these 13 staff members, totalling £9k, were due to extended notices from a previous organisation-wide restructure and the remaining 11 staff members were due to restructures during the current year.

We currently have 3 staff members working an agreed extended notice period and £46k in relation to these redundancy payments were included in creditors at the balance sheet date (2024: £9k).

Upon review the 2023/24 figures have been updated to reflect the correct position.

Pensions

The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 ("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, is as follows:

	2025 £'000	2024 £'000	2025 No.	2024 No.
TCT Group Pension Plan	847	777	488	480
Teachers' Pension Scheme	142	122	10	10
NHS Pension Scheme	433	405	94	70
	1,422	1,304	592	560

The Children's Trust Group Pension Plan

Aviva pension is a group personal pension, the workplace pension scheme is a Smart Scheme. A Smart Scheme is a method where you are automatically entered into a salary exchange arrangement or if you earn below a certain amount you are in a non salary exchange basis, in this case contributions will be deducted net of basic rate tax.

The scheme is also used to comply with auto-enrolment requirements, which came into effect from 1 November 2013.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to Access.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262 billion and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222.2 billion, giving a notional past service deficit of £39.8 billion

The result of this valuation was implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The pension costs paid to TPS in the year amounted to £142k (2024: £122k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

National Health Service Pension Scheme

The NHS operates an unfunded defined benefit scheme for the nursing sector, in which the charity participates. The charity 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. The charity is not liable for past service costs beyond these contributions. Employer contributions remained at 20.6% in 2025 and in 2024.

11. Trustee emoluments and reimbursed expenses

	2025 £'000	2024 £'000
Trustees' expenses	-	-

Trustees are encouraged to claim expenses to avoid this being a barrier to new Trustees. If Trustees don't wish to claim expenses, then they can make a donation of a similar amount. Gift Aid can then be claimed on such a donation.

The charity purchased Management Protection insurance costing £9,968 (2024: £9,968).

12. Fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost							
At 1 April 2024	4 ,347	2,870	24,251	6,128	401	120	38,117
Revaluation	-	-	-	-	-	-	-
Additions	-	-	85	574	-	472	1,131
Disposals	-	-	-	(92)	-	-	(92)
Transfers	-	-	119	396	25	(540)	-
At 31 March 2025	4,347	2,870	24,455	7,006	426	52	39,156
Depreciation and Impairment							
At 1 April 2024	1,380	-	15,017	5,165	351	-	21,913
Impairment	-	-	-	-	-	-	-
Charge for the year	-	-	370	480	24	-	874
Disposals	-	-	-	(92)	-	-	(92)
At 31 March 2025	1,380	-	15,387	5,553	375	-	22,695
Net book value at 31 March 2025	**2,967**	**2,870**	**9,068**	**1,453**	**51**	**52**	**16,461**
Net book value at 31 March 2024	**2,967**	**2,870**	**9,234**	**963**	**50**	**120**	**16,204**

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities.

Parts of the building and grounds are open to the public on several days in the year.

Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property. (See Note 20).

During 2023/24 an independent professional revaluation of the land and buildings at Tadworth Court was carried out by Savills on the basis of an open market valuation as at 31 March 2024. The valuations were as follows: Land £2,870,800 Tadworth Court £2,965,950 and Freehold Land & Buildings £9,234,000. Under the historical cost model the carry amounts would have been: Land £753,000 Tadworth Court £2,116,000 and Freehold Land & Buildings £10,055,000.

The brought forward figures for Assets Under Construction have been reviewed and amended to eliminate a grossing up.

13. Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Total £'000
Cost			
At 1 April 2024	3,090	6	3,096
Additions	10	-	10
Transfers	6	(6)	-
	3,106	-	3,106
Amortisation			
At 1 April 2024	2,672	6	2,678
Transfers	6	(6)	-
Charge for year	178	-	178
	2,856	-	2,856
Net book value at 31 March 2025	**250**	**-**	**250**
Net book value at 31 March 2024	**418**	**-**	**418**

14. Investments

	2025 £'000	2024 £'000
Movement:		
Market value at 1 April 2024	2,109	1,924
Cash transferred	2,500	-
Dividends and Interest	112	53
Increase / (Decrease) in market value	33	149
Fees/charges	(22)	(17)
Market value at 31 March 2025	**4,732**	**2,109**
Historical cost as at 31 March	4,482	1,899

	2025 £'000	2024 £'000
Split into:		
Fixed investments	277	247
Listed equities	1,537	1,525
Property	65	64
Alternatives	152	161
Cash	2,702	112
Total	**4,733**	**2,109**

£75,000 received originally from the Victoria Convalescent Fund is currently invested through Rathbones. The market value at 31 March 2025 was £70k (2024: £67k).

At 31 March 2025 the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2024: £2). The registered office of the subsidiary is Tadworth Court, Tadworth, Surrey, KT20 5RU. The Children's Trust Trading Company has been dormant from April 2022.

The £2.5 mil cash transferred was invested in a money market product with Rathbones.

15. Debtors

	2025 £'000	2024 £'000
Trade debtors	3,127	3,398
Other debtors	-	-
Prepayments and accrued income	586	847
Total	**3,713**	**4,245**

16a. Creditors: amounts falling due within one year

	2025 £'000	2024 £'000
Trade creditors	1,230	1,202
Accruals	1,017	769
Other creditors	299	213
Deferred income	126	228
Social security and other taxation	693	456
Loan	257	750
Total	**3,622**	**3,618**

Analysis of deferred income

Income is deferred where it relates to future events or services for which monies had been received prior to the year end. During the year £228k was released to income and £126k was deferred.

16b. Creditors: amounts falling due after more than one year

	2025 £'000	2024 £'000
Loan	3,493	3,750
Amount payable:		
in more than one but not more than two years	65	256
in more than 2 years but less than five years	228	187
in five years or more	3,200	3,307
Total	**3,493**	**3,750**

During 2022/2023 The Children's Trust entered into an agreement with Charity Bank (£4m) and Big Society Capital (£1m) to have access to a loan facility totalling £5m. Under the terms of the loan agreement the loan facility should be fully drawn down within 1 year of the signature date. As at the date of signing these accounts £3.5m has been drawn down and the facility to draw down the remaining balance has been extended for another year.

During 2022/2023 The Children's Trust also received a loan from a longstanding donor who wishes to remain anonymous. In 2024/2025 £500k of the Major Donor 1 loan was converted to a donation.

Lender	Amount £'000	Drawn down £'000	Interest rate	Agreement date	Drawdown date	Term
Charity Bank	4,000	2,800	base plus 3.25%	17/02/2023	27/02/2023	25 years, first 3 years interest only
Big Society Capital	1,000	700	base plus 3.25%	17/02/2023	27/02/2023	25 years, first 3 years interest only
Major Donor 1	250	250	interest free	05/09/2022	07/09/2022	September 2025
	5,250	3,750				

Post year-end, an agreement was signed with Major Donor 1 to convert their remaining £250k loan into a donation.

17. Financial and capital commitments and contingent liabilities

At 31 March 2025 the Trust had total commitments under non-cancellable leases/agreements as follows:

	2025 £'000	2024 £'000
Leasehold buildings – up to 1 year	303	254
Leasehold buildings – between 1 and 5 years	384	546
Other – up to 1 year	70	70
Other – between 1 and 5 years	62	81
Total	**819**	**951**

At 31 March 2025, capital commitments authorised and contracted for (net of payments to date on account) amounted to £39k (2024: £53k).

18. Government grants

The following government grants were received:

	2025 £'000	2024 £'000
Total governmernt grants received	**341**	**334**

There are no unfulfilled conditions which would require the repayments of any grants.

19. Related party transactions

There were no related party transactions during the year (2024: £3k worth of donations with no conditions attached).

20. Capital and reserves

As at 31 March 2025:

a. Movement on funds	At 1 April 2024 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	At 31 March 2025 £'000
Unrestricted general funds:						
Undesignated funds:						
– Undesignated	1,172	35,039	(33,610)	31	(90)	2,542
	1,172	35,039	(33,610)	31	(90)	2,542
Designated funds:						
– Designated fund – tangible fixed assets reserve	13,557	-	-	-	1,848	15,405
– Revaluation reserve	1,308	-	-	-	-	1,308
	14,865	-	-	-	1,848	16,713
Total unrestricted	**16,037**	**35,039**	**(33,610)**	**31**	**1,758**	**19,255**
Restricted funds:						
– Restricted fund – project funds	55	626	(574)	-	-	107
– Restricted fund – grants	-	341	(341)	-	-	-
	55	967	(915)	-	-	107
Fixed Asset Restricted fund						
– Restricted fund – Department of Health grant	1,758	-	-	-	(1,758)	-
	1,758	-	-	-	(1,758)	-
Endowment funds:						
– Victoria Convalescent Fund	66	-	-	4	-	70
	66	-	-	4	-	70
Total funds	**17,916**	**36,006**	**(34,525)**	**35**	**-**	**19,432**

Transfers reflect the movements on the Fixed Assets reserve and the update to the Department of Health grant.

Previous year (31 March 2024):

a. Movement on funds	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted general funds:						
Undesignated funds:						
– Undesignated	(1,695)	32,925	(32,113)	11	2,044	1,172
	(1,695)	32,925	(32,113)	11	2,044	1,172
Designated funds:						
– Designated fund - fixed assets reserve	19,427	-	-	(3,826)	(2,044)	13,557
– Revaluation reserve	-	-	-	1,308	-	1,308
	19,427	-	-	(2,518)	(2,044)	14,865
Total unrestricted	**17,732**	**32,925**	**(32,113)**	**(2,507)**	**-**	**16,037**
Restricted funds:						
– Restricted fund – project funds	324	354	(623)	-	-	55
– Restricted fund – grants	-	334	(334)	-	-	-
	324	688	(957)	-	-	55
Fixed Asset Restricted fund						
– Restricted fund – Department of Health grant	1,758	-	-	-	-	1,758
Endowment funds:						
– Victoria Convalescent Fund	56	-	-	10	-	66
	56	-	-	10	-	66
Total funds	**19,870**	**33,613**	**(33,070)**	**(2,497)**	**-**	**17,916**

Designated funds

The fixed asset reserve, together with the Department of Health (DoH) fund represents the charity's investment in fixed assets.

Restricted funds

These are set out subsequently.

Endowment funds

The Victoria Convalescent Fund is a permanent endowment and represents a gift of capital to the charity, the income from which is restricted and is used to fund care for children for whom no statutory funding is available.

b. Analysis of restricted funds	At 31 March 2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2025 £'000
Project Funds					
Community	3	91	(92)	-	2
Maple House non-staff budget relief	17	-	(17)	-	-
Hawthorn House non-staff budget relief	9	15	(24)	-	-
Ophthalmology equipment	4	-	(4)	-	-
Music Services	22	89	(110)	-	1
Hoist replacements	-	117	(117)	-	-
Ability Drive & DriveDeck	-	8	(8)	-	-
Accora Beds	-	6	(6)	-	-
Maple / Oak House non-staff budget relief	-	3	(3)	-	-
Therapy, including Play services	-	76	(76)	-	-
School	-	2	(2)	-	-
Transport	-	209	(105)	-	104
Family Accommodation	-	10	(10)	-	-
Sub total	**55**	**626**	**(574)**	**-**	**107**
Grants					
NHS England Palliative Care	-	320	(320)	-	-
DFE Capital Grant	-	21	(21)	-	-
Sub total	**-**	**341**	**(341)**	**-**	**-**
Fixed Asset restricted					
Department of Health	1,758	-	-	(1,758)	-
Total	**1,813**	**967**	**(915)**	**(1,758)**	**107**

Project Funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

Houses represents funds that are restricted donations for each individual house within the organisation and are used for outings for children, leisure activities and other items, depending on the bequest granted by the donor. Play and Music Service is restricted funds dedicated to the delivery of the specific service.

The Department of Health made grants in 1995 to the charity in relation to the Grade 1 listed property known as Tadworth Court. These grants, totalling £2.85m, are only repayable under certain circumstances which, in the opinion of the Trustees, are unlikely to arise. Of the total grants, £750,000 was applied to the transfer of the freehold of the site and £2.1m was applied to repairs to the building. The grants are secured by a legal charge over the freehold property. In the year it was confirmed that this is an unrestricted fund.

c. Analysis of net assets between funds

2025	Unrestricted £'000	Restricted £'000	Endowment ££'000	Total £'000
Fund balances at 31 March 2025 are represented by:				
Fixed assets	16,711	-	-	16,711
Investments	4,662	-	70	4,732
Current assets	4,997	107	-	5,104
Current liabilities	(3,622)	-	-	(3,622)
Long term liabilities	(3,493)	-	-	(3,493)
Total funds	**19,255**	**107**	**70**	**19,432**

2024	Unrestricted £'000	Restricted £'000	Endowment £'000	Total £'000
Previous year (31 March 2024):				
Fixed assets	14,864	1,758	-	16,622
Investments	2,042	-	67	2,109
Current assets	6,498	55	-	6,553
Current liabilities	(3,618)	-	-	(3,618)
Long term liabilities	(3,750)	-	-	(3,750)
Total funds	**16,036**	**1,813**	**67**	**17,916**

21. Financial instruments

	2025 £'000	2024 £'000
Financial instruments measured at fair value are as follows:		
Financial assets – Investec Investment	**4,732**	**2,109**

22. Post Balance Sheet Events

On 9 May 2025 a donor who gave the charity an interest free loan (itemised in note 16b as Major Donor 1) signalled their intention to convert the remaining balance on the loan (totalling £250k) into a donation. The Charity accepted this generous offer in May 2025.

The Children's Trust
For children with brain injury

The Children's Trust
Tadworth Court
Tadworth
Surrey
KT20 5RU

01737 365000
enquiries@thechildrenstrust.org.uk
thechildrenstrust.org.uk

Charity registration number: 288018
Company registration number: 1757875

Registered with FUNDRAISING REGULATOR

Ofsted Good Provider

Ofsted Outstanding Provider

The Children's Trust is registered with the Fundraising Regulator, inspected and rated 'a Good Provider' by Ofsted Care (for residential houses).
The Children's Trust School is rated 'an Outstanding Provider' by Ofsted Education. TCT_2200 09/25.

THE CHILDREN'S TRUST

England & Wales - Charity number 288018

Accounts

The Children's Trust

Annual report and accounts 2023/2024

The Children's Trust
For children with brain injury

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A message from our chair

This is my first annual report since being appointed as chair of the board of trustees in October 2023, taking over from Duncan Ingram. Our grateful thanks go to Duncan for his leadership over the years.

Personally, I feel deeply honoured to have taken on this role for The Children's Trust, which only recently celebrated forty years of bringing care and education to thousands of children, who have experienced an acquired brain injury or have a neurodisability.

We have an amazing team of professionals working for The Children's Trust, whose sole purpose is to provide the best possible service to the children and families we have the responsibility and privilege to support, whether they call our site in Tadworth their home, stay with us for only a few months or come here to go to school.

I have witnessed firsthand the care that is shown to the children, young people and their families, and I am humbled by what I have seen.

Our Board meetings involve hearing from young people and their families about the experiences they have with The Children's Trust. That may be about improvements that have come about from their time with us, what it is like to be supported here or feedback from their travels away from Tadworth. Hearing their stories is heart-warming and sometimes challenging. All their stories can teach us something.

Everyone here is focussed on doing the very best we can and putting the child first in everything we do. That care and compassion has been recognised by our regulators and in February 2024, a Care Quality Commission (CQC) inspection found:

"Children and young people receiving intensive rehabilitation at The Children's Trust, were supported by excellent staff who were committed to supporting achievement and success' adding, 'staff enable children and young people to have maximum control and choice in their lives."

Coming out of the covid pandemic was a challenging time for The Children's Trust, as it has been for many charities. It has therefore been a time of learning and change for our staff and volunteers, who have had to adapt to new ways of working following an organisational restructure which was about making us as efficient as possible in these challenging times.

It has also been a time of change within our leadership team, and I was delighted to be involved in the selection of our new chief executive, Mike Thiedke, who joined us in November 2023.

In addition, we welcomed Steve Harris as our new finance director and Michelle Martin as our director of fundraising and communications. Alongside my appointment, we also welcomed new trustees to The Children's Trust.

Christine Brooks, Rory Litherland and Marian Ridley joined during the financial year and brought a vast experience from across both the health and commercial sectors. The Children's Trust is already benefiting from their knowledge. Regrettably, Christine's appointment has been short-lived due to her plans to relocate overseas with her family. I would like to thank Christine for her valuable contributions and wish her and her family all the best.

We also said goodbye to Anne Walker, who served as a trustee for seven years. We thank her for her valued contribution. Special thanks also go to Mike Maddick, who stepped up as our interim chief executive during this period. I am delighted that Mike continues with us in his role of director of resources.

It has been a time of massive change and upheaval for everyone here at The Children's Trust, so my thanks go to the very special people who bring our promises to life every day, be that our staff or our large team of volunteers, without whom we could not deliver what we need to for the young people we are entrusted to support.

My thanks also go to my fellow trustees, who are committed to ensuring we deliver on the needs of the children, young people, and families that we support, as well as the needs of everyone working here at The Children's Trust. They give us their time freely and for that we are all very grateful.

I also would like to thank our many partners who fund the children and young people we support, whether that's through the NHS, local authorities or in some cases governments of other countries, we need their continued support to continue to deliver the special outcomes we strive for every day.

> *"Everyone here is focussed on doing the very best we can and putting the child first in everything we do."*

We are fortunate that both individuals and companies raise funds on our behalf, and we cannot overstate how grateful we are for their support.

Last year was challenging but we are stronger as a result. We are now looking to the future and embarking on a process to develop a new strategy that will ensure we can continue to meet the needs of children and young people in what is an ever-changing world. We see this next phase as an opportunity for further transformation enabling us to support even more children and young people with brain injury and neurodisability.

Thank you,

Steve Flanagan
Chair of Trustees

A message from our chief executive

Since joining The Children's Trust in November 2023, I have been struck by the determination of all our colleagues and the many volunteers. All their energy and passion are focused on supporting children, young people, and their families to embrace their uniqueness, navigate realities, envision possibilities, conquer obstacles, and assert their right to achieve their goals. I am immensely thankful to all of you. Without you, our work would simply not be possible.

We all continuously strive for excellence in all aspects of our life-changing work. This ethos is reflected in a comment made by Ofsted Education after rating The Children's Trust School 'Outstanding' in September 2023:

"Staff are determined that pupils should experience life in all its richness, regardless of their special educational needs or disabilities."

We are proud to be the UK's leading charity for children and young people with brain injury and neurodisability. Between 2021 and 2023, 95% of families who completed the 'Friends and Family test' said they would recommend The Children's Trust to friends, family and other parents who needed similar care or treatment. In 2023-2024, two thirds of local health authorities across the UK referred children and young people to The Children's Trust. This highlights the confidence that healthcare professionals across the UK place in our ability to deliver high-quality care to those living with the most complex disabilities.

40,000

children every year, in the UK are left with a brain injury from an accident or illness

We know that every year, 40,000 children in the UK are left with a brain injury from an accident or illness, and it can be devastating. We hear from regional health authorities that there is an urgent need for our specialist support, with health and social care systems so stretched.

We know that healthcare is ever changing, and we, as an organisation, can never stand still.

This is why we remain steadfast in our commitment to delivering high-quality care, fostering a culture of safety and continuous learning and innovation. I am proud to be able to share some examples of this in this Annual Report.

We are extremely grateful that we can count on so many supporters, who provide us with their expertise, time and contribute financially. This helps us to deliver the services so many children, young people and their families desperately need, and allows us to continuously improve and evolve. Very importantly, it also supports us on our journey to move from financial stability to long term financial sustainability.

As we develop our new strategy, after what has been a challenging time at The Children's Trust, we can build on a renewed sense of opportunity to shape our future together. We know it will require transformation of what we do and how we do it to support even more children and young people with brain injury and neurodisability - now and in the future.

It is this ambition that drives me, and everyone at The Children's Trust.

Thank you,

Mike Thiedke
Chief Executive

About us

Who we are and what we do

The Children's Trust is the UK's leading charity for children with brain injury and neurodisability. We provide a range of rehabilitation, education, care, and community services to children and young people from across the UK with acquired brain injury (ABI), neurodisability and complex needs.

Our services are provided through:

Rehabilitation

Our Rehabilitation service provides individually tailored, multidisciplinary rehabilitation programmes at our national specialist centre for children who have experienced a brain injury.

The Children's Trust School

The Children's Trust School provides education for children with complex needs, alongside multiple barriers to learning. The school also offers an early year's programme.

Community Rehabilitation Service

Our Community Rehabilitation Service offers digital resources, national virtual advice and consultation, as well as community rehabilitation and outpatient packages, for children with acquired brain injury.

Through our highly skilled teams, we work with children and young people to give them the opportunity to live the best life possible.

Located just south of London in Tadworth, Surrey, our national specialist centre is home to the UK's largest rehabilitation service for children with acquired brain injury. We are widely recognised as the country's leading centre of excellence, providing highly intensive rehabilitation services.

Highlights – A year in a glance

Award-winning community provision

We know that we provide a vital lifeline for children and young people with brain injury and neurodisability, so we never stop trying to reach as many families as possible.

We were delighted to win the Innovation in Neurorehabilitation of the Year award at the NeuroRehab Times Awards for the transformation of our Community Rehabilitation Service. Our Bumps Happen digital information campaign was also commended for the Remote Rehabilitation Initiative of the Year award. It is a real achievement to have been recognised in both categories, particularly given the exceptionally high standard and number of entries.

Read more: See Jack's story on how support in the community enabled him to manage the effects of his brain injury in the classroom, or discover the full scope of our Community Rehabilitation Service on page 20.

You are 'Outstanding'

This year The Children's Trust School achieved an 'Outstanding' rating following our Ofsted Education inspection in September 2023, indicating that we are providing the highest quality of education, therapy and care for the children and young people we support.

Driven by a commitment to continual improvement and growth, our school development plan aligns with the financial year and incorporates new, research-based initiatives such as the inclusive 'Create and Sing' programme with the Royal Ballet and Opera House. This plan also ensures the effective implementation of ongoing evidence-based projects, reflecting our dedication to enhancing educational outcomes for all our young people.

Patient Safety Incident Response Framework

This year we introduced the new NHS Patient Safety Incident Response Framework (PSIRF) at The Children's Trust. The key objective of PSIRF is to embed patient safety incident responses within a wider system of improvement, enabling a significant cultural shift towards systematic patient safety management. We will work to ensure that openness is not just a policy and expectation, but a practice embedded in our daily interactions and our strategic initiatives.

Financial KPIs	31/3/2024 £'000	31/4/2023 £'000
Total income	33,613	27,944
Total expenditure	33,070	35,071
Year end trade debtors	3,398	1,187
Year end trade creditors	1,202	424
Cash and investments balance	4,325	3,789

Harnessing the power of technology

As the only paediatric neurorehabilitation centre for children in the UK with paediatric technology, we have implemented several cutting-edge neurotechnologies to enhance our rehabilitation and educational services for children with complex physical needs.

Innowalk Pro: Recently introduced, this robotic-aided device supports both upper and lower limb movement, aiding children in rehabilitation and school settings. The benefits include reducing spasticity, enabling standing when sometimes this is not possible in a standing frame, improving alertness and sleep, providing exercise for non-ambulant children, and enhancing engagement and communication.

Upper limb robotics: Diego & Pablo: These devices complement occupational therapy and physiotherapy by offering de-weighting against gravity and repetitive movements during recovery. They support re-learning of functional tasks such as completing schoolwork, dressing, eating, and drinking. This technology can be combined with virtual reality gaming or task-specific training for enhanced outcomes.

Wearable technology: Lusio and Gripable: These mobile technologies can be used to retrain muscles and increase strength, supporting recovery and functional tasks.

Assistive technology: We utilise Eyegaze technology to support children in playing, exploring games and art, selecting yes/no options, accessing communication grids, and using switch control methods such as head switches. This also includes drive decks that offer independent movement in powered mobility.

PEGASO ventilator: As part of our commitment to exploring innovative medical technologies, we are utilising the PEGASO ventilator from Italy for a young person we support. This is part of an experimental research process aimed at evaluating the ventilator's potential benefits and effectiveness in providing advanced respiratory support. The PEGASO ventilator, known for its innovative features and capabilities, is being assessed for its ability to enhance respiratory care for children with complex medical needs. Through this research collaboration, we hope to contribute valuable insights and potentially advance the standard of respiratory care available to young patients.

Pioneering vital research

Our therapy colleagues have been actively involved in various research activities and conference presentations this year. We had six abstracts accepted by the International Paediatric Brain Injury Society (IPBIS) on psychological therapies. Additionally, our team presented at the World Federation for Neurorehabilitation (WFNR) and have submitted to the CYPF Royal College of Occupational Therapists national conference, where we shared our work on implementing and translating knowledge of an upper limb pathway in paediatric neurorehabilitation.

Our interdisciplinary team have an accepted co-designed abstract showcasing "Riley's Rehab". This focused on optimising participation during neurorehabilitation and involved contributions from the rehabilitation team, community rehabilitation, and the medical team. We are also presenting a poster on communication systems in a specialist school provision at the Communication Matters conference.

Our consultant clinical psychologist has been part of the National Institute for Health and Care Excellence (NICE) guideline development for rehabilitation for chronic neurological 5 disorders including acquired brain injury, commissioned by NHS England.

Our impact in numbers

Overall reach

472
children reached

61
children, on average, at our Tadworth site per day, across both our school and rehabilitation services

95%
of families would recommend us to their friends, family, and other parents if they needed similar care or treatment

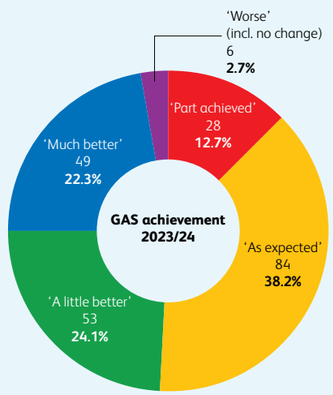
Rehabilitation

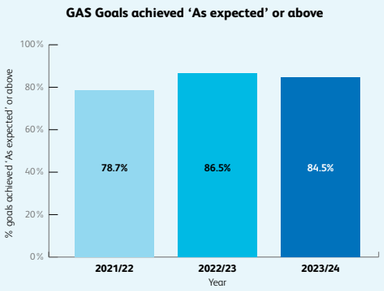
85
children and young people received intensive rehabilitation at our national specialist centre following a brain injury

220
goals were set by children and their families

85%
of the goals were achieved 'as expected' or above with 22% of goals 'much better' than expected and 24% of goals 'a little better' than expected

- 85 children and young people received intensive rehabilitation at our national specialist centre following a brain injury (82 children and young people in 2022/23 and 2021/22).
- The average (median) length of stay for a child or young person receiving rehabilitation was 12 weeks.
- 220 goals were set by children and their families using the Goal Attainment Scale (GAS).
- Rehabilitation goals are set collaboratively with children and young people and their families, including what the expected and much more than expected goals might be. The goals are reviewed at least once a week during multidisciplinary team meetings and goals are adjusted if progress is achieved.
- At the end of the placement the overall GAS goals are reviewed with the multidisciplinary team, children and young people, and their family. A coordinating professional takes on a single point of contact with the child or young person and family to review the final goals of placement and rate whether they have achieved what was set out. Discussion takes place around what ongoing goals for the child or young person may be and how this can be shared with community professionals to continue further rehabilitation support and ongoing work on goals with the home setting.
- Upon discharge from The Children's Trust, out of the rehabilitation goals that have been achieved, 85% of the goals were achieved 'as expected' or above with 22% of goals 'much better' than expected and 24% of goals 'a little better' than expected.
- This demonstrates effectiveness in rehabilitation interventions and that some children and young people are exceeding expectations following their neurorehabilitation treatment. Whilst defining goals, consideration is given around setting the 'just right' challenge. This is important so that the team can capture the opportunity to develop new or compensatory skills within rehabilitation treatment sessions, that will be achievable for the child or young person.





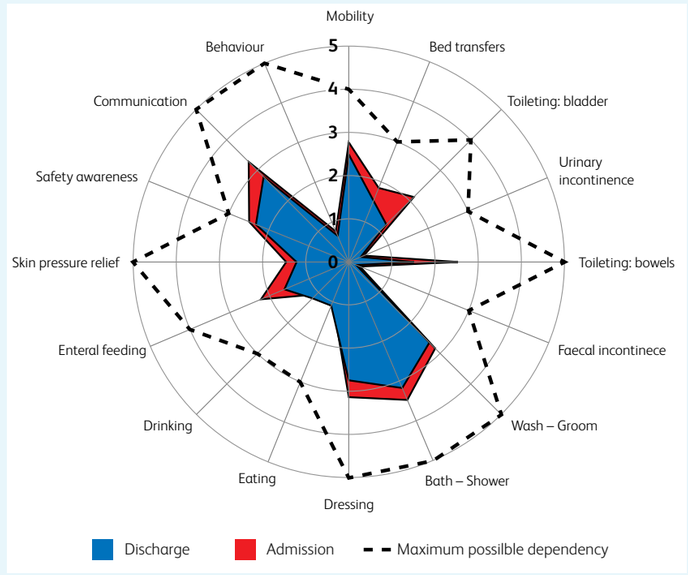
Northwick Park Dependency Score 2023/24

The Northwick Park Dependency Score provides an assessment of patient care needs. It is a scale incorporating activities of daily living, communication, safety awareness and behavioural management.

Overall, the areas of greatest average reduction in dependency for children and young people discharged from a rehabilitation stay in 2023/24 were:

- Toileting: bladder (42.0%)
- Toileting: bowels (40.3%)
- Faecal incontinence (30.3%)

Improvements on discharge were observed in areas including communication, feeding, bathing, mobility and transfers.



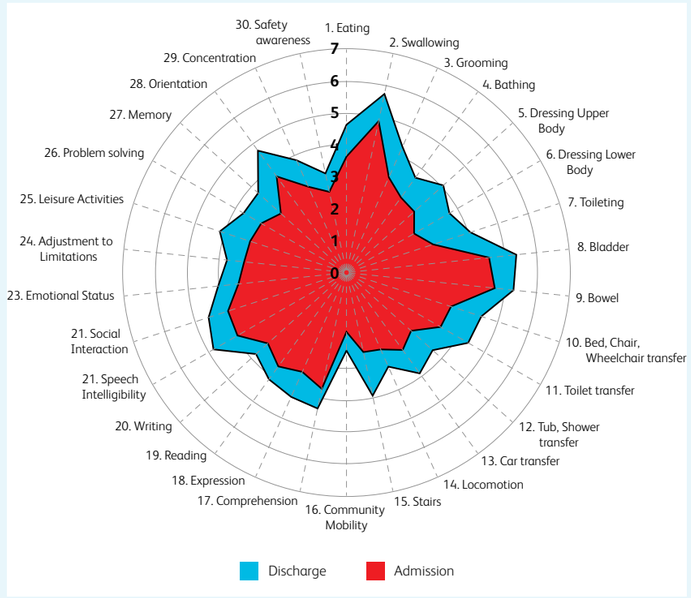
Smaller the better

FIM+FAM 2023/24

FIM+FAM: The Functional Independence Measure and Functional Assessment Measure.

The UK FIM+FAM is designed for measuring disability in the brain-injured population. It has an ordinal scoring system for all 30 items from 1-7 (1=complete dependence and 7=fully independent).

Overall, greatest improvements observed in the FIM+FAM for children and young people discharged from a rehabilitation stay in 2023/24 were for the areas of 'Bowel', 'Bladder' and 'Emotional status,' as well as improvements made in activities of daily living including washing and dressing, speech and language, leisure, and areas of schoolwork.



Bigger the better

Our impact in numbers

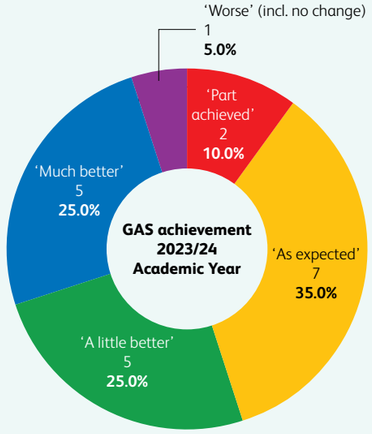
The Children's Trust School

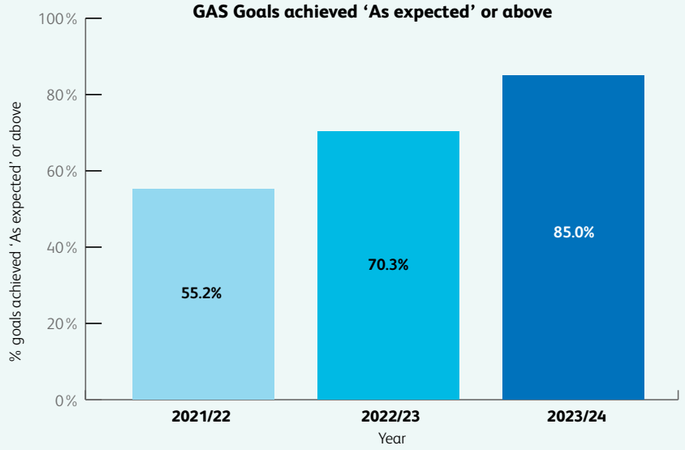
43
children and young people attended our school

21
parents and children attended our parent-child group, Taddies

85%
of the goals were achieved 'As expected' or above at the end of the academic year

- 43 children and young people attended our school (comprising 35 residential learners and eight day learners).
- 7 babies and children attended our nursery.
- 21 parents and children attended our parent-child group, Taddies.
- 20 therapy goals were set for children and young people attending The Children's Trust school using the Goal Attainment Scale (GAS).
- At the end of the academic year 85% of the goals were achieved 'as expected', 'more than expected' or 'much more than expected'. This is an increase in goal achievement from previous years. We believe the team have been setting more sensitive goals to measure progress and they have also introduced the goal-based outcome to measure additional goals around quality of life.





Returning home

84% of the children and young people we support were able to return to their family home with minor or no adaptations.

Back to school

81% of school-aged children who underwent rehabilitation at The Children's Trust were able to return to their previous educational setting. When previously measured, only 60% of school-aged children were able to return to their previous educational setting.

Community Rehabilitation Services

74,572
unique visitors accessed support and information

328
children and young people were supported by the Community Rehabilitation team in 2023/24.

206
children and young people were supported with follow up support and advice

- 74,572 unique visitors accessed support and information on our Brain Injury Hub and Bumps Happen pages.
- In addition, the Community Rehabilitation team supported 328 children and young people in 2023/24.
- 23 children and young people were supported through an (ICB) Integrated Care Board funded 'Tier 3' package, delivered in home, school, community settings and outpatient settings.
- 99 children and young people were supported with advice and consultation virtually through our voluntary funded 'Tier 2' package.
- 206 children and young people were supported with follow up support and advice at key transition stages through being part of the Community Rehabilitation Service's long-term register.

Our core services

Residential neurorehabilitation

The residential neurorehabilitation we provide to children with brain injury at our national specialist centre in Tadworth, Surrey, is the largest service of its kind in the UK.

The Multi-Disciplinary Team (MDT) of doctors, nurses, carers, allied health professionals and psychologists support a holistic neurorehabilitation offer, assessing and setting meaningful goals for children, young people, and families to work on for the duration of their placement. Goals may focus on re-learning or regaining skills or adapting to a new disability, with a focus on home, school, and community settings. Families may be supported in learning care competencies such as tracheostomy management or suctioning before returning home.

The therapies team is made up of physiotherapists, occupational therapists, speech and language therapists, music therapists, psychologists, health play specialists and multi-disciplinary technicians who provide goal-led therapy, focusing on enhancing children's participation in everyday, meaningful activities which are important to them. The teams offer specialisms in supporting children with eating and drinking, respiratory care, complex movement disorder management, assistive technology and moving and handling. High intensity and dosage of therapy is provided to children receiving neurorehabilitation. The psychological therapies team provide emotional and mental health support to children and families, offering brain injury education and trauma informed practice.

Our core services

Harley's rehabilitation journey

Harley worked with the therapy teams to set his goals.

Our core services

Harley, aged 14, acquired a brain injury after an accident on his electric scooter put his life in danger.

In August 2023, Harley was riding his electrical scooter, when he unexpectedly fell off with severe consequences. His injuries were so significant that he stopped breathing for 13 minutes.

An air ambulance was called but could not access the scene, so he was transferred by road ambulance to Nottingham Hospital – a 45-minute drive away. On arrival at the hospital, it was discovered that Harley had fractured his skull and had a brain clot. He was rushed into surgery and subsequently put on a life support machine.

One day at a time

Harley spent the next four months in hospital as his condition stabilised. During that time, he was taken off the life support machine and moved to a hospital ward where he started to regain consciousness. It was a challenging time for Harley; he was breathing through a tracheostomy, being fed through a tube into his stomach and he needed surgery to replace parts of his skull. He was unable to communicate verbally and was unable to move or lift his head and limbs from the hospital bed.

On 3 January 2024, Harley was transferred to The Children's Trust for a residential rehabilitation placement.

Starting the road to recovery

Soon after his arrival at The Children's Trust things started to turn around for Harley. The high dosage of medication he was on was increasing his fatigue, so the medical team worked to reduce this safely. This gave Harley the energy to focus on his rehabilitation goals.

Harley worked with the therapy teams to set his goals. He received a weekly timetable of personalised therapy sessions, including physiotherapy, hydrotherapy and occupational therapy, and education sessions.

Intensive physiotherapy

His biggest goal was to be able to walk again. When he arrived, Harley had no movement in his left side and had no independent mobility.

Mum, Claire explains "We worked and worked on [his mobility] and now he can lift his leg to steps, stand on a box, come back down. It's unbelievable, in a matter of weeks… unbelievable."

> Harley received a weekly timetable of personalised therapy sessions,including physiotherapy, hydrotherapy and occupational therapy, and education sessions.

Support for the family

Claire has been able to stay with Harley throughout his placement, which has helped keep him settled and happy. It has also meant that she could learn strategies to support Harley's progress when they go home. Claire told us "Being here, I've got into the routine with him now and I know that I can do it at home. It's a marvellous place - honestly, what you've done for him - it really is. He feels safe here. We couldn't wish for anything better."

Moving forward

After 16 weeks at The Children's Trust, Harley was ready to go back home with his mum, Claire. He is determined to continue his rehabilitation and achieve his goals with the support of services within his community.

Claire tells us "People didn't give us much hope . They said 'he might not be able to talk, eat again' all these things, and every one we just tick off – tick, tick, tick, you've done it. I'm really proud of him."

The family had to make some adaptations to their home so that it was accessible to Harley, which will likely be ongoing as his needs change. Harley will also need to transfer to a new school, better suited to his current needs.

> *"It's a marvellous place - honestly, what you've done for him - it really is. He feels safe here."*
>
> – Claire

Hope for the future

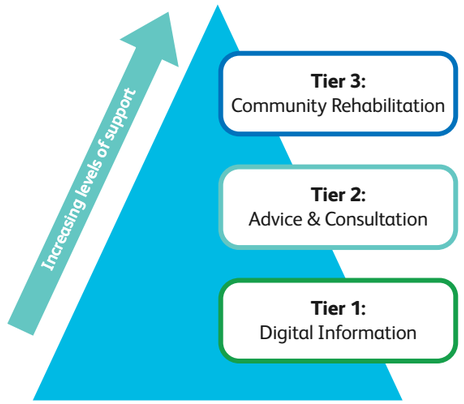
Despite the challenges, Harley and his mum Claire are hopeful for their next chapter and all it holds. Harley is looking forward to getting a place at a new school and wants to continue with some new hobbies that he developed during his rehabilitation, including horse riding and swimming.

"It's unbelievable what he's gone through. I wouldn't have the strength for what he's done. I'm so proud of him. So proud." Claire

Community Rehabilitation Service

We have transformed the way in which we deliver community neurorehabilitation. The newly formed and innovative Community Rehabilitation Service offers online information and resources, as well as support to children, young people, and families through a nationwide Virtual (ABI) Acquired Brain Injury Team. The team support with virtual advice and consultation after a child has experienced a mild or moderate acquired brain injury. In addition, the team offers intensive, hands-on therapy service to children and young people living in South East England, in their home, school or community, or as an outpatient at The Children's Trust, alongside virtual hybrid packages of support for those further afield.

The new look Community Rehabilitation Service provides a range of support across a tiered model, with increasing levels of support based on the level of need and identified goals.



Remote Support

Remote support

Tier 1: Digital Information: Bumps Happen

Bumps Happen offers information and advice to support a child's recovery and return to activity following a concussion. The aim is to ensure that families can access information in a timely manner.

Bumps Happen is split into eight different modules. Each of these deliver information at different stages of the recovery journey, covering advice in the immediate aftermath of a head injury through to the days and weeks that follow.

The website is designed to be self-service, meaning users should be able to get the information they require without needing to interact with a clinician. The site also has a dedicated chat bot feature. Curated by a fictional head injury specialist, Zoe, the chat bot guides users to the information they require via a series of simple multiple-choice questions. If users still feel they need to speak with a member of our team, they can do so by submitting a short contact form.

Tier 2: Virtual Acquired Brain Injury (ABI) team

The Children's Trust's Virtual ABI Team provide a free, goal-directed, digital support service for children, young people and families living with acquired brain injury across the UK. Referrals are accepted from parents, families, and professionals. Support offered is directed by clinical need; families will be invited to join a virtual goal setting meeting where a plan is established to set meaningful participation-based goals. Specific advice, signposting and consultation can also be provided by one of our clinicians.

The service model promotes and encourages self-management of needs in the long term. However, it is anticipated families may need a number of intervention periods in the years that follow their child's initial injury, due to the lifelong developing nature of acquired brain injury.

The team offer coaching and guidance to young people, their families, and others in their network to help them work towards their goals.

It is recognised that some goals may be long term in nature and the team will therefore aim to identify short term goals that can be addressed within the service offer that may be a stepping stone towards achieving longer-term goals.

The clinicians also offer a long term register which provides support and follow-up to children with acquired brain injury at key educational transition points, in view of the possibility of emerging needs as a child gets older, and the changing expectations of school stages. Support is offered when a child enters reception age, secondary and post-16 education. The service works flexibly to support families to access a virtual service if digital support is required.

Tier 3: Community-based rehabilitation team

Our community rehabilitation team offers specialist assessment and goal-directed intensive rehabilitation for children and young people living with acquired brain injury and neurodisability in South East England. We have expanded our service to include physiotherapy and rehabilitation technician support and have seen a positive uptake of the service. The team successfully negotiated funding for children to receive a mixture of therapy packages including:

- intensive rehabilitation – MDT and single therapy discipline;
- inpatient to community transition packages;
- outpatient rehabilitation; and
- specialist assessments –MDT and single therapy discipline.

Whilst primarily focused on children in South East England, we are also able to offer virtual therapy support packages for children further afield. We anticipate these packages will be of greatest benefit to children leaving our in-patient rehabilitation service, supporting the embedding of strategies, and facilitating a successful return to community-based activity including education.

Rehabilitation is functional and context-based to address areas impacted by the child's brain injury, including (but not limited to) mobility, cognition, communication, emotional wellbeing and return to education. Intervention is holistic and focused on activities that are relevant and meaningful to the child and delivered in the most appropriate setting which may include the child's home, in school or in the community.

Our core services

Back to school

Jack was ten years old when he contracted meningitis, which led to an acquired brain injury.

Jack had been unwell with a fever, earache, and intermittent headache for five days, when his symptoms worsened. His parents felt something was wrong and called 111, who advised that they take him to an Urgent Treatment Centre.

On arrival at the emergency department, Jack began to suffer from a stiff and painful neck and became extremely listless. Twenty-four hours later, Jack was diagnosed with a rare form of bacterial meningitis.

Charlotte, Jack's mum, tells us "If we had not taken Jack to A&E, and if the medical staff had not acted so quickly, it might have been too late. The damage and life-changing effects could have been so much worse, or indeed we could have lost Jack."

Living with a brain injury

After being discharged from hospital, Jack struggled with the effects of his brain injury. He experienced mental fatigue which had a negative impact on his education and wellbeing.

Jack was referred to The Children's Trust community rehabilitation team for support.

Charlotte says "The team stepped in when my family and I felt there was nowhere to turn for support."

A member of The Children's Trust Virtual ABI Team explained to the family that the fatigue was a symptom of Jack's acquired brain injury.

Charlotte says "On our first meeting with The Children's Trust Virtual ABI Team, Jack and I felt reassured that everything we were feeling and experiencing was to be expected. They explained very clearly what had happened to Jack's brain and the effect this was having on his day-to-day living."

The team were also able to signpost Jack's family to support within their community.

Charlotte tells us "The support officer enabled us to reach out to other services which have also supported us as a family. After that first meeting with the officer, it was like a door opened and we could seek appropriate help."

> *They explained very clearly what had happened to Jack's brain and the effect this was having on his day-to-day living.*
>
> ...
>
> *It alleviated Jack's anxiety as he knew he could approach someone when he needed time out.*
>
> – Charlotte, Jack's mum

Back to school transition

Evidence shows that children and young people who have experienced brain injury or have a neurodisability can have difficulties with impulse control, regulating emotion and maintaining focus. All of which can create a downward spiral that is difficult to reverse.

The Children's Trust works to equip families and teachers with the necessary tools and skills for a child to have the best chance to thrive back in their school and home environment.

Charlotte says "Jack really couldn't manage the noise and busy classroom when he returned to school after his brain injury. It affected his relationships at school as he had very little resilience in dealing with conflict, differing opinions, and negotiating."

The community rehabilitation team worked with Jack's teachers to help them better support him in the classroom. For example, by only giving Jack one instruction at a time, and allowing him breaks outside of the classroom.

Charlotte tells us "It alleviated Jack's anxiety as he knew he could approach someone when he needed time out."

75%

Last year at The Children's Trust, three in four children successfully made a supported return to their previous educational setting or provision

Moving forward

Six months on from his illness, Jack's parents organise his school day and social life to manage his fatigue. Managing his diary is vital to ensure that he doesn't get overwhelmed and can still take part in his clubs and socialise with friends.

Charlotte says "I am not sure I can put into words what the support from The Children's Trust has meant to us, but to sum up, every time I have had contact with anyone from the team it has felt like a reassuring hug that you cannot see. I am not sure where we would be now without it."

The Children's Trust School

Children and young people attending The Children's Trust School receive holistic, specialist services across education, health, therapy, and care. The school uses a bespoke, tailored curriculum, known as the ImPACTS curriculum (Individualised, meaningful, Profile, Assessment, Curriculum, Target, Setting).

This enables the learning journey to be one of growth and achievement, enabling pupils to build knowledge and skills gradually, in small, achievable steps. It also helps pupils work successfully toward their personal Education, Health, and Care Plan (EHC Plan).

Stages of learning

The ImPACTS curriculum allows us to set ten personalised goals for the year under the categories of cognition; communication, language and literacy; environmental control technology; personal, social, wellbeing and health education (PSWEHB); and physical education (PE). These targets are reviewed on an annual basis to plot progress against pupils' personalised learning journey. Therapeutic goals are also set by the therapy team in addition to the curriculum areas and quality of life.

Impact of learning

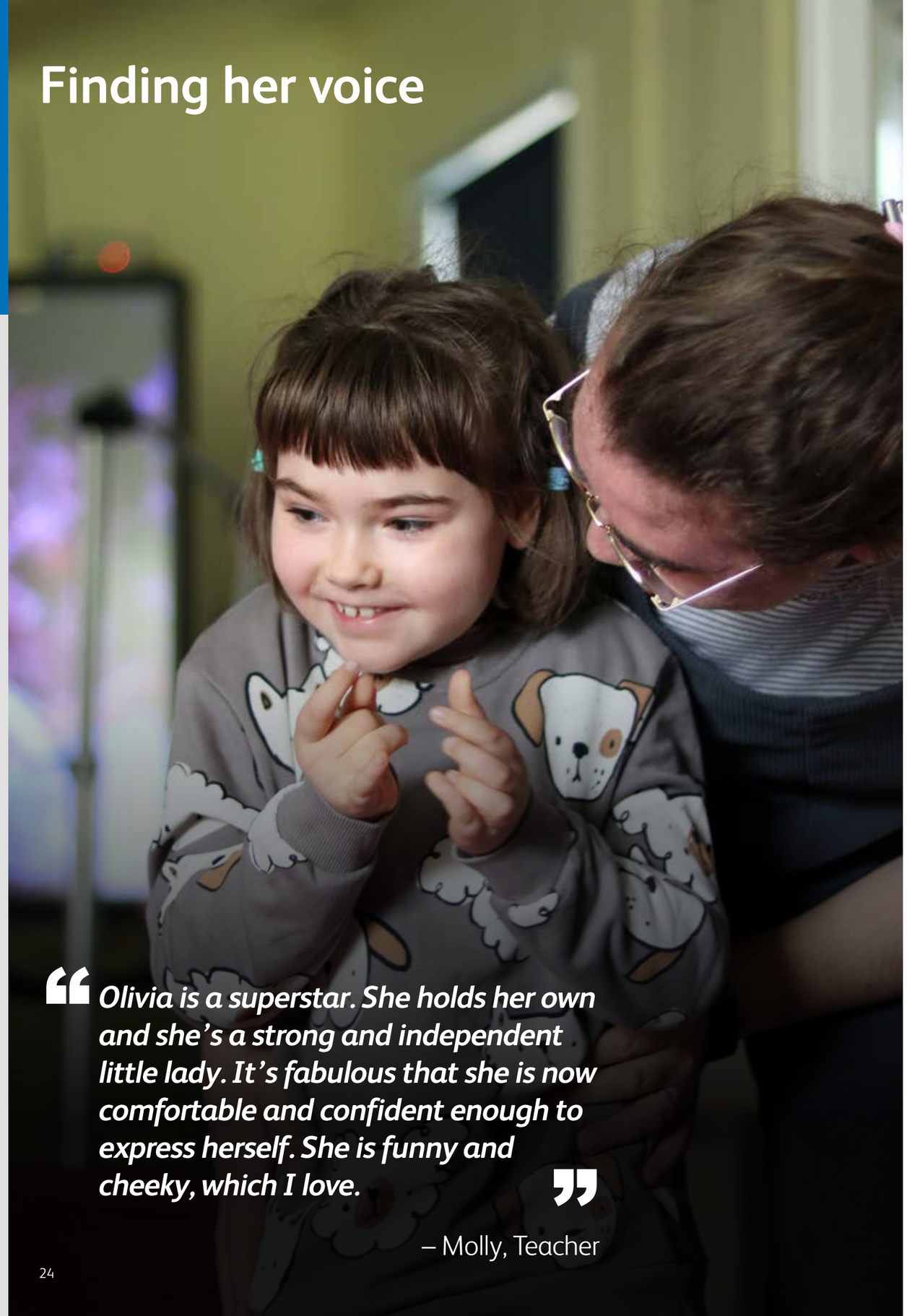
School – ImPACTS curriculum progress – 2022/23 Academic Year

ImPACTS progress data illustrates incremental changes across all areas of the curriculum for all pupils attending The Children's Trust School, with increasing changes in areas of communication, language and literacy, and environmental control technology.

2022/23 academic year – ImPACTS progress

ImPACTS measures	% change over 2022/23 academic year
Communication, language and literacy	+ 17%
Cognitive	+ 13%
Environmental control technology (ECT)	+ 19%
Personal, social and emotional wellbeing (PSEW)	+15%
Physical (Gross)	+ 3%

Finding her voice



> *Olivia is a superstar. She holds her own and she's a strong and independent little lady. It's fabulous that she is now comfortable and confident enough to express herself. She is funny and cheeky, which I love.*
>
> – Molly, Teacher

Olivia, aged seven, has made fantastic progress this year at The Children's Trust School.

Olivia has Rett syndrome, which is a neurodevelopmental disorder that can affect children's speech and mobility, leaving them unable to walk or communicate verbally.

Olivia joined The Children's Trust School in the nursery, aged five and is now thriving in the school primary class. She is a bright and engaged member of her class and has made real strides in learning ways to communicate, building her understanding of the world around her and developing relationships with her teachers and peers.

"In the last year Olivia's developing personality has really shone through. She is maturing into a little girl with interests and friendships, and it's just lovely to see." Molly, Olivia's teacher

Making communication accessible

This past year Olivia has been working hard to develop her use of Eyegaze technology to communicate with those around her. Staff at The Children's Trust School have integrated the use of this device into lessons, therapy sessions and her daily routine.

With consistent use as well as modelling from the staff and her peers, Olivia began to understand how the Eyegaze works and is now making clear responses through the device.

"I consider every moment when Olivia makes an intentional choice or clear reply as a stand-out moment. It reassures me that she is there, she has her personality, she is trying to express herself. It is still a very long way to go but as we know, the journey of a thousand miles begins with a small step." Julia, Olivia's mum

By communicating through her Eyegaze machine, Olivia can make choices, play games, and join in with group activities. She's become more cognitively aware of the actions of people around her, and has been able to express herself in response, developing relationships with her peers.

Exploring interests

Students at The Children's Trust School have access to a range of activities that promote their intellectual, physical, emotional, and social development.

Olivia particularly enjoys cooking sessions, as she loves exploring the taste and texture of different ingredients. She also loves her weekly yoga and sound bath sessions, enjoying the freedom of movement outside of her wheelchair or walking frame.

Child-centred approach

In addition to her education, Olivia has access to a speech and language therapist, occupational therapist, and physiotherapist on a weekly basis at The Children's Trust School. With interventions such as access to assistive technology, weekly hydrotherapy sessions and blocks of rebound therapy, she has made great physical progress.

Like most children, Olivia responds particularly well to learning through play.

"It's nice that she doesn't feel like she's doing exercises. The sessions involve singing songs and playing games and she doesn't realise she's learning, she just thinks she is having a lovely time, so she's much more engaged." Molly, Olivia's teacher

> *Pupils flourish at this school. Their individuality is recognised and nurtured. One parent told us that this school opens up a whole new world for its pupils.*
>
> – Ofsted, September 2023

The Eyegaze machine is an eye tracking communication device which enables Olivia to generate speech by typing a message or selecting pre-programmed phrases.

How we generate income

Statutory income

Approximately 70% of the charity's income comes from annual and multi-year contracts including:

- Rolling, multi-year contracts for the residential and day school children who can be supported by us from the age of two to 19 years
- Our block contract with NHS England for the rehabilitation of children with the most complex needs following their brain injury.

The balance of our income for rehabilitation services comes from placements funded primarily by Integrated Care Boards (ICBs), foreign embassies or, in some cases, privately.

We also receive a grant from NHS England ('NHS England Children's Hospice Grant') in contribution to the operating costs of delivering palliative care services to children and young people. In 2023/24 we received £314k (2022/23 £307k). We also received a capital grant of £20k in 2023/24 (£21k in 2022/23) from the Department for Education in respect of The Children's Trust School.

Voluntary income

Your support makes our work helping children and young people with brain injury possible.

This year our fundraising and retail shops, accounted for 10% and 7% (2022/23: 13% and 8%) respectively of total income generated by the charity (total of 17%). We appreciate every gift no matter how large or small. We are so incredibly grateful to everyone who donates, volunteers, or runs fundraising activities on our behalf.

Fundraising and retail income enable us to continue providing services such as accommodation for parents so they can stay with their child, specially adapted equipment, soft play areas, homely bedrooms, and adapted vehicles so children can attend hospital appointments and access the outside world. We also rely on voluntary funding to provide our critical online information service and virtual UK-wide community service.

During 2023/24 across fundraising and retail shops, The Children's Trust supporters and shop customers generously donated a total of £5.8m in voluntary income (£6.2m in 2022/23) despite the financial pressures of a cost-of-living crisis.

Our supporters raised £3.0m (£3.6m in 2022/23) by taking part in fundraising activities ranging from our squad of 39 runners taking on the London Marathon to a sponsored goat walk!

Our 14 retail shops raised £2.4m (£2.3m in 2022/23) and we celebrated achieving a record net profit surplus despite fewer shops (previously 16). We branched out to test new ways to increase income such as our 'pop up' wedding shop which generated £10,000.

We are thankful for the very generous contributions from donors, organisations, and volunteers who – through their gifts of money and time or by donating goods to our charity shops – make our work possible.

Our principal fundraising activities are focused across seven areas:

1	A chain of shops and online retail selling new and donated goods;
2	Soliciting gifts from trusts, foundations, and statutory partners;
3	The solicitation and stewardship of donations from supporters or entries to a lottery being paid either by direct debit or as cash gifts;
4	Leaving a legacy, supporters leaving a gift in their Will;
5	Running our own events and entering individuals into third party events and activities;
6	Building partnerships with businesses, schools, community groups and other organisations to support them in raising money on our behalf; and
7	Supporting individual members of the public to conduct their own fundraising activities on our behalf.

Significant donations from foundations

We are grateful to receive donations from public and private foundations. During the year, the Peter Harrison Foundation granted us £30,000 towards our music therapy programme which helps children and young people enjoy music whilst developing or regaining skills such as eating, talking, and walking.

Garfield Weston Foundation enabled our Community Rehabilitation Service to reach children and their families wherever they may be, with information about concussion though our Bumps Happen online information resource. Alongside this, our Virtual ABI Team were funded to provide targeted consultation via telehealth virtual platforms. With this funding we were able to harness the power of digital communication to work with families across the UK at home or at school to support them to enjoy everyday life once again.

A lasting legacy

The Children's Trust was founded on a legacy. Caring for children at Tadworth Court in Surrey began in 1927 when Peter Reid left a legacy of £20,000 to create a country branch of Great Ormond Street Children's Hospital. As we celebrate the 40th anniversary of the charity we are today, we would not survive and grow without the thoughtfulness of those who leave gifts in their Wills. In 2023/24 we received £250,000 from generous supporters who left a lasting legacy so that we can continue to be there for the children who need us.

Supporter highlights

We are delighted to have been chosen by employees at Fidelity UK whose votes meant that The Children's Trust won a two-year fundraising partnership. We also thank Arun Estates employees who raised £80,000 enabling us to continue to support children with brain injury and neurodisabilty to live the best life possible.

National Doughnut Week

National Doughnut Week 2023 was a great success with Dunns Bakery raising a delicious £43,050 for The Children's Trust. The charity week was launched in 1992 by Christopher Freeman, co-owner of Dunns Bakery. It's a very special week which sees businesses, including independent bakeries, coffee shops and offices, take part and sell lots of delicious doughnuts to raise funds in aid of The Children's Trust. Since 2005 National Doughnut Week has raised an incredible £588,344 for us with this annual campaign for which we are incredibly thankful.

Inspiring others

Five years on from his own brain injury, Zac is now working to support young people who find themselves in the same position.

Zac was 16 years old when he suffered a ruptured Arteriovenous Malformation (AVM) in 2019. After spending six weeks in hospital, he was transferred to The Children's Trust for a residential rehabilitation placement.

During his placement, Zac was extremely motivated to regain the skills he had lost due to his brain injury. Whilst at The Children's Trust he worked hard in his therapy sessions, and after 16 weeks of intense therapy, including physiotherapy, occupational therapy and speech and language therapy, he was on the way to achieving his recovery goals.

Now aged 21, Zac is looking at a bright future. He has completed a T Level in Engineering at college, passed his driving test, and pursued his ambition of working in Formula One by completing work experience placements with the Red Bull Racing F1 team and Global Technologies Racing.

> *"I am where I am today as a result of the hard work and effort of all of the staff at The Children's Trust. I hope that my story will inspire other kids going through similar circumstances as I know how difficult the journey can be."*
>
> – Zac

> *"It's the least I can do. The Children's Trust has enabled me to go on and live my life, so I wanted to give back."*
>
> – Zac

Giving back

Zac now wants to give back to The Children's Trust and offer support to other young people who have experienced a brain injury.

"It's the least I can do. The Children's Trust has enabled me to go on and live my life, so I wanted to give back." Zac

He recently spent time with young people currently receiving rehabilitation to motivate them and give them hope.

Zac tells us "The foundation for recovery is laid at The Children's Trust and continues when you go home. You have to persevere and have a positive mindset. I hope I have inspired them to keep going because I know that would have helped me when I was here."

He has also taken on public speaking engagements to raise awareness of brain injury and the work of The Children's Trust, sharing his story in the hope it will inspire others to remain motivated to achieve their goals.

How we work

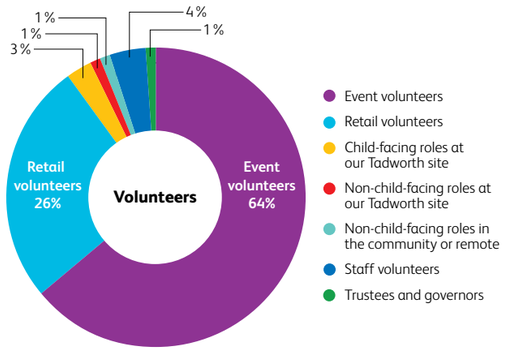
Our staff

We would like to thank all our staff for their hard work, patience, and commitment through what has been a very challenging year. At the completion of the organisational restructure, following a programme of voluntary and compulsory redundancies, we employ 481 staff on a full-time equivalent basis (2022/23: 530).

Volunteers

There are many ways individuals can volunteer to support our work and help us make a difference to the lives of children with brain injury and neurodisability, from one-time opportunities at events throughout the year to regular opportunities including driving and gardening or volunteering in one of our charity shops. We also provide opportunities for volunteers at our site in Tadworth. Through our volunteering programme we aim to provided volunteers with training and support at a level suitable to their role. On average, our retail and event volunteers give 12 hours per month, with a total of 3,960 hours given every month.

Summary of volunteer participation:



How we work

I volunteer to help others like me

After Danielle acquired a brain injury as a child, she received rehabilitation at The Children's Trust. Over a decade later, Danielle now gives back by volunteering her time in one of our charity shops.

I volunteer as a till assistant in The Children's Trust shop in Stoneleigh, Surrey, managing the till and engaging with customers.

A typical day includes lots of fun, laughter, and hard work, as I price and hang clothes, sort through donations, and sell raffle tickets alongside the rest of the team. The people I work with and the amazing managers at the shop, Sam and Vic, make sure we always have fun whilst we are working.

"Every day is special as we are meeting different people who come in to shop and donate. It's nice to feel valued and part of an amazing team."

Giving back

I volunteer to help other children with brain injury, having been a patient myself 14 years ago. I know exactly how important it is to raise these vital funds for children with brain injury.

"I came to The Children's Trust unable to talk, walk or eat, and thanks to the amazing team I was able to make a full recovery."

I am coming up to my fifth year of volunteering in The Children's Trust Stoneleigh shop and it has been such a wonderful experience. It's a wonderful feeling knowing you are helping children with brain injury to live the best life possible.

> *"If I were to speak to someone thinking of volunteering, I would say 'do it!'."*
>
> – Danielle

Our culture and values

2023 and 2024 were times of significant organisational change for our staff and leadership as we restructured. Our culture and values are at the heart of everything we do and our organisational promises, developed in collaboration with our staff, volunteers, partners and children, young people and families, should always guide us in the way we work and deal with each other.

We worked hard during the restructure process to ensure that the decisions we made on staffing and services, were taken with our promises in mind. We did this by considering the children and services in our decision making. We consulted with our staff consultation group to ensure we were open and responsive, and that they had a say in the changes we made.

Finally, our staff pulse survey, held during the restructure process, gave staff a voice at a critical time, and directed our focus on how we continue to make this a promise-led organisation.

Our promises

Child first

- To put children and young people first, seeking their views and sharing decision-making with them.
- To contribute to our community, making it warm, positive and fun.
- To connect meaningfully with children and young people, enriching their lives.

Aim high

- To be curious and courageous, exploring new ideas.
- Think big, finding ways to add value and improve what we do.
- To focus on quality, act responsibly and use evidence to support our choice.

Care deeply

- To be friendly and show genuine compassion.
- To connect and collaborate effectively inside and outside of our charity.
- To recognise and encourage each other, taking time to celebrate successes.

Be open

- To speak up confidently and look for solutions.
- To listen to others, sharing and receiving feedback in a positive way.
- To invite different views, respecting everyone's roles and contributions.

Own it

- To take responsibility, owning what we do and delivering on our promises.
- To set ourselves high standards and use our expertise across the charity.
- To grow from mistakes, taking every opportunity to develop and improve.

Trustees' duty to promote the success of the charity – section 172 statement

Trustees have a duty to act in good faith to promote the success of the charity for the benefit of its stakeholders and in doing so are required by section 172 of the Companies Act 2006 to have regard for various specific factors including:

The likely consequences of any decision in the long-term

The trustees make all key decisions with reference to our central ambition; for all children and young people with brain injury and neurodisability to have the opportunity to live the best life possible.

Children and young people are invited to attend the Trustee Board for a special "spotlight" standing agenda item used to open each meeting. This invaluable engagement between trustees and beneficiaries enables the board to gauge the charity's impact on the lives of its beneficiaries and to seek the views of children and their parents or carers about the services they receive.

To ensure we can achieve our central ambition, especially this year, it has been essential for us to maintain a relentless focus on our financial recovery. This required us to consider the financial implications of all decisions, whilst carefully assessing the potential impact on the quality and safety of our services. With this in mind, we strengthened our approach to risk-based decision making with the introduction of a new risk management reporting tool, the outputs of which now form a key part of Board and Committee agendas. This has enabled greater visibility of the cross-organisational risk profile so that the short term and longer term impact of decisions can be more commonly understood.

172 statement

The interests of the charity's employees

At the heart of our strategy lies our approach to our people – how we look after, motivate, and develop our employees and volunteers and create a sense of being part of something special.

The recovery we have achieved in 2023/24 could not have happened without our remarkable staff. Our most recent pulse survey in December 2023, showed that staff were more confident that the senior leadership team could successfully deliver the financial restructure. But we know we must continue to seek and act on feedback and ensure staff are happy, engaged and fully confident about the future.

We continue to offer a range of communication channels to ensure staff are kept up to date and can raise any concerns they may have. These channels include virtual all staff meetings, all staff emails, our Employee Voice channel, our weekly newsletter, and further updates on our intranet.

We know that organisational change can take time to implement effectively, and winning hearts and minds can take longer still. We would like to thank all colleagues for their continued commitment, professionalism, and resilience.

The need to foster the charity's relationships with suppliers, customers, and others

We recognise that the charity can only succeed if our relationships with referrers, funders, donors, and key suppliers continue to thrive.

We remain thankful to our loyal supporters and philanthropists who continue to show their generosity through funding our vital work or giving their valuable time and expertise. Their dedication to the charity means we can continue to be here for children and young people with brain injury and neurodisability.

> *"We are proud of the difference our services make to our beneficiaries and are grateful to our funders for recognising our unique proposition and the value we bring."*

Our partnerships with local authorities and other funders are extremely important to us. We are appreciative of their support and commitment as we continue to ensure we fully recover the costs of the highly specialist services we provide for children and young people with brain injury and neurodisability. We are proud of the difference our services make to our beneficiaries and are grateful to our funders for recognising our unique proposition and the value we bring.

The impact of the charity's operations on the community and the environment

We are committed to minimising the environmental impact of our activities. For this to happen we need to make sure our practices are sustainable, from the top of our supply chain, through to our impact on our people, the environment, and the communities in which we operate. As part of this work, we have already begun our new business strategy, the charity's impact on the local community and wider environment will remain a key consideration.

The desirability of the charity maintaining a reputation for high standards of business conduct

We believe that maintaining a reputation for high standards of service delivery and business conduct is fundamental to the long-term success and viability of the charity. We keep this in mind in everything we do from recruitment and resourcing, the setting of policies and procedures, the choice of suppliers and partners we work with, the level of risk we are prepared to accept and the governance and monitoring arrangements we put in place.

> In 2023/2024, two thirds of local health authorities across the UK referred children and young people to The Children's Trust

Between 2021 and 2023, 95% of families who completed our 'Friends and Family test' would recommend The Children's Trust to friends, family and other parents who needed similar care or treatment. In 2023/2024, two thirds of local health authorities across the UK referred children and young people to The Children's Trust, and Ofsted rated our school "Outstanding" in September 2023. This highlights the confidence that families, healthcare professionals and regulators across the UK place in our ability to deliver high-quality care to those living with the most complex disabilities.

Despite the ongoing need for financial prudence, the board, senior leadership team and all staff are focussed on ensuring we deliver high-quality services to children, young people, and their families.

The need to act fairly between members of the charity

The organisation, being a charitable company limited by guarantee, does not have shareholders and its members are limited to the trustees, who are directors of the company. All trustees receive the same information about the strategy, operations and finances of the charity and have equal voices in all key decision-making.

2023/2024: progress against our strategic objectives

Here we look back at our 2022/23 strategic objectives and report on our progress towards achieving them.

1 **Deliver high quality, safe and effective care**

2 **Maximise income**

3 **Reduce our cost base**

Progress against our strategic objectives

Objective one: Deliver high quality, safe and effective care

Offer an integrated service model across education, health, therapy, and care aligned to regulatory frameworks, safeguarding, contractual and statutory obligations

Our collaborative approach, involving children, young people, families, and multidisciplinary clinicians, ensures that our services are tailored to meet the unique needs of each child.

We have introduced 24-hour senior nursing (B7) site-wide cover for clinical support.

We have implemented successful MDT meetings in rehabilitation and are piloting the introduction of MDT key worker meetings.

To enhance the patient pathway process from referral to discharge, we have introduced placement managers. These managers play a crucial role in coordinating patient care and acting as the central liaison for families throughout their journey with us.

We have continued to develop and implement our Electronic Patient Record (EPR) system, which is now fully rolled out within all clinical areas housing children in residential care. This project has had a significant positive impact across a number of areas. Most notably, we are now able to easily access information to both respond and report to multiple stakeholders in a timely manner whilst also possessing greater intelligence and data analytics to further inform clinical decision making and wider patient safety.

Co-design and co-produce our services with children, young people, and families

We continuously improve our neurorehabilitation services through person-centred goal setting and treatment planning. We have involved and engaged children and young people by gaining feedback on changes we have made to the rehabilitation plans, timings of sessions and group interventions.

> *"We have involved and engaged children and young people by gaining feedback on changes we have made to the rehabilitation plans, timings of sessions and group interventions."*

We also place great importance on the feedback we receive from a variety of sources, including friends, family, and relatives through channels such as "Have Your Say" and family evaluations.

As a result of this feedback, we have implemented several improvements, such as increasing the availability of weekend activities, individualised rehabilitation plans, personalised name badges for staff and enhancing the quality of food provided.

These changes have significantly enriched the experience of the children and families we support, reflecting our commitment to delivering high-quality, patient-centred care.

Integrate with – and provide access for – the children and young people to local healthcare systems as far as possible

We continue to engage with the NHS services and we are currently working on a previously agreed plan to integrate the children in residential care with the paediatric team at Epsom Hospital for accessing secondary care.

Children and young people who are admitted for neurorehabilitation remain under the care of their local NHS service during their inpatient admission.

Explore the further development of the multi-disciplinary clinical workforce and skill mix within nursing and care

Following the 2023 restructure, we made the strategic decision to upskill our clinical support assistants (CSAs) to take on shift leadership roles and medication administration. This ambitious project involved educating and training over 50 carers, demonstrating our commitment to enhancing our workforce's capabilities.

We introduced the role of Clinical Site Managers (CSMs), ensuring that we provide 24-hour senior nurse support, seven days a week. CSMs play a crucial role in addressing clinical and safeguarding concerns as well as undertaking a crucial family liaison role out of hours. They serve as a vital point of contact for families, providing reassurance and immediate intervention when necessary. This has enhanced our ability to respond promptly and effectively to any safeguarding issues, ensuring the safety and wellbeing of all children in our care at all times.

Expand the role of clinical education

Through comprehensive training programmes, detailed within a comprehensive learning and development plan, we ensure that our workforce training is continually aligned to the organisation's strategic direction, as well as responding to learning from incidents, complaints, and audits. We aim to continually improve the skills and confidence of our team, enhancing the quality of care we provide to our patients whilst remaining at the forefront of clinical best practice.

We have enhanced and further developed our Basic Life Support training to be more comprehensive and focused on the specific needs of The Children's Trust. With the creation of the senior clinical support assistants (CSA) role, we have undertaken a comprehensive review and implementation of our medication training for carers.

We have continued to develop our Experienced Nurse Programme, designed for band 5 and 6 nurses, comprising of five study days with a strong focus on leadership development.

Improve staff engagement, wellbeing, and morale by consulting on organisational change, providing channels for people to speak up and listen to and being seen to act on feedback

As part of our legal responsibilities during the significant organisational change we managed, we set up and trained an Employee Forum to review, interrogate and improve our restructure plans. In total 65 recommendations were made by staff and 36 were implemented to improve our proposals. This led to a small reduction in the number of roles made redundant and a small increase in the savings we achieved towards financial stability. This was a positive process in an otherwise difficult context.

Looking at wider staff engagement and sentiment, our December 2023 pulse survey showed improvements in four of the 11 statements compared to our June 2022 staff survey, and a decline in seven statements.

A significant improvement in sentiment towards the senior leadership team delivering the financial restructure was balanced by decreased confidence in management overall.

Other areas of focus identified for action planning were around staff experiencing discrimination at work and concerns around pay.

While the results do highlight challenges we must overcome, over 8 out of 10 of our staff (81.3%) responded positively that they feel that they can report concerns which is critical to ensuring an open, transparent, and constructive dialogue on making The Children's Trust a better place to work.

Objective two: Maximise income

Optimise cost recovery of our services

Delivering high quality, safe and effective services in a niche area of the health sector requires significant investment in a highly skilled workforce. We have made significant progress in managing and recovering our costs. Given the pressures on the resources of our public sector funders and the challenges of operating from our current estate, this will remain an area of focus and will be a key element in our strategic planning and analysis in 2024/25.

Develop and foster strong relationships across our professional networks in the UK and abroad to increase awareness of, and demand for, our unique services

In 2023/24, 28 out of 42 Integrated Care Boards referred patients to The Children's Trust. This widespread referral network highlights the confidence that healthcare professionals across the country place in our ability to deliver high-quality neurorehabilitation. There is a business development plan in place to strengthen our partnerships with external stakeholders, particularly referrers and commissioners.

We participate in national and regional academic conferences, offering dissemination of research, quality improvement projects, skills and expertise which builds the evidence base for high quality neurorehabilitation.

Ensure that we can meet the workforce demand for our services in order to ensure the provision of safe care

We initiated a drive for international recruitment to fill nursing and care roles. Over the first few months of 2023, we welcomed more than 40 international nurses and carers from countries across Africa and Asia. We have also successfully recruited overseas allied health professionals.

Leverage and grow our supporter base, invest in relationships, and develop new fundraising initiatives and other opportunities to grow voluntary income

We finished the year ahead of the original budget set at the start of the year. This is testament to the work the team have done to retain the trust and confidence of supporters by being open about the challenges we face and sharing the impact of our work for children, young people and families which has led to continuing support. The size of the supporter base has remained static in 2023/24; however, work is underway in 2024/25 on several initiatives to address the risk of a long-term decline in income.

Increase retail contribution with our portfolio of well-located and appointed charity shops and online channel

The Children's Trust supporters and shop customers generously donated a total of £2.4m (£2.3m in 2022/23) and we celebrated achieving a record net profit surplus despite a smaller chain of shops (now 14, previously 16). We branched out to test new ways to increase income such as our 'pop up' wedding shop which generated £10,000 of income.

Objective three: Reduce our cost base

Remain focused on minimising staff costs post restructure (including temporary agency workers and recruitment fees) and maintaining a leaner workforce

The total staff cost reduced from £25.5m in 2022/23 to £23.5m in 2023/24 as a consequence of the restructure. To ensure that the correct focus is maintained on staff costs - enhanced controls have been put in place and any increase in staffing establishment needs senior level sign off before proceeding.

Keep recruitment and agency fees down by ensuring The Children's Trust is not only a place that people want to come and work but somewhere they want to stay. Reduce attrition through investment in training, apprenticeships, and broader career development

Significant progress has been made with attrition falling from 36% in April 2023 to 20% by March 2024. This has meant a reduction in the total number of roles we have recruited to in this year.

Our recruitment efforts have focused on nursing and quality and therapy roles, both of which remain very competitive markets for the high-quality staff we need to support the children and young people.

Our training for internal recruits ensured that the nurses were well-prepared to pass their NMC Objective Structured Clinical Examination (OSCE), meeting the high standards required for clinical practice in the UK.

We currently have eight clinical support assistants (CSAs) undertaking their nursing apprenticeships with the Open University, spread across two cohorts. We have three members of staff undertaking therapy apprenticeships. These apprentices have benefited from external placements at prestigious institutions such as Great Ormond Street Hospital, Ashford & St Peter's Hospitals NHS Trust, and various local community settings. Offering this pathway into nursing for our talented senior CSAs has been excellent for both recruitment and retention.

We annually survey our staff's experience working at The Children's Trust and use their feedback to action plan ways to improve the experience of working at the organisation.

Continue to rationalise and consolidate our non-staff operating expenditure

Over the past year we have successfully implemented closer governance around non-staff operating expenditure resulting in an overall reduction. This has included reviews of existing vendor contracts, greater scrutiny of procurement processes and eliminating unnecessary spend.

Seek ways to use our site at Tadworth Court more efficiently

The review of the use of the Tadworth Court site has been covering two main areas: identify opportunities to maximise the use of the current site for current activities, and also to understand the longer-term options as part of the development of our 2025 strategy development.

Exercise robust financial governance and controls to ensure our recovery stays on track and that we meet the terms and conditions of our £5m commercial loan facility

As a result of the implementation of the recovery plan the charity has ensured it has met all necessary loan covenants as of 31 March 2024.

Progress against our strategic objectives

Quality visits and regulatory inspections

Our rehabilitation services and residential accommodation are registered with both Ofsted Care and the Care Quality Commission (CQC). This dual registration leads to increased governance and oversight, which is beneficial for our practice. The two inspections have different focuses, providing valuable insights for continuous improvement.

Ofsted Care inspection, September 2023 – 'Good rating'

- Overall experiences and progress of children and young people: Good rating.
- How well children and young people are helped and protected: Good rating.
- The effectiveness of leaders and managers: Good rating.

> *"There is a healthy culture of staff self-reporting medication errors and concerns. When concerns are reported, managers work effectively in partnership with relevant external agencies and take effective remedial action to reduce the chance of any errors being repeated."*

Recommendations:

"The registered person should ensure that the use of CCTV or other monitoring equipment should have a written policy describing how this will support the safeguarding and well-being of those living and working in the home."

"The registered person should be visible and accessible to staff and able to deliver their leadership and/or management responsibilities."

CQC Inspection, February 2024

CQC no longer provide a rating for services or organisations that are defined as being a children's home and are dual registered with Ofsted. The last rated inspection in March 2020 led to an outstanding rating. A further unrated inspection took place in February 2024 which provided extensive positive feedback and identified specific areas for improvement.

> *"Children and young people receiving intensive rehabilitation at The Children's Trust were supported by excellent staff who were committed to supporting achievement and success,' adding, 'the progress children and young people made was evident."*
>
> – CQC inspectors

Recommendations:

- Strengthening the detail of the description of one-to-one care and observations related to overnight care within care plans.
- Strengthening daily evaluations of the child or young person's care to include their voice, feelings and wishes.

Ofsted Education, September 2023 inspection

- The inspectors rated The Children's Trust School as 'outstanding'.
- Our school was rated outstanding across all areas that were assessed. Ofsted inspectors praised the dedication, skill and passion of our staff who are driven to ensure all children and young people with neurodisability and complex needs experience life in all its richness.
- The school excels at getting to know pupils' interests and talents, often finding innovative ways to nurture and develop these.
- We will continue to act on and learn from the findings from all our regulators as we strive to provide the best possible quality of care and education for children and young people.

> *"The needs of pupils are always the priority at The Children's Trust School. A caring, child-centred culture is tangible throughout the organisation from the work of trustees through to daily classroom interactions."*

> *"The school's curriculum is extremely effective. It provides an adaptable framework, which teachers combine with the information from pupils' (EHCP) Education, Health, and Care Plans to ensure that learning is highly purposeful and individualised."*

Looking ahead our key priorities 2024/25

It has been a vital year of learning for The Children's Trust as we build on our financial recovery and pave the way for a sustainable future.

In our Trustees' Report for 2022/23 we outlined our financial recovery plan with the key objectives of delivering safe and effective care; maximising income and reducing our cost base.

With leadership changes at trustee and senior management level substantially completed, we have continued to make significant progress in implementing the recovery plan and achieving financial stability.

Positively, the delivery of the recovery plan has meant that only £3.5m of the £5m loan facility from Charity Bank and Big Society Capital has been drawn down at the time of reporting. We are also very grateful that £0.75m of the £1.25m philanthropic loans has now been converted to a gift.

We believe that our recovery plan now paves the way towards a financially sustainable future for the charity, so that we can be here for children, young people, and their families in the long-term.

As we updated in last year's report, given the charity's financial position at that time, sustaining our ability to provide high quality and safe services to the many children, young people, and families we exist to serve, has been the key priority for the charity. We have achieved this by making difficult decisions on and re-focusing ongoing and planned projects and activities.

Over the course of the next 12 months, as we come to the end of the current strategic period, and build on our recovery plan, we will focus on the four objectives, outlined on page 43.

Objective one: Enhance the safety and quality of our services for children and young people and their families

We will:

- Develop a consistent culture of continuous improvement and patient safety through the implementation of the PSIRF policy and plan, learning action plans and quality improvement;
- Continue to develop the clinical risk register and board assurance to inform patient safety risks, mitigations, and further strategic developments;
- Implement the Electronic Patient Record system within rehabilitation houses over the next year and ensure that the learning from the initial implementation is built into this further rollout.

Objective two: Strengthen financial stability and sustainability

- Review and update policies and processes to improve financial governance and risk management.
- Undertake a strategic property review and options appraisal.
- Enhance the transparency of service financial performance including key financial drivers and overhead allocation.
- Improve financial reporting and working capital management through greater focus on risks and forecasting.
- Identify and implement process efficiencies.
- Develop new voluntary fundraising propositions.

Objective three: Continue to develop an inclusive, transparent 'one team' culture at The Children's Trust

As part of a new employee engagement working group, supported by staff from across the organisation we commit to:

- Re-establish our 'Promise Planter' group to better embed our promises across existing and new members of staff, testing our progress in our next planned staff survey in June 2025;
- Implement key principles from the national Freedom to Speak Up Guardian, to give staff a clearer and more constructive way to raise concerns and to ensure they feel listened to;
- Review all of our, employee engagement channels and tools, responding to staff feedback and, in particular, improve staff sentiment around wellbeing through a dedicated working group, who will make recommendations directly to the senior leadership team on addressing current staff challenges. Progress will be measured via a baseline pulse survey in 2024 and the June 2025 staff survey.

Objective four: Setting The Children's Trust up for the future

In 2024/25, we will focus on setting the charity up for its journey into the future. We are excited to engage in the development of our new, multi-year organisational strategy, which will enable us to remain relevant, excellent, and committed to continuous improvement.

Our sole purpose is to work so that children and young people with acquired brain injury and neurodisability can live their best life possible. Our new organisational strategy will live up to this.

We will:

- Engage children, young people, and their families in developing what we stand for as an organisation (e.g. our promises), what we do and how we do it;
- Activate the enormous amount of specialist expertise and insight across our diverse staff base and large number of volunteers, including our Board of Trustees and co-opted members to our Board Committees, to shape our new strategy;
- Carefully analyse our operating environment to understand what The Children's Trust needs to focus on to deliver the biggest impact for the people we serve;
- Seek external input from a variety of current and future stakeholders to challenge our thinking;
- Develop a solid operational plan before we start implementing our strategy.

Looking ahead our key priorities

Financial performance

Overview

The year 2023/24 was characterised by the delivery of our financial recovery plan which included:

- utilising the loans obtained from both Charity Bank/Big Society Capital and philanthropic donors to ensure ongoing liquidity,
- ensuring income from our contractual funders is at the appropriate level for the services provided,
- maintaining strong controls over expenditure.

The performance in the year 2023/24 against these aims was positive and has allowed the charity to maintain operations. Going forward, the underlying challenges of the business model remain and so the year 2024/25 will be focussed on the construction of a sustainable business model to take the charity forward.

The £5m loan facility from Charity Bank and Big Society Capital was secured at the end of the 2022/2023 year. Since the initial drawdown of £3.5m in February 2023 there have been no further drawdowns and the cash balance for the Charity at the end of the year was £2.2m (2022/23 £1.9m).

The focus on improving income was successful in the year, with the business development team securing fee increases through their negotiations with the respective commissioning bodies. Income from charitable activities increased by £6.4m to £27.4m in the year.

Fundraising income, including the charity's retail network, decreased from £5.9m to £5.5m in the year.

Through the year, the close focus on the cost base of the charity has remained, ensuring we continue to deliver a world-leading service in a safe and healthy environment within the confines of the recovery plan. Whilst the recovery plan gave rise to a reduction in charitable activity costs by £1.9m, the charity continues to invest in its staff, and they continue to deliver world-class care. Non-staff operating costs remain a challenge as there are significant fixed overheads related to our site and the facilities we offer the children we support. Ensuring optimal use of the Tadworth estate is a key area of focus for the future. Overall, the total costs of the charity decreased by £2m to £33m.

The charity has therefore finished the year with an operating surplus of £0.7m (2022/23 deficit of £(7.6m)). However, due to the decrease in value of the charity's property assets driven by the impact of higher interest rates on the property market, the overall position is a deficit of £(2.0m) (2022/23 deficit of £(3.8m)).

At the end of 2022/23, the charity had negative free reserves of £(1.7m) and by 31 March 2024 this has moved to a position of £1.2m. As the recovery plan continues to be delivered and the results of the strategic review are set out, it is anticipated that the charity will continue to replenish our free reserves. The financial performance for the year 2024/25 has been budgeted to deliver a modest net surplus (outside of the revaluation of fixed assets).

Reserves

As at March 2024, reserves totalled £17.9m (2023: £19.9m), of which £0.06m (2023: £0.3m) relates to expendable Restricted Funds and £1.76m (2023: £1.76m) is the Fixed Asset Restricted Fund which reflects the balance on the Department of Health grant made in 1995 in relation to the Grade 1 listed property known as Tadworth Court.

£67k (2023: £57k) relates to Endowment Funds following the Charity Commission's approval to reallocate the Gardiner Endowment Fund as general unrestricted. Of the remaining balance, £16.2m (2023: £19.4m) has been designated to represent that element of the reserves which is represented by fixed assets (excluding the amount in the Fixed Asset Restricted Fund) and is therefore not available as working capital. The balance of £1.2m is Unrestricted Funds which trustees believe is a more transparent presentation of the charity's reserves.

The financial challenges referred to above had reduced the reserves to an unacceptably low level with no 'free reserves' but the charity's delivery of the recovery plan has allowed free reserves to grow to £1.2m (2023: £nil). In previous years, the trustees reviewed reserves at the year end and allocated amounts to reflect the strategic requirements of the charity. This policy was suspended in the 2021/22 Trustees Report and Accounts when the financial crisis emerged in summer 2022. The current focus is on maintaining the unrestricted funds and minimum cash balance required in the Charity Bank and Big Society Capital loan agreement.

In 2024/25 the trustees will be developing a new reserves policy which takes account of the financial risks facing the charity, the level of reserves deemed prudent as a contingency and the period over which this can be achieved. Current forecasts show the organisation achieving a modest net surplus for 2024/25. The new reserves policy will balance the need to build up funds for stability and future developments against the plan to pay down the recovery loan as soon as possible.

Going concern

Background

In accordance with the Charities Statement of Recommended Practice (FRS 102), the trustees have assessed the charity's ability to continue as a going concern to assure themselves in preparing the annual accounts on this basis. The assessment has taken into account all available information about the future for at least, but not limited to, 12 months from the date of signing of the accounts.

In 2022/23 the charity entered into a recovery plan to deliver financial improvements whilst maintaining the provision of high-quality care. This plan continued through 2023/24 and the new strategic focus will be centered on delivering safe, effective and high quality services and learning from serious incidents, as well as addressing matters such as the challenging funding environment, and the negotiation of fee increases. There are demonstrable improvements in the charity's finances and the level of uncertainty around the ability of the charity to continue as a going concern has reduced.

Operational Performance and Position

Moving on from 2022/23 the key risks were the ability to deliver the recovery plan, to meet the loan covenants and to deal with any unexpected shocks due to low reserves. During 2023/24 we have been able to address these risks: the impact of the recovery plan has been shown in the improvement in operational performance; in 2023/24, the charity is reporting an operating surplus of £0.7m, compared to deficits of £(7.6m) in 2022/23 and £(3.8m) in 2021/22. All covenants have been met and in addition the Free Reserve position has improved with a deficit of £(1.7m) turning into a positive £1.2m. This improvement continues in the year 2024/25 where the charity is budgeting a modest net surplus in the year with the first quarter forecast projecting in line with budget.

Cash Flow Analysis

As a result of the restructuring plan, cash generation has improved through increased fees and reduced staffing costs. The referral pipeline for the charity's core services remains positive and the generous support of donors and volunteers is unwavering. In terms of liquidity, the current ratio has continued to improve (23/24: 1.81, 22/23: 1.39), which has been driven by an increase in both cash and debtors. The increase in debtors was due to delays in the settlement of invoices by certain commissioners towards the end of 2023/24, subsequently the position has improved in 2024/25 through increased dialogue with these counterparties.

£1.5m of the Charity Bank/ Big Society Capital loan is available to draw down until February 2025, and the charity is pleased to state that it has met all financial covenants for 2023/24 and expects to maintain compliance in 2024/25 and 2025/26 when the first repayment of the loan is due.

2025/26 Projections

Looking ahead to 2025/26 the charity is forecasting a net surplus of £0.5m. This is dependent on obtaining the necessary fee increases on the charity's core services in line with this year and continuing to manage the overall cost base accordingly, which is emphasised when looking at the associated sensitivity analysis.

External Factors

The charity continues to operate in a challenging environment, with counterparties such as Local Authorities and the NHS who face their own funding challenges. Significant internal analysis has been undertaken about the impact of solvency issues for Local Authorities and this indicates that there is very low risk that any existing debts will become irrecoverable or that the level of referrals of children and young people will be reduced as a consequence.

The wider economy is also showing signs of improvement, especially with the levels of inflation reducing from what was seen in 2022/23 and interest rates starting to fall. The general inflation assumption used in the 2024/25 budget was of 4% and so there is a strong expectation of being able to manage costs within the budget, and this is being seen in the first months of the financial year.

Management Plans

Through the second half of 2023/24 the charity put in place a number of new permanent appointments to strengthen and stabilise both the board of trustees and also the senior leadership team. These included a new chair, chief executive, director of fundraising and communications, and finance director. Along with these appointments, there is a renewed focus on the strategy of The Children's Trust, especially in improving financial sustainability. This strategy work will continue through 2024/25.

Conclusion

The charity has made a significant improvement in its financial position in the year 2023/24, making it better equipped to handle future uncertainties. These factors have allowed the charity to conclude that there are no material uncertainties which may give rise to significant doubt that the charity is a going concern compared to the prior year and provide a better expectation about its future. Maintaining financial discipline and strategic planning will be crucial for continued stability and growth. Having reviewed these factors the charity is satisfied that it has sufficient resources to continue and is therefore a going concern and the accounts have been prepared on that basis.

Investment Policy

The investment policy sees our reserves invested with the aim of at least maintaining the value or purchasing power in real terms. A total return target has been set at CPI + 3.5% p.a. net of fees. There is no specific income target, but we seek to achieve a balanced return between income and capital growth. The time horizon is seen as long-term, more than five years. This policy will be reviewed in 2024/25 given the change in the charity's financial circumstances and the significant reduction in funds invested.

In the year to 31 March 2024 our investment assets rose by 10.7% (9.8% after charges). This compares well with the average charity return from the ARC Steady Growth Universe of 9.4%. The return can be split into capital and income with 7.7% being capital and 3% being income. Over the period we received £53k in income and there were no withdrawals.

Over the last three years our fund has gained 10.6% which was just behind the average return from the ARC Steady Growth Universe of 11.5%. In the last year, a bias to overseas equities and in particular to US equities has helped returns as markets have been excited by the large strides made in artificial intelligence. However, not having a sufficiently high exposure to US technology stocks meant that, whilst we did well compared to the average charity, we were marginally behind our benchmark return. During the year, the charity invested £1m in a money market product to take advantage of the higher interest rates.

The Investment Committee did not meet in the year 2023/24. The charity has monitored performance and maintained regular contact with representatives from Investec.

In the year Investec Wealth & Investment was purchased by Rathbones Group plc who will continue to provide investment services to the charity.

Principal risks and uncertainties

The following sets out the board's assessment of the charity's principal risks at the time of writing, alongside the control measures and mitigations in place to manage them to within an acceptable level.

Key:
↘ Risk is decreasing ↗ Risk is increasing – Risk is static

Safe, effective, and quality services –

We provide services to children and young people with brain injury and neurodisability in the UK and operate in a highly regulated environment, overseen by CQC, Ofsted Care, Ofsted Education and Charity Commission. Delivering high quality and safe services is our primary objective. A failure to maintain high standards of care and to comply with statutory requirements could compromise the health and safety of the children and young people leading to serious patient safety incidents, regulatory enforcement action, negative publicity and a decline in referrals to our services.

The most recent, full Ofsted social care inspection in September 2023 rated our children's home "Good". A further Ofsted inspection of our education provision, also in September 2023, rated The Children's Trust School "Outstanding".

Learnings from serious incidents, as well as inspections and visits by relevant regulators, highlighted where we can improve governance and practice of the services we provide. One particular risk area highlighted concerns overnight monitoring and observations. During the year we have undertaken a comprehensive review of our policies, processes and care plans and delivered additional training and communications to staff on this subject to improve quality standards.

Control measures and mitigations:

- We constantly review and update our policies, procedures, training, and competency-based assessments to ensure that compliance with all applicable regulations and with our own quality standards is fully embedded;
- We undertake spot checks and audits to monitor compliance with policies and procedures with regular oversight at the Clinical Governance & Safeguarding Committee.

Financial sustainability and control ↘

We have successfully executed our financial recovery plan in 2023/24 moving from a reported operating deficit in 2022/23 of (£7.6m) to an operating surplus (before revaluation of property assets) of £0.7m for 2023/24. It is also significant that only £3.5m of the £5m loan facility, entered with Charity Bank in February 2023, has been drawn down. At the time of writing, there is no anticipated requirement to draw down the remaining balance, although that option remains should we require it.

Key external risks which prevail include; financially stressed Local Authorities (our funders); public sector pay pressure which at the time of writing has seen the government accept the recommendations from the pay review bodies for doctors and other NHS staff. The health and social care job market could become more challenging, impacting our ability to staff beds, and simultaneously increasing our recruitment and retention costs. The squeeze on public sector finances may make it more challenging for our funders to meet the costs of providing our services particularly if recently announced national pay awards are not fully funded. Cash flow pressures for some of our UK funders and delays in the settlement of international debt could lead to delays in cash collection for The Children's Trust.

Changes in the national commissioning landscape from April 2025 will see funding for specialised services (that are currently commissioned directly by NHS England) delegated to local Integrated Care Boards. We are working closely with colleagues at NHS England to consider the implications of this for the children and young people we support, for our referrers and for our funding model from 2025 onwards.

Finally, the recent financial crisis weakened the charity's balance sheet, and it will take time to rebuild financial resilience to mitigate the risk of financial shocks. A key objective of our future strategy will be to deliver sustainable growth in income whilst containing costs.

Control measures and mitigations:

- Clear budget accountability and responsibility across the senior and operational leadership teams;
- Restrictions on capital expenditure;
- Formal governance and sign-off for any unbudgeted expenditure;
- Weekly monitoring of referrals activity across all core services, including a review of nursing, care, and therapy establishments to ensure we can meet demand in a timely manner;
- Commercial negotiations to secure uplifts in fees to cover general inflation, staff pay increases and increases in complexity of care needs;
- Weekly monitoring of trade debtors and relationship-driven engagement with UK commissioners;

- Active management of international debt position;
- Monthly financial performance review and quarterly reforecast with budget holders with oversight from Finance, Fundraising & General Purposes Committee;
- Monthly monitoring of compliance with financial covenants under the Charity Bank loan agreement.

Workforce management

Recruiting and retaining good quality staff in healthcare, education, and support roles, remains a consistent challenge, with low unemployment, high wage inflation and ongoing systemic problems. This leads to the numbers of new professionals entering the workforce each year being significantly below the demand from employers. Whilst we believe that the processes we have in place to attract and retain sufficient, skilled staff are robust, there remains a risk of reduced operational capacity leading to closed beds if we can't maintain our minimum staffing levels. This can impact the timeliness with which we can admit and support children and young people and creates a risk of loss of income when beds are closed for a period of time.

Control measures and mitigations:

- Regular management meetings to monitor establishment and anticipate workforce shortages in a timely manner;
- Processes in place to manage and minimise attrition including learnings from exit interviews and staff pulse surveys;
- Policies to monitor and manage sickness absence;
- International recruitment strategy;
- Proactive recruitment marketing strategy.

Serious Incidents

We were deeply saddened by the deaths of three children in our care in 2023 and would like to extend our sincere condolences to the children's families and carers. We are determined to understand any lessons we can draw from these sad child deaths. We are working together with all relevant authorities to enhance our delivery of high quality, safe and effective care and learning for the children and young people in our care.

At the time of writing, the coroner's inquest into a child death in September 2023 has concluded and there is a second inquest scheduled for April 2025 into another child death.

We are committed to investigating the circumstances of these and any other patient safety incidents with rigour, compassion, professional curiosity, and genuine openness to learning and improvement. The quality and transparency of the investigations we undertake and strength of our commitment to learning, which may be scrutinised in a coroner's court and in the media, are key to maintaining the confidence of the families we support, our commissioners and regulators and to safeguarding the charity's reputation.

Control measures and mitigations:

- We will ensure that the families of children and young people at the centre of serious patient safety incidents are invited to participate in investigations, are kept informed of progress and have an opportunity to discuss findings and recommendations with a representative of the charity at the investigation's conclusion;
- We have policies and protocols in place to ensure we meet all statutory requirements in the event of a child death;
- We are committed to implementing the new Patient Safety Incident Response Framework (PSIRF). The key objective of PSIRF is to embed patient safety incident responses within a wider system of improvement, enabling a significant cultural shift towards systematic patient safety management;
- We ensure that we have sound clinical governance processes in place to monitor the implementation and effectiveness of safety actions in delivering improvements in response to learning;
- We have policies and procedures in place to guide the effective commissioning, review and quality assurance of all serious patient safety investigations with oversight from the Clinical Governance and Safeguarding Committee;

Cyber security

The level of cyber threat facing organisations globally is increasing including the threat of politically-motivated and state-sponsored attacks. The Department for Digital, Culture, Media and Sport's Cyber Security Breaches Survey in 2024 reported that 66% of charities with income exceeding £500,000 had identified a cyber-attack in the past 12 months and 83% of charities reported phishing attacks. There is therefore a risk of a major cyber-attack impacting the charity either directly or indirectly, leading to loss of confidentiality, integrity or availability of critical personal, financial and business data and subsequently major business disruption.

Control measures and mitigations:

- We have a number of information security and data protection policies in place, overseen by our Information Governance Committee;
- This year we have undertaken a "cyber risk deep dive" review, overseen by the Finance, Fundraising & General Purposes Committee and have also commissioned some pro-bono consultancy to benchmark our security posture against the National Cyber Security Centre's Cyber Essentials;
- In recent years we have made a significant investment in strengthening our security measures and cyber defences, proportionate to the level of risk we face. Such measures include anti-virus and malware detection software, multi-factor authentication across our corporate network and systems, regular vulnerability scanning and penetration testing, system back-ups and disaster recovery plans, due diligence on IT suppliers and data processors;
- We have an outsource arrangement in place with a specialist firm for 24/7 security incident and event management services;
- Mandatory, annual information governance training which covers cyber security and social engineering is in place for all staff and trustees. This is supplemented by monthly bite-sized, online training and simulated phishing emails to test awareness and understanding across the workforce;
- We have comprehensive cyber insurance cover in place.

Major incidents and business continuity

The financial crisis forced us to examine the organisation's preparedness for a sudden, forced closure of the charity and identified some gaps in our planning. Following a major power outage across our site in September 2023, significant weaknesses in operational resilience were also identified. Major disruption to our services could impact patient safety if appropriate mitigations plans are not in place.

Control measures and mitigations:

- We have a major incident plan and playbook and business continuity plan in place covering high-level recovery and continuity strategies. We will be reviewing, updating and testing these again in 2024/25;
- In 2023/24 we have made significant investment in strengthening operational resilience, in particular with regards to power where we now have multi-layered back-up systems and regular rhythm of testing;
- More recently we have been formally engaging with external colleagues at NHS England South East and working towards more joined-up planning with all key external partners on major incident response and business continuity. This will work will continue throughout 2024/25.

The trustees confirm that in approving the Trustees' Report they are also confirming the strategic report in their capacity as Directors of the charitable company.

On behalf of the board

Steve Flanagan
Chair of Trustees

Principal risks and uncertainties

Environmental, social and governance

The Environmental, Social and Governance section of this annual report outlines the charity's commitment to sustainable and responsible practices. In a rapidly evolving regulatory landscape, we recognise the critical importance of managing our environmental impact. This section outlines our achievements in energy efficiency over the year 2023/24.

Streamlined energy and carbon report (SECR) Summary

Streamlined energy and carbon report (SECR)
Start date for SECR period: 1 April 2023
End date for SECR period: 31 March 2024

Methodology
All the SECR data requirements for unquoted 'large' companies have been met and the energy consumption and emissions are reported below. This includes UK consumption of electricity, gas and transport fuels where the organisation is responsible for the fuels.

The methodology used to calculate emissions is the GHG Reporting Protocol Corporate Accounting and Reporting Standard (2022). UK Government greenhouse gas emissions conversion factors for 2022 have been applied.

Scope 2 emissions from purchased electricity have been calculated using the location-based approach only.

Third party verification				
No third party data verification of the emissions data has been carried out				
Reported emissions (and carbon offsets)				**tonnes CO2e**
	2023/24	**2022/23**	**2021/22**	**2020/21**
Total gross emissions (scope 1, 2 and 3)	395.3	422.3	429.4	396.8
Total direct and indirect emissions (scope 1 and 2)	382.5	413.3	422.1	389.0
Total direct (scope 1) emissions	181.9	193.2	172.7	139.1
Direct emissions (scope 1) stationary combustion	131.0	137.6	149.6	119.8
Direct emissions (scope 1) mobile combustion	50.9	55.6	23.1	19.3
Direct emissions (scope 1) from transport mobile combustion	50.9	55.6	23.1	19.3
Direct emissions (scope 1) from other mobile combustion	0.0	0.0	0.0	0.0
Direct emissions (scope 1) from agricultural sources	0.0	0.0	0.0	0.0
Total indirect emissions (scope 2)	200.5	220.1	249.4	250.0
Indirect emissions (scope 2) from electricity	200.5	220.1	249.4	250.0
Total other indirect emissions (scope 3)	12.8	9.0	7.3	7.7
Other indirect (scope 3) emissions from business travel	12.8	9.0	7.3	7.7
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	12.8	9.0	7.3	7.7
Energy consumption				**kWh**
Total energy consumption used to calculate emissions	1,954,528	2,071,267	2.034,841	1,831,198
Energy consumption, combustion of gas	655,072	668,162	736,910	651,561
Energy consumption, electricity	1,031,077	1,132,085	1,168,418	1,065,586
Energy consumption, combustion of transport fuel	268,379	271,020	129,513	114,051
Energy consumption, other	0	0	0	0
Intensity ratio	**tCO2e/sqm**	**tCO2e/sqm**	**tCO2e/FTE**	**tCO2e/FTE**
Intensity ratio	0.027	0.029	0.030	0.6
The reported emissions intensity ratio is the total gross emissions (scope 1, 2 and 3) per Square Meter of Total floor area.				
Intensity ratio based solely on mandatory data	True			

Energy efficiency action report

1. The Trust enjoyed another year without disruption as the pandemic becomes a distant memory. However, the Trust continues to adopt hybrid and flexible working where practicable.

2. The Estates Strategy Programme (ESP) remained in place throughout the year. Lighting replacement continued with a number of units replaced for LED's and will continue going forward. White goods with better energy ratings replaced failed units in the year. Heat timings were reduced to three buildings in 2023 along with the temperature setting with positive effects. We are also replacing all the gas hobs to induction within houses and onsite accommodation as part of refurbishments and lifecycle replacement.

3. Willow remained closed throughout the year however, consideration is being given to Willow's use in future years. Part of this assessment will include how the building can operate in the most economical way possible with available funding.

4. Rose Cottage and Purley retail store were closed just prior to this period which has had a positive effect on reducing gas and electricity consumption.

5. New projects and developments undertake a sustainability impact assessment (SIA), by use of an Environmental Impact Assessment tool, which requests contractors and the project manager to consider environmental impacts of their project and whether the organisation can redesign, mitigate or accept this impact.

6. Electricity usage as seen a significant drop over the year of 101,008 kWh. This is attributed to the closure of two buildings and the continued replacement of old light fittings.

7. Gas has seen a reduction of 33,090 kWh's used compared to 2022/2023 largely attributed to the closure of Rose Cottage closure.

8. Owned fleet has seen a reduction of 19,273 miles in against 2022/ 2023 however Grey fleet has increased by 26,344 in the same period. The increase in grey fleet is due to Retail activities which represents 92% of the grey fleet miles used in the period of 2023/ 2024 (24,277 miles). This increase has had a negative impact on scope 3 reporting against 2022/ 2023 figures. Planned operational changes in Retail moving into 2024/ 2025 are expected to reduce this impact.

Notes to the energy efficiency action report

- The intensity ratio is reflective of the total floor area of our estate. This has been amended to reflect the closure of Purley.
- As noted scope 3 emissions have increase against last year however both scope 1 & 2 have seen a decrease which has resulted in a overall reduction of energy consumption equivalent to 112.7 tonnes CO2e.
- The data from this report is understood to be accurate at the time of writing.

Structure and management

The Children's Trust is a charitable company limited by guarantee, incorporated, and registered in the UK and governed in accordance with its Articles of Association.

The charity's organisational and governance structure is designed to support the effective management and oversight of its three key income generating activities, being:

- Residential neurorehabilitation and disability services at Tadworth Court, including a children's home for pupils at The Children's Trust School;
- The Children's Trust School; and
- Fundraising and Retail.

The Children's Trust Board of Trustees						
Remuneration Committee	Clinical Governance and Safeguarding Committee	Educational Governance Committee	Finance, Fundraising and General Purposes Committee	Audit and Risk Committee	Investment Committee	Appointments Committee

Senior Leadership Team						
Directorates						
Chief Executive	Medical Director & Consultant in Paediatric Neurodisability	Director of Nursing & Quality	Director of Therapies & Education	Director of Finance	Director of Fundraising & Communications	Director of Resources

Board of Trustees

The Children's Trust is governed by the Board of Trustees ("the board") who are also the charity's directors under company law. The board ordinarily meets six times a year, with the chief executive and other members of the senior leadership team in attendance. Each meeting follows a core set of agenda items, allowing trustees to hear from and challenge management on business performance and outlook and to have oversight of governance, risk, and compliance matters. In addition, a rolling board agenda builds in strategic checkpoints, governance reviews, risk deep dives and operational spotlights at key points throughout the year.

Our trustees may serve in total for a period of nine years with the option to stand for re-election annually thereafter, for a maximum of three further 12-month terms. When recruiting and appointing trustees, we look for individuals who can provide leadership and expertise across our key services and disciplines of nursing, care, education, therapy, and fundraising and who can support and bring effective challenges to the senior leadership team on business strategy, finance, operations, governance, risk, and regulatory compliance. Each trustee is assigned as a lead for a particular business area or professional discipline. Like many charities, we recognise the importance of board diversity and are committed more broadly to the principles of equity, diversity, and inclusion from 'board to floor.' All trustees follow a dedicated induction programme and complete mandatory refresher training across key areas of risk and compliance, such as safeguarding, health and safety, infection prevention control and information governance annually. We set high standards of professional conduct and integrity for our trustees and conflicts of interest are regularly reviewed.

During 2023/24, there were four new trustee appointments, including a new chair of trustees and in May 2024 we welcomed two further trustees to our board (see page 84 for more details). We are also actively exploring opportunities to appoint co-opted, non-voting members to our board committees to further increase the breadth and depth of knowledge and skills at our key governance meetings.

The trustees have the benefit of a qualifying third-party indemnity provision as defined by section 234 Companies Act 2006. The charity purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its trustees.

Board committees

Given the breadth of sectors we operate across, the board delegates some of its key functions and responsibilities to a number of specialist committees as follows.

Clinical Governance and Safeguarding Committee

This committee provides structured and systematic oversight of the organisation's clinical governance, risk management and safeguarding policies and procedures. It holds management to account for compliance with key regulations and statutory guidance, including the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014; Care Quality Commission (Registration) Regulations 2009; and The Care Standards Act 2000, and provides assurance to the board over the same. The committee met six times in 2023/24.

Educational Governance Committee

This committee has delegated authority to act as the de facto 'governing body' of The Children's Trust School. The scope and objectives of the committee are informed by UK legislation and statutory guidance from Department for Education. The committee's role is to hold the school leadership team to account for the educational performance, internal organisation and management and control of the school, including the performance management of staff. The committee met four times in 2023/24.

Finance, Fundraising and General Purposes Committee

The primary purpose of this committee is to support the board in ensuring the charity manages its finances, income, human resources, estates, facilities, and IT responsibly and ethically in pursuit of its charitable purposes, and that its fundraising practices are compliant, efficient, and effective. The committee met five times in 2023/24

Audit and Risk Committee

The primary purpose of the committee is to provide assurance to the board on the adequacy of risk management, internal control and governance arrangements and that public and charitable funds are used efficiently and effectively.

The Audit and Risk Committee is responsible for the appointment of the external auditor, for the ongoing relationship and liaison with the auditor and for monitoring management's responsiveness to both internal and external audit findings and recommendations. The committee met three times in 2023/24.

Investment Committee

The primary purpose of the committee is to establish and monitor the charity's investment and reserves policies. The committee did not meet in 2023/24 given the lower level of funds remaining in the portfolio. However, a meeting was held in May 2024, post-year end to review the performance of the portfolio. The frequency of future meetings is under review.

Appointments Committee

The committee's primary purpose is to review board composition and approve new trustee, honorary officer, and senior leadership team appointments. The committee meets once per annum or when necessary for new appointments.

Remuneration Committee

The primary purpose of the remuneration committee is to determine employment and remuneration policies and to approve the annual pay review. The committee met twice in 2023/24.

Equity, diversity, and inclusion

At The Children's Trust we recognise how important it is to have leadership that reflects the children, young people, and families who we support. We also recognise that staff coming from a range of backgrounds and bringing different experiences will help us to better understand the needs of those we support, and how we can best represent their interests.

We particularly welcome applications from people living with disabilities, individuals from diverse ethnic backgrounds and those from other under-represented groups. We adopt an inclusive approach to training and career development and make workplace adjustments where staff acquire or develop disabilities during their employment with us.

The Children's Trust is committed to achieving equity, diversity, and inclusion (EDI) across all levels of the organisation. Our EDI strategy says:

We will be an organisation that has a diverse mix of people and perspectives, and we will celebrate diverse lived experience. Diversity is powerful. We want to both increase the diversity within our workforce at all levels and showcase the diversity we have. We know this will both enhance the culture of the organisation and improve the services we provide. To do this we need to strengthen our data set and adapt how we recruit.

Progress to date:

- Work is underway to review our recruitment strategies and processes, including alignment with the NHS International Recruitment Toolkit;
- We are currently developing EDI training for hiring managers, with a view to rolling out late June 2025;
- We have made our application and interview process more accessible by ensuring that candidates have access to alternative application methods where necessary;
- When engaging with agencies as part of our due diligence and compliance we ask them to supply copies of the EDI, Safeguarding, Disciplinary and Complaints policies to ensure they align with our organisational values;
- We ask questions in exit interviews relating to EDI, and analyse and act on feedback;
- We undertake monthly new starter surveys, the responses to which are shared with key stakeholders;
- The monthly "Spark" group has been restarted. This is a self-led affinity group with the aim of driving EDI as an agenda across the organisation;
- We support internal applications for apprenticeships that support the business needs of the organisation, currently the focus is on fundraising, nursing and therapy.

Fundraising practices

As a member of the Fundraising Regulator scheme, The Children's Trust operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising. We participate in consultations regarding any changes to the code, as appropriate.

Fundraising programmes are compliant with the Institute and our own Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes. The charity also operates a whistleblowing policy and a complaints policy and process. It is also registered with the Gambling Commission for the purposes of running a lottery, conducting a supporter raffle and to hold draws at local events.

The charity's Supporter Promise is available on our website and outlines our commitment to work to the high standards. This confirms our commitment to abiding by the Fundraising Preference Service and the Mail and Telephone Preference Services and to comply with all relevant laws and standards.

During 2023/24, we engaged one commercial participator; Sterling, who are the external lottery manager for The Children's Trust lottery. We monitor their compliance and there were no incidents to report in 2023/24.

We worked with our telemarketing partner DTV Optimise who called current and past supporters to ask them to increase their gift value or set up a new regular gift or lottery play to help us hit our vital fundraising targets and meet our increasing needs. Every call they made was recorded, which enabled us to monitor these calls every week – no concerns were raised during 2023/24 (2022/23 = none).

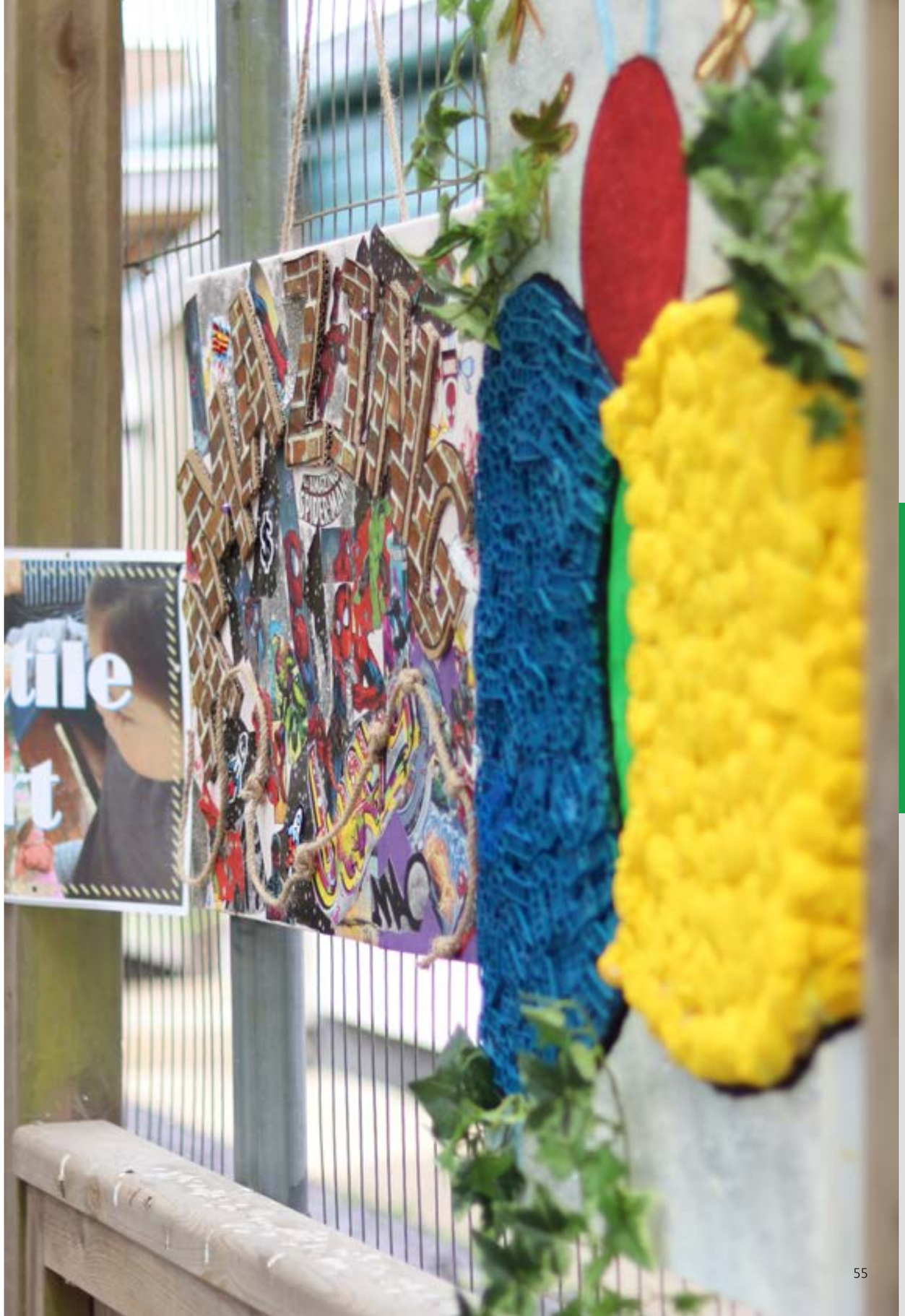
We take a robust approach to handling donor complaints and welcome feedback from supporters and the public. During the financial year 2023/24, 100% of complaints were investigated (2022/23 = 100%).

Fundraising complaints

Complaints in relation to fundraising activity (those in relation to retail operations):

- 2023/24: 10 (retail 9)
- 2022/23: 22 (retail 14)

There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office, or any other regulatory body.



Statement of trustees' responsibilities

The trustees (who are also directors of The Children's Trust 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 that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 charity's Statement of recommended practice (SORP);
- Make judgements 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

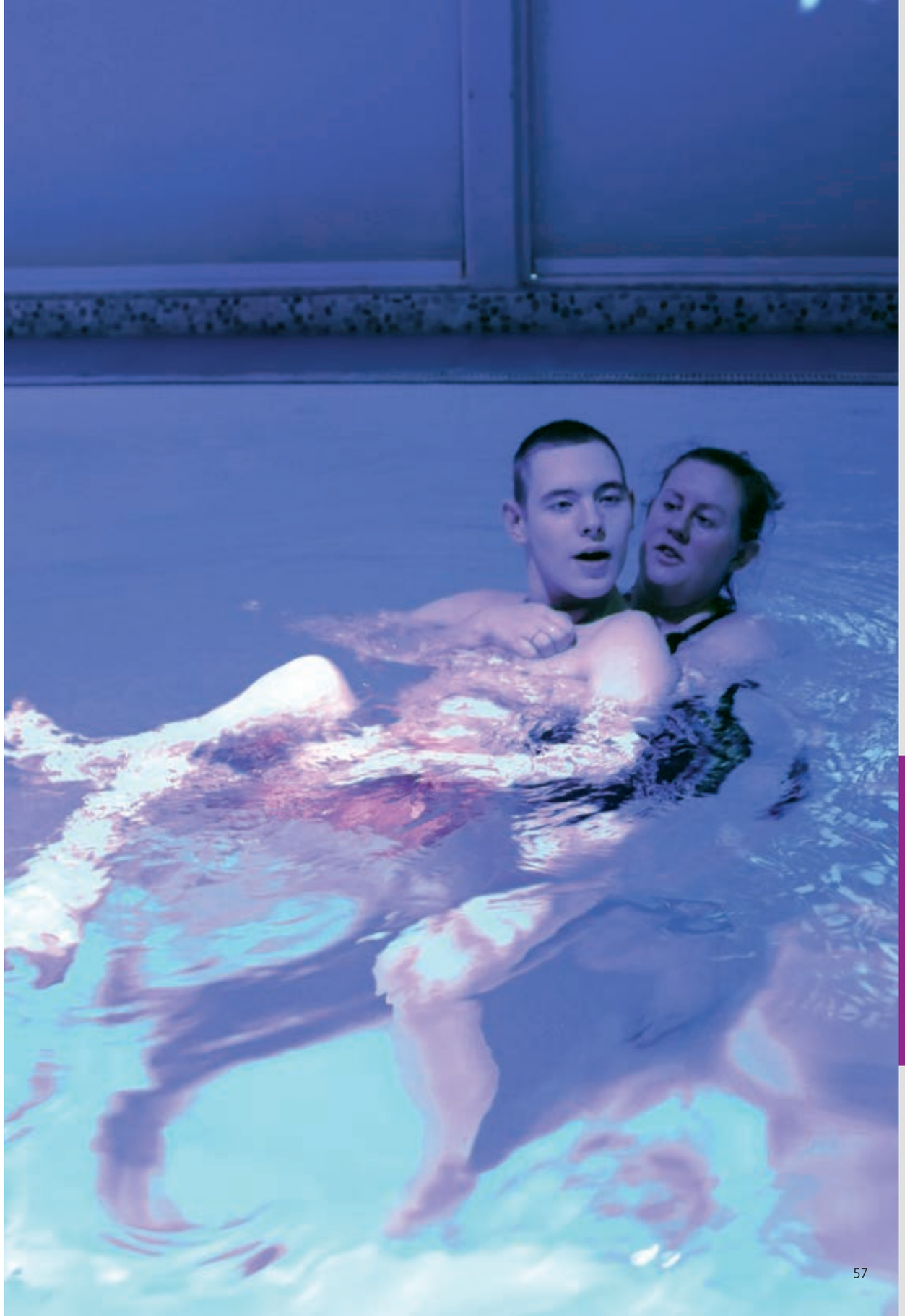
The trustees also confirm that, in the case of each of the persons who were directors at the time of reporting and as far as each trustee was aware, there is no relevant audit information of which the charity's auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

In accordance with Sch 7.1A of Companies Act 2006, the directors point out that they have chosen to disclose information required under Sch 7.11(1) of Companies Act 2006, within Section 172 statement in the Strategic Report (pages 34 – 35).

On behalf of the board

Steve Flanagan
Chair of Trustees

9 October 2024



Independent auditor's report

Independent auditor's report to the members of The Children's Trust

Opinion

We have audited the financial statements of The Children's Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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.

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, 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 has 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.

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 56, 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 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 Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. 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, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Safeguarding Vulnerable Groups Act 2006, Keeping Children Safe in Education 2019, the Code of Fundraising Practice, the Children and Families Act 2014, the UK General Data Protection Regulations, the Care Act 2014 and the Care Quality Commission regulations. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area 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.

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

Use of our report

This report is made solely to the 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.

HCatchpool

Hannah Catchpool
(Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

8th November 2024

Independent auditor's report

Financial statements

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	Unrestricted General Funds	Restricted Funds	Endowment Funds	2024 Total Funds	2023 Total Funds
Income and endowments from:						
Charitable activities	**2**	27,396	-	-	27,396	21,023
Donations and legacies	**3**	2,282	354	-	2,636	3,117
Government grants	**3a**	-	334	-	334	328
Other trading activities						
– Events		293	-	-	293	328
– Charity shops		2,410	-	-	2,410	2,336
– Lottery		112	-	-	112	125
	4	2,815	-	-	2,815	2,789
Investment income	**5**	80	-	-	80	101
Other income	**6**	352	-	-	352	586
Total income		**32,925**	**688**	**-**	**33,613**	**27,944**
Expenditure on:						
Raising funds						
– Costs of donations and legacies		1,320	-	-	1,320	1,630
– Events		340	-	-	340	522
– Charity shops		2,129	-	-	2,129	2,354
– Lottery		71	-	-	71	52
Total cost of raising funds	**8**	3,860	-	-	3,860	4,558
Charitable activities	**7**	27,470	957	-	28,427	30,341
Loss on the disposal of fixed assets		128	-	-	128	-
Impairment		783	-	-	783	172
Total expenditure	**8**	**32,241**	**957**	**-**	**33,198**	**35,071**
Net unrealised gain/(loss) on investments	**15**	139	-	10	149	(459)
Net income/(expenditure)		823	(269)	10	564	(7,586)
Other recognised gains/(losses):						
(loss)/gain on revaluation on fixed assets	**14**	(2,518)	-	-	(2,518)	3,854
Net movement in funds		**(1,695)**	**(269)**	**10**	**(1,954)**	**(3,732)**
Reconciliation of funds:						
Total funds brought forward		17,732	2,082	56	19,870	23,602
Total funds carried forward		**16,037**	**1,813**	**66**	**17,916**	**19,870**

The statement of financial activities includes all gains and losses recognised in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

As at 31 March 2024

	Note	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Fixed assets					
Intangible fixed assets	**14a**	418		1,925	
Tangible fixed assets	**14**	13,237		15,504	
Tadworth Court	**14**	2,967		3,756	
			16,622		21,185
Investments	**15**		2,109		1,924
			18,731		23,109
Current assets					
Stocks		92		278	
Debtors	**16**	4,245		1,883	
Cash at bank and in hand		2,216		1,865	
		6,553		4,026	
Current liabilities					
Creditors: amounts falling due within one year					
Creditors	**17**	(3,618)		(2,890)	
		(3,618)		(2,890)	
Net current assets			2,935		1,136
Creditors: amounts falling due after more than one year					
Charity Bank Loan			(3,750)		(4,375)
Net assets			**17,916**		**19,870**
The funds of the Charity					
Unrestricted funds:					
– General funds			1,172		(1,695)
– Revaluation reserve			1,308		3,842
– Designated			13,557		15,585
			16,037		17,732
Restricted funds			55		324
Fixed Asset Restricted Fund			1,758		1,758
Endowment funds			66		56
Total funds	**21**		**17,916**		**19,870**

The financial statements on pages 62 to 82 were approved by the trustees and authorised for issue on 9 October 2024.

Company Number: 1757875

Steve Flanagan
Chair of Trustees

Fiona Sheridan
Chair of Fundraising, Finance and General Purposes

Cash flow statement

For the year ended 31 March 2024

	Note	2024 £'000	£'000	2023 £'000	£'000
Net income/(expenditure) for the reporting period before gains/ (losses) on revaluation		564		(7,586)	
Cash flows from operating activities					
– Investment income	**5**	(53)		(101)	
– Depreciation	**14**	1,130		1,702	
– Amortisation	**14**	654		290	
– Impairment	**14**	783		172	
– (Gain)/loss in investment in market value	**15**	(132)		476	
– Decrease in stocks		185		30	
– (Increase)/decrease in debtors		(2,362)		1,590	
– Increase/(decrease) in creditors		353		(4,106)	
Net cash provided by/(used in) operating activities			**1,122**		**(7,533)**
Cash flows from investing activities					
– Investment income received		53		101	
– Investment income reinvested	**15**	(53)		(101)	
– Capital expenditure	**14**	(649)		(601)	
– Sale of investments	**15**	-		4,700	
Net cash used in/provided by investing activities			**(649)**		**4,099**
Cash flows from financing activities					
– Inflow from Loan		-		4,750	
– Loan converted to donation		(250)			
Net cash flow from financing activities			**(250)**		**4,750**
Change in cash and cash equivalents in the reporting period		223		1,316	
– Cash and cash equivalents at the beginning of the year		1,865		549	
Cash and cash equivalents at the end of the year			**2,088**		**1,865**
Analysis of cash and cash equivalents					
– Cash at bank and in hand		2,216		1,865	
Total cash and cash equivalents			**2,216**		**1,865**

i. Reconciliation of net debt	At start of year	Cash Flows	Cash Flows	At end of year
Cash	1,865	223	-	2,088
Overdraft facility repayable on demand	-	-	-	-
Net cash and cash equivalents	**1,865**	**223**	**-**	**2,088**
Loans falling due within one year	(375)	-	(375)	(750)
Loans falling due after more than one year	(4,375)	250	375	(3,750)
Net debt	**(4,750)**	**250**	**-**	**(4,500)**

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements – for the year ended 31 March 2024

1. Accounting policies

The Children's Trust is a Charitable Company limited by guarantee. The address of the Trust's principal place of business is given on the last page of this report. The nature of the Charity's operations is set out in the Trustees' Report.

1.1 Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities unless otherwise stated in the relevant accounting policy note. In Dec 22 Savills carried out an independent revaluation of the Land, Tadworth Court and Freehold & Land asset catagories, with the accounting policy moving to a revaluation from the historical cost model.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102. The Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The Charity meets the definition of a public benefit entity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Preparation of the accounts on a going concern basis

In the year 2022/23 the Charity entered into a recovery plan based on delivering fundamental changes to the service delivery model. This was supported by a £5m loan facility over 25 years provided by Charity Bank and Big Society Capital, and the generous support of philanthropic donors.

During the year 2023/24 the initial delivery of the recovery plan has been successful, the negotiations with commissioning bodies and growth in delivery has seen charitable income rising by £6.4m. The restructuring of the organisational structure has seen FTE reduce by 49 and staff costs reducing by £2.0m whilst maintaining high quality service as evidenced by consistently positive reviews by the regulatory bodies. This has turned a £(7.1m) operating deficit to a £0.5m operating surplus.

The net result of 2023/24 was a deficit of £(2.0m) which is driven by the revaluation of the Tadworth estate, not by the underlying business model. In 2022/23 the accounting policy for valuing land and buildings was moved to the revaluation model to ensure that these assets are shown at a more accurate market value in the accounts. As a consequence of this the annual results will be impacted by external moves to the property market, this can be seen in 2023/24 as the overall Tadworth estate has seen a reduction in value of £2.5m, mainly due to the impact of increasing interest rates through the year.

For 2024/25 the Charity has a new Chair of Trustees and Chief Executive who are undertaking a review of the longer-term strategy, so for the coming year the recovery plan is still being implemented. For this the budget for the year 2024/25 was prudently constructed and the Charity is expecting to generate a small surplus.

Consideration has been made of the challenging economic environment, including from a funding and cost base perspective, however, modeling the expected results for 2025/26 shows a continued financial performance building on the successful implementation of the recovery plan and the ongoing financial support, the Board is satisfied that the charity is a going concern and therefore prepared the accounts on a going concern basis.

1.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Collections made by third parties on behalf of the charity are accounted for when received.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacy income, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Funds received for capital projects are accounted for as restricted income. The treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

Donated professional services and donated facilities are recognised as income when the charity has control over the item.

On receipt, donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

Notes to the financial statements – for the year ended 31 March 2024

1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Where support costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in note 9 to the accounts.

Any irrecoverable VAT is included as part of the cost to which it relates.

1.5 Fund accounting

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

Designated funds are set aside by the Trustees out of unrestricted general funds for specific future purposes.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

Endowment funds are funds where the assets must be held by the charity, principally in the form of investments.

Income from endowments is included in income, either restricted or unrestricted, in accordance with the terms of the endowment.

Any capital gains or losses arising on the investments are allocated to the related fund. Further explanation of the nature and purpose of each fund is included in note 21.

1.6 Fixed assets

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and stated at cost or valuation less depreciation.

During 22-23 the accounting policy for Tadworth Court, Freehold Land and Freehold and leasehold buildings valuation moved from a cost to a revaluation model.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold land	Not depreciated
Tadworth Court	Not depreciated
Freehold and leasehold property	4%
Plant and office furniture and equipment	20%
Residential houses furniture and equipment	20%
Computer equipment	33%
Motor vehicles	25%
Motor vehicles – vans	14%
Motor vehicles – minibuses	13%

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

Assets in the course of construction are carried at cost less any identified impairment loss. Depreciation commences when the properties are ready for their intended use.

Intangible fixed assets

Intangible assets (costing more than £1,000) are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Assets in the course of construction are carried at cost less any identified impairment loss. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	33%

1.7 Tadworth Court

This balance represents the freehold of Tadworth Court, it houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at its market value and is revalued on a regular basis. The Trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which is required to preserve or prevent deterioration is capitalised when it is incurred.

1.8 Investment

Quoted investments are included at market value (bid/selling price). Investments in subsidiaries are stated at cost. Realised and unrealised gains and losses are shown in the appropriate section of the SOFA.

1.9 Stock

Stock is stated at the lower of cost and net realisable value; stocks are not normally held for resale. Shop stocks are held for resale whilst medical stock refers to items that are purchased in advance of use and are carried forward in stock at the year end, prior to use the following year.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Income is accrued in relation to fees due but not invoiced as at year end. Other Debtors includes funds due from Gift Aid, the lottery and legacies where no invoice will be raised. Bad Debt Provision is provided for by applying a percentage based on the Finance Director's assessment of the likelihood of recovery.

1.11 Pension costs

Some clinical and teaching employees are covered by the provisions of the NHS Pension Scheme or Teachers' Pension Scheme (TPS). Other staff are able to join the charity's defined contribution pension scheme. The employer contributions are included within resources expended and represent the amount of contribution payable to the schemes in respect of the accounting period.

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multiemployer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the statement of comprehensive income being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1.12 Operating lease payments

Total payments under operating leases are charged to the SOFA on a straight line basis over the lease term.

1.13 Consolidation

The Children's Trust Trading Company Limited did not trade during the year. This company has not been consolidated as in the opinion of the directors it is not material to the group's results. Thus the information within these financial statements is presented as an individual undertaking.

1.14 Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The valuation of Tadworth Court as at 30 March 2024 was obtained from an external surveyor.

1.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.16 Creditors

Creditors 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 are recognised at their settlement amount. Accruals are made for late invoices and any others we are aware of incurring that relate to the period. Other creditor balances include March payroll pension liabilities due in the following month and Children's Funds (their pocket money). Deferred income is mainly Set Up fees – the amounts we hold for each child for specific equipment, etc. plus fundraising income for events in the following financial year. Social Security and other taxation is the March payroll deductions and employer contribution due to be paid in the following month. Loans includes any donor loan repayment instalments due in the next 12 months.

1.17 Financial instruments

The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income, social security and other taxation liabilities, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

The long-term loan received from Charity Bank and Big Society Capital bearing a market rate of interest which meets the qualifying criteria set out in section 11 of FRS 102. It is recognised at its transaction value, being the principal amount advanced.

1.18 Employee benefits

The cost of short-term benefits, such as accrued holiday are recognised as a liability and an expense.

1.19 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.

Notes to the financial statements – for the year ended 31 March 2024

2. Income from Charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 Total £'000
Care and rehabilitation services	14,013	-	-	14,013
The Children's Trust School	13,276	-	-	13,276
Community services	107	-	-	107
Total charitable activities	**27,396**	**-**	**-**	**27,396**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000
Care and rehabilitation services	10,180	-	-	10,180
The Children's Trust School	10,780	-	-	10,780
Community services	63	-	-	63
Total charitable activities	**21,023**	**-**	**-**	**21,023**

3. Donations and legacies

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Donations and covenants	2,032	354	2,386	2,462	231	2,693
Legacies	250	-	250	424	-	424
Total donations and legacies	**2,282**	**354**	**2,636**	**2,886**	**231**	**3,117**

3a. Income from Government grants

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
NHS England Palliative Care	-	314	314	-	307	307
DFE Capital Grant		20	20	-	21	21
Total Government grants	**-**	**334**	**334**	**-**	**328**	**328**

Charity shop gift aid is included in donations.
There are no unfulfilled conditions which would require the repayments of any grants.

4. Other trading activities

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Events	293	-	293	328	-	328
Charity shops	2,410	-	2,410	2,336	-	2,336
Lottery	112	-	112	125	-	125
Total other trading activities	**2,815**	**-**	**2,815**	**2,789**	**-**	**2,789**

5. Investment income

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Dividends and interest: UK	39	-	39	76	3	79
Dividends and interest: foreign	14	-	14	22	-	22
Bank interest	27	-	27	-	-	-
Total investment income	**80**	**-**	**80**	**98**	**3**	**101**

6. Other income

	Unrestricted £'000	Restricted £'000	2024 Total £'000	Unrestricted £'000	Restricted £'000	2023 Total £'000
Lettings - both staff and parents	126	-	126	126	-	126
Catering	113	-	113	106	-	106
Nursery	72	-	72	186	-	186
Other income	41	-	41	168	-	168
Total other income	**352**	**-**	**352**	**586**	**-**	**586**

7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2024 Total £'000
Charitable activities	27,470	957	-	28,427
Total expenditure	**27,470**	**957**	**-**	**28,427**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000
Charitable activities	28,673	1,668	-	30,341
Total expenditure	**28,673**	**1,668**	**-**	**30,341**

Notes to the financial statements – for the year ended 31 March 2024

8. Expenditure on:

2024

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2024 Total £'000
Charitable activities				
Care and rehabilitation services	9,121	4,558	160	13,839
The Children's Trust School	9,184	4,588	161	13,933
Community services	432	215	8	655
	18,737	9,361	329	28,427
Raising funds				
Costs of generating donations and legacies	870	435	15	1,320
Events	224	112	4	340
Charity shops	1,404	700	25	2,129
Lottery	47	23	1	71
	2,545	1,270	45	3,860
Total expenditure	**21,282**	**10,631**	**374**	**32,287**

In 22/23 £443k was spent on one off recovery plan costs (23/24 Nil).

2023

	Direct costs £'000	Support costs £'000	Governance costs £'000	2023 Total £'000
Charitable activities				
Care and rehabilitation services	9,163	5,071	276	14,510
The Children's Trust School	9,516	5,269	225	15,010
Community services	513	290	18	821
	19,192	10,630	519	30,341
Raising funds				
Costs of generating donations and legacies	1,033	574	23	1,630
Events	327	182	13	522
Charity shops	1,536	777	41	2,354
Lottery	25	14	13	52
	2,921	1,547	90	4,558
Total expenditure	**22,113**	**12,177**	**609**	**34,899**

Expenditure on raising funds is unrestricted in both years, charitable activities includes £957k restricted fund expenditure (22/23 £1,668k).

9. Allocation of support costs

2024

	Care and rehabilitation services £'000	School £'000	Community £'000	Fundraising £'000	Retail £'000	2024 Total £'000
Communications	148	149	7	18	23	345
Facilities	1,673	1,686	79	209	257	3,904
Human resources	600	604	28	75	92	1,399
Finance	470	472	22	59	72	1,095
IT	581	585	28	73	89	1,356
Chief Executive's Office	151	152	7	19	23	352
Risk (insurance)	170	171	8	21	26	396
Depreciation: Other	765	769	36	96	118	1,784
Total support costs allocated (note 8)	**4,558**	**4,588**	**215**	**570**	**700**	**10,631**

2023

	Care and rehabilitation services £'000	School £'000	Community £'000	Fundraising £'000	Retail £'000	2023 Total £'000
Marketing	115	119	6	17	19	276
Communications	158	164	9	24	26	381
Facilities	1,313	1,364	74	200	220	3,171
Human resources	798	828	45	121	134	1,926
Finance	492	511	28	74	82	1,187
IT	665	691	37	101	112	1,606
Chief Executive's Office	107	111	6	16	18	258
Strategy Team	175	182	10	26	29	422
Risk (insurance)	168	175	9	25	28	405
Depreciation: Tadworth	428	447	29	68	-	972
Depreciation: Other	420	436	24	63	70	1,013
Provisions	232	241	13	35	39	560
Total support costs allocated (note 8)	**5,071**	**5,269**	**290**	**770**	**777**	**12,177**

Notes to the financial statements – for the year ended 31 March 2024

Basis of allocation
Support costs are recharged relative to the proportions of direct costs.

Risk (insurance) costs relate to insurance. All other Risk and Governance costs are shown in Note 9a.

9a. Allocation of governance costs

	2024 £'000	2023 £'000
Risk and governance	270	465
External audit	102	144
Total	**372**	**609**

10. Net income/(expenditure) for the year

	2024 £'000	2023 £'000
This is stated after charging:		
Depreciation	1,784	1,987
Impairment	783	172
Payments under operating leases:		
Retail properties	334	375
Equipment	70	54
Auditor remuneration (exclusive of VAT):		
Audit of the financial statements 21-22	-	78
Audit of the financial statements 22-23	30	66
Audit of the financial statements 23-24	72	-

11. Gift Aid
For the year ended 31 March 2024, the charity received Gift Aid payments of £421k (2023: £371k).

12. Staff remuneration and pensions

	2024 £'000	2023 £'000
Salaries	19,377	21,018
Social security costs	1,993	2,099
Pension costs	1,306	1,401
Temporary staff costs	630	463
Agency staff costs	150	475
Total	**23,456**	**25,456**

The year end head count was 623 staff (2023: 651 staff). This figure includes permanent, fixed term and active bank workers and the average monthly number of full-time employees during the year were as follows:

12a. Average monthly number of full-time employees during the year

	2024 FTEs	2023 FTEs
Charitable activities	340	345
Fundraising	20	25
Shops	26	27
Support	92	129
Governance	3	4
Total	**481**	**530**

Key management personnel include the Trustees, Chief Executive, Interim Chief Executive and the senior leadership team. The total employee benefits of the charity's key management personnel were £976k (2023: £1,076k). (Trustees = £nil). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The total number of employees whose emoluments for the year (not including national insurance or pension contributions) exceeded £60,000 was as follows:

	clinical	executive	2024 total	clinical	executive	2023 total
£60,001-£70,000	1	12	13	-	8	8
£70,001-£80,000	3	3	6	5	3	8
£80,001-£90,000	4	2	6	1	1	2
£90,001-£100,000	1	1	2	1	1	2
£120,001 - £130,000	-	-	-	-	1	1
£130,001 - £140,000	-	1	1	-	-	-
£180,001 - £190,000	-	-	-	1	-	1
£210,001 - £220,000	1	-	1	-	-	-
Total	**10**	**19**	**29**	**8**	**14**	**22**

The Chief Executive's emoluments fall into the £130,001-£140,000 band (22/23 The Interim Chief Executive's emoluments fell into the £130,001 - £140,000 category on a full year basis).

During the year the charity made payments to no staff (2023: 8 staff) in respect of redundancy and termination (2023: £90k) and 23 staff totalling 189k (2023: 21 staff totaling 54k) as part of an organisational restructure. £9k in relation to redundancy payments was included in creditors at the balance sheet date (2023: £216k).

Notes to the financial statements – for the year ended 31 March 2024

Pensions

The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 ("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, is as follows:

	2024 £'000	2023 £'000	2024 £'000	2023 £'000
TCT Group Pension Plan	777	861	480	517
Teachers' Pension Scheme	122	129	10	11
NHS Pension Scheme	405	411	70	74
	1,304	1,401	560	602

The Children's Trust Group Pension Plan

Aviva pension is a group personal pension, the workplace pension scheme is a Smart Scheme. Smart Scheme is a method where you are automatically entered into a salary exchange arrangement or if you earn below a certain amount you are in a non salary exchange basis, in this case contributions will be deducted net of basic rate tax.

The scheme is also used to comply with auto-enrolment requirements, which came into effect from 1 November 2013.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to Access.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024.The next valuation result is due to be implemented from 1 April 2028.

The pension costs paid to TPS in the year amounted to £122k (2023: £129k).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the charity has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

National Health Service Pension Scheme

The NHS operates an unfunded defined benefit scheme for the nursing sector, in which the charity participates. The charity 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. The charity is not liable for past service costs beyond these contributions. Employer contributions remained at 20.6% in 2024 and in 2023.

13. Trustee emoluments and reimbursed expenses

	2024 £'000	2023 £'000
Trustees' expenses	-	-

Trustees are encouraged to claim expenses to avoid this being a barrier to new Trustees. If Trustees don't wish to claim expenses, then they can make a donation of a similar amount. Gift Aid can then be claimed on such a donation.

The charity purchased insurance costing £9,968 (2023: £6,652) included in support costs to protect it from loss arising from neglect or default of the Trustees and to indemnify the Trustees against the consequences of neglect or default on their part.

14. Fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost							
At 1 April 2023	5,136	2,950	25,562	5,959	433	1,420	41,460
Revaluation	(789)	(80)	(1,649)		-	-	(2,518)
Additions	-	-	9	194	37	380	620
Disposals	-	-	-	(112)	(69)	-	(181)
Transfers	-	-	329	87	-	(416)	-
At 31 March 2024	4,347	2,870	24,251	6,128	401	1,384	39,381
Depreciation and Impairment							
At 1 April 2023	1,380	-	14,436	4,742	378	1,264	22,200
Impairment	-	-	4	-	-	-	4
Charge for the year	-	-	577	511	42	-	1,130
Disposals	-	-	-	(88)	(69)	-	(157)
At 31 March 2024	1,380	-	15,017	5,165	351	1,264	23,177
Net book value at 31 March 2024	**2,967**	**2,870**	**9,234**	**963**	**50**	**120**	**16,204**
Net book value at 31 March 2023	**3,756**	**2,950**	**11,126**	**1,217**	**55**	**156**	**19,260**

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities.

Parts of the building and grounds are open to the public on several days in the year.

Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property. (See Note 21 in respect of restricted funds).

During 2023/24 an independent professional revaluation of the land and buildings at Tadworth Court was carried out by Savills on the basis of an open market valuation as at 31st March 2024. The valuations were as follows Land £2,870,800 Tadworth Court and Freehold Land & Buildings £9,234,000. Under the historical cost model the carry amounts would have been Land £753,000 Tadworth Court £2,116,000 and Freehold Land & Buildings £10,055,000.

Notes to the financial statements – for the year ended 31 March 2024

14a. Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Assets Total £'000
Cost			
At 1 April 2023	3,168	6	3,174
Additions	29	-	29
Disposals	(107)		(107)
	3,090	6	3,096
Amortisation and impairment			
At 1 April 2023	1,249	-	1,249
Charge for year	654	-	654
Impairment	773	6	779
Disposals	(4)	-	(4)
	2,672	6	2,678
Net book value at 31 March 2024	**418**	**-**	**418**
Net book value at 31 March 2023	**1,919**	**6**	**1,925**

An impairment review on intangible assets was carried out during 23/24. It was found that the carrying amount for the ECR (Electronic Clinical Record) system was less than its fair value and was impaired accordingly.

15. Investments

	2024 £'000	2023 £'000
Market value at 1 April 2023	1,924	6,999
Cash transferred	-	(4,700)
Increase / (Decrease) in market value	149	(459)
Dividends and Interest	53	101
Fees/charges	(17)	(17)
Market value at 31 March 2024	**2,109**	**1,924**
Historical cost as at 31 March	**1,899**	**1,814**

	2024 £'000	2023 £'000
Fixed investments	247	313
Listed equities	1,525	1,260
Property	64	113
Alternatives	161	187
Cash	112	51
Total	**2,109**	**1,924**

£75k received originally from the Victoria Convalescent Fund is currently invested through Investec. The market value at 31 March 2024 was £67k (2023: £57k).

At 31 March 2024 the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2023: £2). The registered office of the subsidiary is Tadworth Court, Tadworth, Surrey, KT20 5RU. The Childrens Trust Trading Company has been dormant as of April 2022.

16. Debtors

	2024 £'000	2023 £'000
Trade debtors	3,398	1,187
Other debtors	-	404
Prepayments and accrued income	847	292
Total	**4,245**	**1,883**

17a. Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Trade creditors	1,202	424
Accruals	769	1,076
Other creditors	213	294
Deferred income	228	242
Social security and other taxation	456	479
Loan	750	375
Total	**3,618**	**2,890**

Analysis of deferred income

Income is deferred where it relates to future events or services for which monies had been received prior to the year end. During the year £242k was released to income and £228k was deferred.

17b. Creditors: amounts falling due after more than one year

	2024 £'000	2023 £'000
Loan	3,750	4,375
Amount payable:		
in more than one but not more than two years	256	625
in more than 2 years but less than five years	187	320
in five years or more	3,307	3,430
Total	**3,750**	**4,375**

During 22/23 The Childrens Trust entered into an agreement with Charity Bank (£4m) and Big Society Capital (£1m) to have access to a loan facility totalling £5m. Under the terms of the loan agreement the loan facility should be fully drawn down within 1 year of the signature date. As at the date of signing these accounts £3.5m has been drawn down and the facility to draw down the remaining balance has been extended for another year.

In 23/24 £250k of the Major Donor 1a £1m loan was converted to a donation leaving a £750k loan balance. At time of writing in 24/25 a further £500k of the remaining balance has been converted to a donation.

Lender	Amount £'000	Drawn down £'000	Interest rate	Agreement date	Drawdown date	Term
Charity Bank	4,000	2,800	base plus 3.25 %	17/02/2023	27/02/2023	25 years, first 3 years interest only
Big Society Capital	1,000	700	base plus 3.25 %	17/02/2023	27/02/2023	25 years, first 3 years interest only
Major Donor 1 a	250	250	interest free	05/09/2022	07/09/2022	September 2025
Major Donor 1 b	500	500	interest free	24/11/2022	25/11/2022	Converted to donation 2024/25
Nednil Limited	100	100	interest free	30/08/2022	30/08/2022	September 2024
Ashill Land Limited	150	150	interest free	12/12/2022	12/12/2022	December 2024
	6,000	4,500				

Post year-end, an agreement was signed with major donor 1b to convert £500k of one of the loans into a donation.

18. Financial and capital commitments and contingent liabilities

At 31 March 2024 the Trust had total commitments under non cancellable leases/agreements as follows:

	2024 £'000	2023 £'000
Leasehold buildings - up to 1 year	254	167
Leasehold buildings - between 1 and 5 years	546	346
Leasehold buildings - more than 5 years	-	-
Other - up to 1 year	70	51
Other - between 1 and 5 years	81	131
Total	**951**	**695**

At 31 March 2024, capital commitments authorised and contracted for (net of payments to date on account) amounted to £53k (2023: £98k).

19. Government grants

The following government grants were received:

	2024 £'000	2023 £'000
NHS England Children's Palliative Care grant	314	307
DFE Capital Grant	20	21
Total	**334**	**328**

There are no unfulfilled conditions which would require the repayments of any grants.

20. Related party transactions

In the year there were £3k of donations from six Trustees (2023: nil). There were no other related party transactions.

21. Capital and reserves

As at 31 March 2024:

a. Movement on funds	At 1 April 2023 £'000	Income £'000	Expenditure £'000	Gains/ (losses) £'000	Transfers £'000	At 31 March 2024 £'000
Unrestricted general funds:						
Undesignated funds:						
– Undesignated	(1,695)	32,925	(32,113)	11	2,044	1,172
	(1,695)	32,925	(32,113)	11	2,044	1,172
Designated funds:						
– Designated fund - tangible fixed assets reserve	19,427	-	-	(2,518)	(2,044)	14,865
	19,427	-	-	(2,518)	(2,044)	14,865
Total unrestricted	**17,732**	**32,925**	**(32,113)**	**(2,507)**	**-**	**16,037**
Restricted funds:						
– Restricted fund - project funds	324	354	(623)	-	-	55
– Restricted fund - grants	-	334	(334)	-	-	-
	324	688	(957)	-	-	55
Fixed Asset Restricted fund						
– Restricted fund - Department of Health grant	1,758	-	-	-	-	1,758
	1,758	-	-	-	-	1,758
Endowment funds:						
– Victoria Convalescent Fund	56	-	-	10	-	66
	56	-	-	10	-	66
Total funds	**19,870**	**33,613**	**(33,070)**	**(2,497)**	**-**	**17,916**

Transfers reflect the movements on the reserves split between Fixed Assets and other assets.

Notes to the financial statements – for the year ended 31 March 2024

Previous year (31 March 2023):

	At 1 April 2022 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted general funds:						
Undesignated funds:						
– Undesignated	2,582	27,382	(33,403)	(444)	2,188	(1,695)
	2,582	27,382	(33,403)	(444)	2,188	(1,695)
Designated funds:						
– Tangible fixed assets reserve	17,093	-	-	3,854	(1,520)	19,427
	17,093	-	-	3,854	(1,520)	19,427
Total unrestricted	**19,675**	**27,382**	**(33,403)**	**3,410**	**668**	**17,732**
Restricted funds:						
– Development and operational	1,370	538	(1,584)	-	-	324
– Grants	21	21	(42)	-	-	-
	1,391	559	(1,626)	-	-	324
Fixed Asset Restricted fund						
– Department of Health	1,800	-	(42)	-	-	1,758
Endowment funds:						
– Gardiner Fund	668	-	-	-	(668)	-
– Victoria Convalescent Fund	68	3	-	(15)	-	56
	736	3	-	(15)	(668)	56
Total funds	**23,602**	**27,944**	**(35,071)**	**3,395**	**-**	**19,870**

Transfers include £668k Gardiner fund moving to unrestricted and the remaining balance reducing the value of the fixed assets at the end of the year.

Designated funds

The fixed asset reserve, but not including the Department of Health (DoH) restricted fund represents the charity's investment in fixed assets.

Restricted funds

These are set out subsequently.

Endowment funds

The Gardiner Fund is an endowed special trust, established as an appeal fund in 1983. During the year the Gardiner fund was transferred from endowment with Charity Commission approval.

The Victoria Convalescent Fund is a permanent endowment and represents a gift of capital to the charity, the income from which is restricted and is used to fund care for children for whom no statutory funding is available.

As at 31 March 2024:

b. Analysis of restricted funds	At 31 March 2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2024 £'000
Project Funds					
Community	169	17	183	-	3
Maple House non-staff budget relief	2	-	2	-	-
Mulberry / Camelia House non-staff budget relief	25	-	8	-	17
Chestnut House non-staff budget relief	3	-	3	-	-
Hawthorn House non-staff budget relief	13	-	4	-	9
General Equipment for children and young people's	38	6	44	-	-
Play Services	69	45	114	-	-
Opthalmology equipment	4	-	-	-	4
Rose Garden	1	-	1	-	-
Music Services	-	156	134	-	22
Hoists & Beds	-	37	37		-
Classrooms	-	-	-		-
Transport	-	93	93		-
Sub total	**324**	**354**	**623**	**-**	**55**
Grants					
NHS England Palliative Care	-	314	314	-	-
DFE Capital Grant	-	20	20	-	-
Sub total	**-**	**334**	**334**	**-**	**-**
Fixed Asset restricted					
Department of Health	1,758	-	-	-	1,758
Total	**2,082**	**688**	**957**	**-**	**1,813**

Project Funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

Houses represents funds that are restricted donations for each individual house within the organisation and are used for outings for children, leisure activities and other items, depending on the bequest granted by the donor. Play and Music Service is restricted funds dedicated to the delivery of the specific service.

The Department of Health made grants in 1995 to the charity in relation to the Grade 1 listed property known as Tadworth Court. These grants, totalling £2.85m, are only repayable under certain circumstances which, in the opinion of the Trustees, are unlikely to arise. Of the total grants, £750k was applied to the transfer of the freehold of the site and £2.1m was applied to repairs to the building. The grants are secured by a legal charge over the freehold property.

Notes to the financial statements – for the year ended 31 March 2024

c. Analysis of net assets between funds

2024

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2024 £'000
Fund balances at 31 March 2024 are represented by:				
Fixed assets	14,864	1,758	-	16,622
Investments	2,042	-	67	2,109
Current assets	6,498	55	-	6,553
Current liabilities	(3,618)	-	-	(3,618)
Long term liabilities	(3,750)	-	-	(3,750)
Total funds	**16,036**	**1,813**	**67**	**17,916**

2023

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2022 £'000
Previous year (31 March 2023):				
Fixed assets	19,427	1,758	-	21,185
Investments	1,868	-	56	1,924
Current assets	3,705	321	-	4,026
Current liabilities	(2,765)	-	-	(2,765)
Long term liabilities	(4,500)	-	-	(4,500)
Total funds	**17,735**	**2,079**	**56**	**19,870**

22. Financial instruments

	2024 £'000	2023 £'000
Financial instruments measured at fair value are as follows:		
Financial assets		
– Investec Investment	**2,109**	**1,924**

23. Post Balance Sheet Events

On 2 May 2024 one of the donors who gave the charity an interest free loan (itemised in note 17b as Major Donor 1b) signalled his intention to convert the first 4 loan repayments (due 1 June, 1 September, 1 December 2024 and 1 March 2025 totalling £500k) into a donation. The Charity accepted this generous offer in May 2024.

Further information

Reference and administrative details

Trustees

The following individuals were directors of the company during the reporting period:

Duncan Ingram
Chair of Trustees
Remuneration Committee (Chair)
Appointments Committee (Chair)
Resigned 28 September 2023

Steve Flanagan
Chair of Trustees
Appointed 14 July 2023 and as Chair 28 September 2023

Fiona Sheridan
Vice Chair of Trustees
Finance, Fundraising and General Purposes (Chair)
Audit and Risk Committee
Investment and Remuneration Committees

Timothy Davies
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee
Investment Committee
Educational Governance Committee

Denise Matthams
Clinical Governance and Safeguarding Committee (Chair)
Educational Governance Remuneration Committee

Toby Mullins
Educational Governance Committee (Chair from 29 July 2023)

Nigel Scott
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee (Chair)
Investment Committee (Chair)

Sam Thomson
Finance, Fundraising and General Purposes Committee
Resigned 28 September 2023

Anne Walker
Clinical Governance and Safeguarding Committee
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee
Resigned 14 July 2023

Marian Ridley
Clinical Governance and Safeguarding Committee
Appointed 16 June 2023

Rory Litherland
Finance, Fundraising and General Purposes Committee
Remuneration Committee
Appointed 14 July 2023

Christine Brookes
Whistleblowing Champion and EDI Steering Group
Appointed 14 July 2023
Resigned 29th July 2024

Trustee appointments post year-end

Helen Hewitt
Appointed 31 May 2024

Helen Farmer
Appointed 31 May 2024

Senior Leadership Team

The following individuals were members of the Senior Leadership Team during the reporting period:

Mike Thiedke
Chief Executive
Appointed 13 November 2023

Michael Maddick
Director of Resources

Sian Thomas
Director of Nursing and Quality
Appointed 18 September 2023
Resigned 5 July 2024

Claire Champion
Interim Director of Nursing and Quality
Resigned 29 September 2023

Liz George
Director of Income Generation and Communications
Resigned 5 April 2023

Shelia Lutchanah and Katie Roberts
Interim Director of Fundraising and Communications
Resigned 31 January 2024 and 5 January 2024

Michelle Martin
Director of Fundraising and Communications
Appointed 2 January 2024

Elizabeth Sell
Interim Director of Finance
Resigned 4 January 2024

Steve Harris
Finance Director
Appointed 2 January 2024

Dr Vijay Palanivel
Medical Director and Senior Consultant in Paediatric Neurodisability

Nicola Smith
Director of Strategy and Transformation
Resigned 30 April 2023

Melanie Burrough
Director of Therapies and Education

SLT appointments post year-end

Olivia Rowntree
Company Secretary, Head of Audit, Risk & Governance
Appointed 14 May 2024

Bethan Eaton-Haskins
Interim Director of Nursing and Quality
Appointed 30 July 2024

Company Secretary

Olivia Rowntree

Registered Office

The Children's Trust, Tadworth Court
Tadworth, Surrey, KT20 5RU

Advisors

Co-opted committee members
In August 2024 we appointed the following individuals as co-opted committee members (independent advisers to the Trustee Board's sub-committees).

Helen Cook | Ashley Head | Bidisha Lahoti

Bankers
Lloyds Bank, 4th Floor, 125 London, Wall London, EC2Y 5AS
Charity Bank Limited, 82 High Street, Tonbridge, Kent, TN9 1BE

Auditor
RSM UK Audit LLP, 25 Farringdon, Street London, EC4A 4AB

Solicitors
Mills & Reeve, Botanic House, 100 Hills Road, Cambridge, CB2 1PH
RPC LLP, Bridgewater House, Counterslip, Bristol BS1 6BX

Investment Managers
Investec Wealth & Investment, 30 Gresham Street, London EC2V 7QP

Further information

The Children's Trust
For children with brain injury

The Children's Trust
Tadworth Court
Tadworth
Surrey
KT20 5RU

01737 365000
enquiries@thechildrenstrust.org.uk
thechildrenstrust.org.uk

Charity registration number: 288018
Company registration number: 1757875

Registered with FUNDRAISING REGULATOR

Ofsted Good Provider

Ofsted Outstanding Provider

The Children's Trust is registered with the Fundraising Regulator, inspected and rated an 'Good Provider' by Ofsted Care (for residential houses).
The Children's Trust School is rated a 'Outstanding Provider' by Ofsted Education. TCT_2000 10/24.

THE CHILDREN'S TRUST

England & Wales - Charity number 288018

Accounts

The Children's Trust
Annual Report and Accounts 2022/2023

The Children's Trust
For children with brain injury

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Message from our Chair

Through one of the toughest years in the organisation's history, we remained 100% committed to supporting the children and families who need us.

Like many charities we have experienced very real financial pressures in the last 12 months that have threatened the future viability of the organisation. However, we know that what we do for the children and young people we support is unique and we are committed to doing everything in our power to ensure we continue to be here for them now and in the future.

In the Trustees' report for 2021/22 we provided an update on our financial review, completed in July 2022, which had forecast a significant deficit for 2022/23 and the requirement for a multi-million-pound cash injection to support working capital. We shared the key objectives of our recovery plan and the successful outcome of our application to Charity Bank and Big Society Capital for a £5m loan facility. We were also fortunate to have received interest free loans totalling £1.25m from two of our philanthropists, which provided some welcome headroom whilst we developed our recovery plan and awaited the outcome of the bank loan application. On behalf of the board and senior leadership team, I would like to extend my thanks to our donors and to the team at Charity Bank and Big Society Capital for their support in helping us navigate this very difficult period in the Charity's history.

I would like to take the opportunity to thank my fellow trustees and the senior leadership team for their relentless focus on, and commitment to, delivering the Charity's recovery plan. I am also extremely grateful to all our staff who have demonstrated the utmost professionalism and resilience as we have worked through this period of significant uncertainty. They have continued to deliver the compassionate and high-quality service for which the Charity is renowned and that the children and young people who we support deserve.

In this report we provide further detail about the progress of our recovery plan, our key achievements in the last year and our future plans. In summary, there is still a lot to do but we are making good progress and the board is beginning to feel more positive about the future.

Personally, I retired at the meeting of the board on 28 September 2023, the date of signing of this Trustees' Report and statutory accounts. It has been an honour to lead the board over the last 11 years and to be part of such an incredible organisation. The passion and dedication of our staff never ceases to amaze me, and it has been a privilege to have been able to witness first-hand the difference the Charity continues to make to improving the lives of vulnerable children and young people and their families. Strong and effective leadership is of course fundamental to our recovery and to developing and executing a new five-year strategy. I am pleased to report that as I and a number of other trustees step down from the board, the Charity will go forward in safe hands, under new leadership. I would like to extend a warm welcome to our new trustees and, in particular, to Steve Flanagan who succeeds me as the Charity's new Chair. I wish Steve and the other trustees every success as they take the Charity through the next stage of its evolution. I'm sure that these appointments will introduce new talent, diversity and fresh thinking into the organisation which will be vital as it embarks on developing its new strategy.

Duncan Ingram
Chair of Trustees

Message from our Chief Executive

As we have ended 2022/23 and begin to look ahead, we know there will be challenges along the way, but we have growing belief in our recovery plan. Ensuring we continue to be here for the children, young people and their families remains our number one priority.

In the Strategy section on page 18, we set out the aims and objectives of our recovery plan and in the Finance Review on page 24-28 you can read in more detail about the progress we have made so far. In summary we have made significant headway during the year on two of our key objectives – reducing expenditure and increasing income. Regrettably, with staff costs representing 80% of total expenditure we had to undertake an organisational restructure which was completed in May 2023. We entered a staff consultation period in early December 2022 and invited input from employees, many of whom submitted ideas and counter proposals for how we could work more efficiently going forward without compromising on the high-quality education, health, therapy and care that our children and young people require and indeed, deserve. Whilst this process proved extremely valuable, redundancies were unavoidable. We have been sad to see so many valued colleagues leaving us, often after many years of loyal service. Whilst these changes were necessary for the Charity's survival, it is very difficult when we reflect on the talent and contribution of the colleagues we have lost.

On the income side, we completed a costing and pricing review during the year, focused on ensuring we are being paid fairly for our services. We have since updated our standard tariffs and are pleased to report significant progress in our commercial negotiations with commissioners and local authorities.

The decisions to pause our planned development of a new state-of-the-art centre of excellence at our site in Tadworth ('Project Butterfly') as well as the launch of a new community neurorehabilitation team in Birmingham were difficult and regrettable but necessary. However, we know we must remain focused on the Charity's longer-term financial viability and this means prioritising delivery of our core work in the short-term. We will continue to look at strategies for improving our facilities and expanding our services, once the organisation has successfully completed its financial recovery.

To ensure we stay on track with the recovery, we have introduced new financial policies and procedures, tightened our internal controls and made improvements to management reporting. The changes we have implemented are working and although there is more change to work through, we believe things are moving in the right direction.

I would like to thank our outgoing Chair and other trustees who have left us in the last year for their time, enthusiasm, commitment and valuable contributions. It is easy to forget that our trustees, who are unpaid volunteers, bear significant legal responsibility for the running of the Charity. They give their time and expertise freely and for that we are extremely grateful. I would also like to echo Duncan in extending a warm welcome to our new Chair and trustees.

Finally, thank you to the many donors, sponsors, supporters and volunteers who have stood by The Children's Trust through this challenging period. Your continued loyalty is recognition of your belief in us and serves as public acknowledgement for the vital work we do.

Mike Maddick
Chief Executive

About us

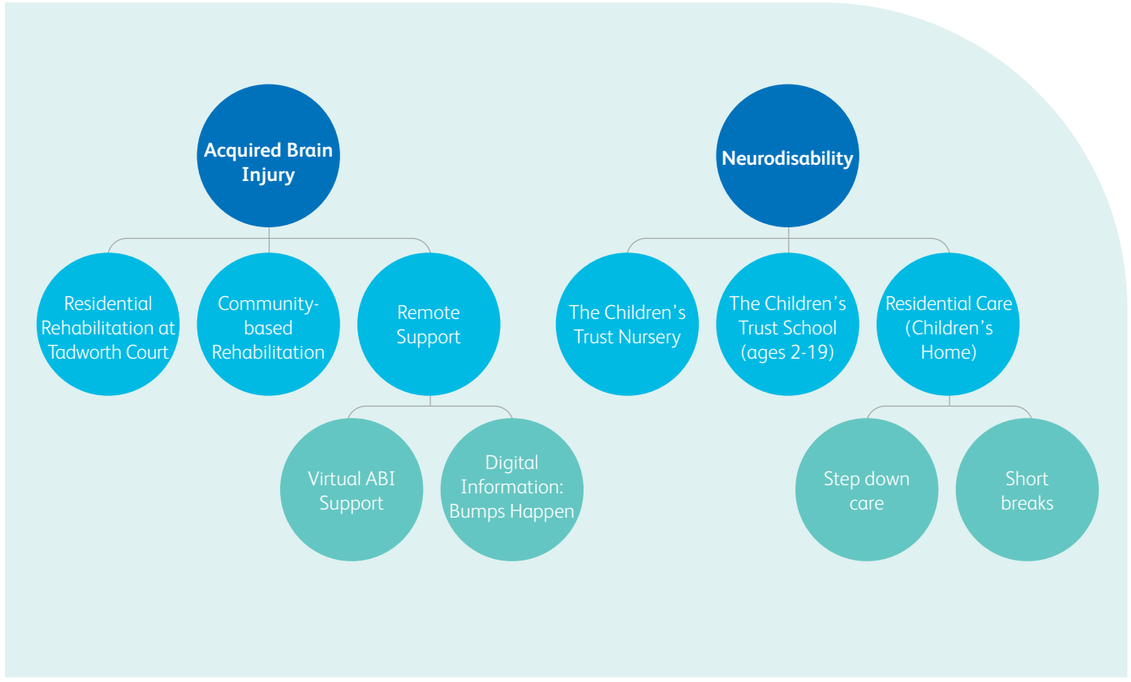
We are the UK's leading charity for children with acquired brain injury and neurodisability. We deliver neurorehabilitation, step down care, short breaks, education and community rehabilitation services through skilled teams who work with children and young people, and their families.

The Charity's activities are determined by its objects:

- The care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life-limiting or life-threatening conditions and neurological damage acquired through accident or other causes; for the support of families and other carers involved; and for the prevention of such disabilities and disorders.
- To hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.

We continue to work towards a time when all children with acquired brain injury and neurodisability have the opportunity to live the best life possible.

Our core services



Residential neurorehabilitation

The residential neurorehabilitation we provide to children with brain injury at our national specialist centre in Tadworth, Surrey, is the largest service of its kind in the UK. We help children restore lost skills or develop new ways of doing things, all the time supporting the family with their child's newly acquired disability, facilitating the transition home and building a plan for the future.

The multi-disciplinary team of doctors, nurses, carers and allied health professionals support a holistic neurorehabilitation offer, assessing and setting meaningful goals for children, young people and families to work on for the duration of their placement. Goals may focus on re-learning or regaining skills or adapting to a new disability, with a focus on home, school and community settings. Families may be supported in learning care competencies such as tracheostomy management or suctioning before returning home. The medical team provide onsite specialism in neurodisability care, offering specialist treatments such as botulinum toxin for children with complex movement disorders.

The therapies team is made up of physiotherapists, occupational therapists, speech and language therapists, music therapists, psychologists, health play specialists and multi-disciplinary technicians who provide goal-led therapy, focusing on enhancing children's participation in everyday, meaningful activities which are important to them. The teams offer specialisms in supporting children with eating and drinking, respiratory care, complex movement disorder management, assistive technology and moving and handling. High intensity and dosage of therapy is provided to children receiving neurorehabilitation. The psychological therapies team provide emotional and mental health support to children and families, offering brain injury education and trauma informed practice.

> *I heard about how The Children's Trust was amazing before I got here, but we were praying for miracles and we got them by coming here.*

Riley's story

Twelve-year-old Riley was having a normal lazy New Year's Day when he suddenly experienced an aneurysm and had to be rushed to hospital for life-saving surgery.

As Riley approaches the end of his residential placement at The Children's Trust, Mum Emma shares his story.

We were at home and had just enjoyed a typical New Year's Eve, watching the fireworks with a Chinese takeaway. The next afternoon Riley started to complain of a headache, so he took some ibuprofen and went to bed. I woke up to the sound of him crying at 2am and he started to be sick. I was comforting him, and then from nowhere he started screaming at the top of his lungs. He couldn't tell me what was wrong he was just screaming.

I called 999 for an ambulance and they said that they were on strike that night but that they would be with me as soon as possible. As soon as I put the phone down Riley collapsed and was unable to speak. I could see he was trying to communicate with me but couldn't. He quickly became unconscious, so I called 999 again. They talked me through various procedures and tests. I cleared his airways and checked the rate of his breathing. The ambulance arrived an hour after the first call. They were brilliant when they did get there, but it was a long and terrible wait. They put him on a ventilator and injected him with medication and took us to Hillingdon Hospital.

In the hospital

When we got to hospital the doctors and nurses took him for a scan straight away, where they found out he had a major bleed on the brain. We had only been there for around half an hour when they said they had to transfer Riley to Great Ormond Street Hospital. They took Riley in an ambulance with all the doctors and nurses – I couldn't go with him as there was no room. My sister and Riley's grandparents arrived to drive us there, and on the way I got a phone call from the surgeon to say that he needed my permission to take Riley into surgery. He said it was life-saving surgery and he couldn't guarantee it was going to work but we had to try. He survived the operation, which was amazing, but the pressure on his brain was still extremely high.

Two days later they took him down for a second operation to try and find the cause of the bleed. Luckily at that point they found the aneurysm so they could treat it straight away. They fitted an aneurysm coil (a device that prevents further bleeding) and that put him on the road to recovery. We spent the next five weeks at Great Ormond Street Hospital while Riley was recovering from the surgery. He was heavily sedated, unable to speak or move much more than lifting his head. It was on a normal doctor's round when it was first mentioned that Riley should come to The Children's Trust for rehabilitation.

Arriving at The Children's Trust

When we first got here it was a bit of a culture shock – we had been stuck in a hospital room for weeks so it was scary to come out of our bubble. But after a week or two we settled in, got to know the other families, got to see the other kids progress and it just makes you feel less alone. In those first few weeks he progressed really quickly. It was such a relief to see him more awake, and his personality coming back. After his surgeries he couldn't speak for weeks, so it was really hard to communicate. Thankfully he came on leaps and bounds when he got here, and he was discharged from speech and language therapy after about eight weeks. If you've got to be somewhere in these circumstances, I'm glad it was here. The staff push to do the best for your child, and you can't ask for any more than that. Everyone is so helpful and comforting. It's lovely here, it really is.

Therapy programme

Each week Riley receives a personalised timetable which is chock-a-block with therapy and education sessions! Since we have arrived Riley has received speech and language therapy, music therapy, physiotherapy, occupational therapy, hydrotherapy and more. Alongside this he also has school sessions twice a day. As we come to the end of his placement, his goals are now mostly physically orientated. He has physiotherapy twice a day with the team, and we work on his exercises together in his residential house as well. He also uses specialist equipment which helps with his limb movement disorder and strengthens his left arm and hand. The team take the time to find out what Riley enjoys so that they can motivate him through his interests. Before his aneurysm he always loved baking with his Aunty (I'm not much of a baker!), and here he has baking group once a week, which he loves.

First steps

When Riley took his first steps with his frame me and his Dad were just a mess. Seeing him walk was just incredible, there's no feeling like it. When he got here all he could do was lift his head off the pillow for a few seconds, so every little bit of progress means so much because it was something we could only hope for.

Looking forward

The hope is that Riley will be able to walk independently for short periods of time when we leave here. He'll still be wheelchair reliant but that is work for the future. He has been cleared to return to mainstream education, so our goal is to get him back to school so that he can get back to his life and see his friends. What Riley has achieved in the last five months in remarkable. Even in the darkest days we held onto love, hope and our belief in Riley. His strength inspires us every day. The hard work is far from over, but we are so excited to see what the next five months of recovery brings.

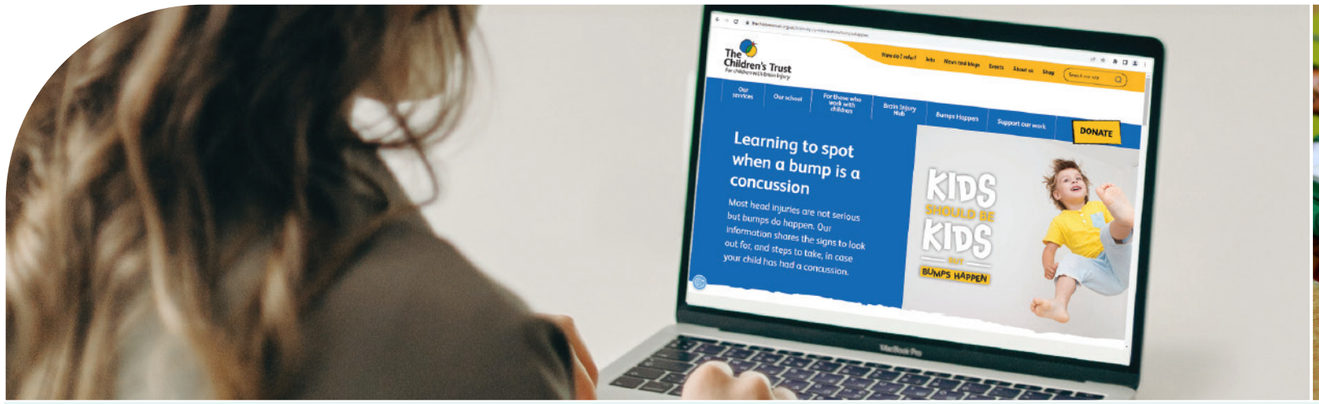
Community Rehabilitation Service

Our innovative new Community Rehabilitation Service was developed and launched in August 2022 and replaced our site-specific support within the four Major Trauma Centres that we partnered with, bringing an end to the Brain Injury Community Service (BICS).

Building on the achievements of BICS and introducing new ways of working as a result of the pandemic has allowed us to set our sights higher and we now aim to:

- reach more children and share our expertise more widely;
- build capacity to develop new and innovative services;
- continue to gain a deeper, more evidence-based understanding of the children, young people and families we support;
- ensure children and families receive support at the point of need; and
- make a tangible difference to the communities in which we operate, evidencing the impact of our interventions more effectively.

Designed in conjunction with professionals, service users and families, our new look Community Rehabilitation Service provides specialist support across a tiered model, with increasing levels of support based on the level of need.



Remote support

Tier 1: Digital Information: Bumps Happen

Our exciting new website and digital resource "Bumps Happen", with dedicated chat bot feature, provides information at different stages of the recovery journey, covering advice in the immediate aftermath of a head injury, through to the days and weeks that follow. Post-concussion support is essential to enable return to activity and school and because the website is designed to be self-service, families can access the information they require when they need it, without having to interact with a clinician. The chat bot feature is curated by a fictional head injury specialist, Zoe. She guides users to the information they require via a series of simple multiple-choice questions. If they need to speak with a member of our team they can get in touch via our "contact us" form.

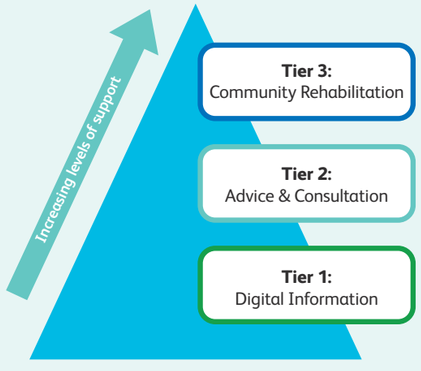
We are encouraged that with over 13,000+ unique website views at year end, we are reaching more families than we have ever reached before. We anticipate a significant increase in unique website views as we launch our marketing plan in 2023/2024.

Tier 2: Virtual Acquired Brain Injury (ABI) team

The Children's Trust's Virtual ABI Team provides a free, goal-directed digital rehabilitation support service for children, young people and families living with acquired brain injury across the UK. Support offered is directed by the needs of children and young people; families are invited to join a virtual goal setting meeting where a plan is established to set and work towards meaningful participation-based goals.

Specific advice, signposting and consultation can also be provided by one of our clinicians. The service model promotes and encourages self-management of needs in the long-term. However it is anticipated families may need a number of intervention periods in the years that follow their child's initial injury, due to the lifelong developing nature of acquired brain injury. The team offers coaching and guidance to young people, their families, and others in their network to help them work towards their goals.

The Virtual ABI team supported 148 children and families during the year. We also continue to offer our Long-Term Register for families, providing crucial support at key educational transition stages.



Tier 3: Community-based rehabilitation team

We are now offering specialist assessment and goal-directed intensive rehabilitation for children and young people living with acquired brain injury and neurodisability in the South East of England. We have expanded our service to include physiotherapy and rehabilitation technician support. We have seen a positive uptake of the service and between August 2022 and March 2023. The team successfully negotiated funding for 11 children to receive a mixture of therapy packages including:

- intensive rehabilitation (MDT and single therapy discipline);
- inpatient to community transition packages;
- outpatient rehabilitation; and
- specialist assessments (MDT and single therapy discipline).

Whilst primarily focused on children in the South East, we are also able to offer virtual therapy support packages for children further afield. We anticipate these packages will be of greatest benefit to children leaving our in-patient rehabilitation service, supporting the embedding of strategies and facilitating a successful return to community-based activity including education.

Rehabilitation is functional and context-based to address areas impacted by the child's brain injury, including (but not limited to): mobility, cognition, communication, emotional wellbeing and return to education. Intervention is holistic and focused on activities that are relevant and meaningful to the child, and delivered in the most appropriate setting which may include the child's home, in school or in the community. Outpatient therapy at The Children's Trust is also available, enabling access to onsite facilities such as aquatic therapy and robotics. Specialist assessment will be offered when there is a gap in local provision and outcomes of the assessment will support the child's ongoing rehabilitation and participation in activities within their own environments. This can include delivery in a hybrid or virtual way.

I just want her to have her independence. She's so independent in a lot of ways, but her mobility is holding her back – being able to walk, stand and do the things that other children do.

Shakeerah's story

Shakeerah had just turned one when her brain tumour was discovered. In 2016, aged three, she had a three-month residential rehabilitation placement at The Children's Trust. Now aged 10, Shakeerah is receiving support from The Children's Trust again via our Community Rehabilitation Service.

Mum Yasmeen shares her story

Since her brain tumour, Shakeerah has had complex health needs and is profoundly deaf. It's been hard to know what to focus on – her health issues, the tumour, ongoing treatment for the infection, getting her into the right school, working on her communication, etc.

Challenging times

Over the years her mobility has changed. When she was younger, she progressed from a wheelchair to a walking frame, and was even walking independently at points. Then she started school and her physiotherapy decreased, so she went back to using a walking frame. Shakeerah now attends a mainstream fully-BSL (British Sign Language) school. She has done really well in her education, but this has come at the detriment of her physical mobility. She has been under the care of the physiotherapy and occupational therapy at the school, but they only see her once every six weeks, which is not enough to get her where she needs to be. Last year I was getting frustrated that she was only able to make three or four steps and she was having to grab onto things as she was unbalanced. Six years after her rehabilitation that's all she's able to do. It wasn't enough progress and it's affecting every aspect of her life.

Communication

Shakeerah is a BSL user and uses her hands to communicate – so when she's using a walking frame or holding someone's hand, she's unable to sign. That's a big part of her day that she's unable to communicate as she can't use her hands. Socially, she's at an age where she's being invited to parties at climbing centres and trampoline parks. She can't participate and run off and play with her friends, she has to sit out with the parents, and it's really sad to see. Her friends come back to cut the cake and Shakeerah is there, but she hasn't participated in any of the activities.

Individualised therapy sessions

It has taken us a year to get the funding, but Shakeerah is now receiving 22 physiotherapy sessions with The Children's Trust Community Rehabilitation Service over six weeks. Her goals are to be able to stand and walk independently. She has been accepted for a hearing dog, but they have said she will have to wait until she can walk the dog herself.

In the first week her physiotherapist did a lot of work with her to strengthen her thighs and glutes so she could balance herself. After four days she'd gone from four shaky steps to walking the length of the gymnasium. That is proof that this kind of intensive therapy targeting specific areas does pay off. Her physiotherapist has adapted the activities during the sessions to what Shakeerah likes – she turns the therapy into a game, whether it be punching, playing basketball, picking up cones, etc. Shakeerah likes to be in charge, so her physiotherapist sets out all the activities and puts them in a list that she can choose what order she does them in and ticks them off when they are completed. This means Shakeerah feels in control of her session, but she also gets everything out of it.

Seeing the change

I have seen loads of progress since Shakeerah started her sessions. Her balance is better – she is still leaning as she has a weakness in her left side, but she's improving every day. Shakeerah had two weeks of sessions over the Easter holidays. When she went back to school, instead of using her walking frame, she walked independently into her assembly to huge applause from all of her fellow students. This has increased her confidence and motivated her to do more.

Hopes for the future

Shakeerah has missed a huge chunk of her childhood. At the age of one she fought through the tumour, and then the brain infection, which we were told she had zero per cent chance of surviving. She's had such a difficult journey and she's come through it. This year she will have a scan that will hopefully make her ten years in remission. The doctors have always put her in the category where the tumour might come back, but we're very hopeful that this time we'll get the all clear.

I have nothing but wonderful things to say about The Children's Trust. Everyone I have encountered has guided me – social workers told me about direct payments, staff as the school told me about education, a parent advocate helped me through the legal aspects of navigating 'the system'. Fighting for the right school setting and the right services has been very draining as a parent, but with the support of organisations like The Children's Trust, I will continue to do it, just for her to have her independence.

The Children's Trust School

The Children's Trust School is a non-maintained special school, in a unique setting in Tadworth, Surrey, supporting children and young people aged 2-19 with neurodisability and a wide range of complex needs across education, health, therapy and care. We welcome residential and day pupils and provide a safe, caring and happy environment where each child's individual needs can be met.

The school's mission, *"To support children to live the best life possible, with excellent education, health, therapy and care (EHTC)",* and our updated curriculum statement, *"Where curriculum and meaningful learning meet",* guide the school leadership team in their objective of nurturing and developing learners and helping them reach their full potential.

We adopt a 'whole system' multi-disciplinary approach to delivering high quality education, therapy and care. In partnership with parents, we enrich a child's quality of life by promoting their intellectual, physical, emotional and social development both during the school day and beyond. We achieve and evidence these evolving developments and their impact through the robust annual school development plan, aligned to budget, and reviewed through the school self-evaluation form.

> *It is so reassuring to know that we have The Children's Trust family around us. It's changed our lives as well as Indy's. We know that Indy is getting the very best care.*

Indy's story

After a difficult start in life, Indy is now living and loving every day. When Indy was born, she weighed less than a bag of sugar. She was put in an incubator and whisked away from her mum Sasha. When Sasha did see Indy, she was amazed she was still alive. Sasha said: *"Her forearm was the same circumference as one of my fingers. It was utterly devastating."*

After three weeks in a specialist unit, Indy was transferred to a hospital closer to home. But within 24 hours Indy got an infection and was diagnosed with a bowel disease that needed surgery. It went well, but just weeks later the family heard that Indy had sustained considerable brain trauma. *"We were told that she had Quadriplegic Cerebral Palsy and that it was likely to be of the most severe kind. I can honestly say I've never experienced pain like it,"* said Sasha.

Challenging times

After nearly six months in hospital Indy was able to go home. She couldn't sit up, walk or talk and it was then that reality hit. *"I loved my little girl so much but caring for her 24/7 was life-changing. There wasn't a moment for us as a family, and Indy's sister Domini took a back seat,"* said Sasha. Like many parents caring for a profoundly disabled child, Sasha found it physically and emotionally exhausting. She told us: *"I was on my knees. When we secured a place for Indy at The Children's Trust School, it was a huge relief but also bittersweet."* Indy has a residential placement, so she lives here in Chestnut House and attends our school. She now has around a dozen of our specialist staff supporting her 24/7. The team was specially trained to look after Indy's needs – and so Sasha knows Indy is in the best place, but says home felt so empty without her.

Growing confidence

After three years at The Children's Trust, Indy is much more confident around people and is a big personality in Chestnut House. She likes waking everyone up each morning, loves going to school, using the hydrotherapy pool and enjoys music and yoga. *"Indy is now 11 and her personality has matured. We visit Indy every weekend and she had terrible separation anxiety at first, screaming for me even if I just turned my back,"* said Sasha, *"but now she feels safe by herself."* Recently Indy proved just how independent she'd become by driving herself to school in her wheelchair. Our specialist therapy and equipment means that Indy operates her wheelchair using a head-switch. The path from Chestnut House to school is fairly long and windy, so it is a huge achievement. Indy was met by claps and cheers from her teachers and classmates.

Specialist care

It was so hard for Sasha to be separated from Indy at birth but now, although they don't live under the same roof, the whole family feels at home at The Children's Trust. *"It is so reassuring to know that we have The Children's Trust family around us. It's changed our lives as well as Indy's,"* said Sasha. *"We know that Indy is getting the very best care. She can do things we'd never have imagined – moving around by herself, swimming, learning in class – thanks to specialist care and the incredible team here,"* Sasha added. Now our new Dojo app allows our team to share updates with parents like Sasha, so she's even closer to Indy. *"My phone pings, and I can see photos of Indy's achievements in 'real time'. It's amazing!"* said Sasha.

How we generate income

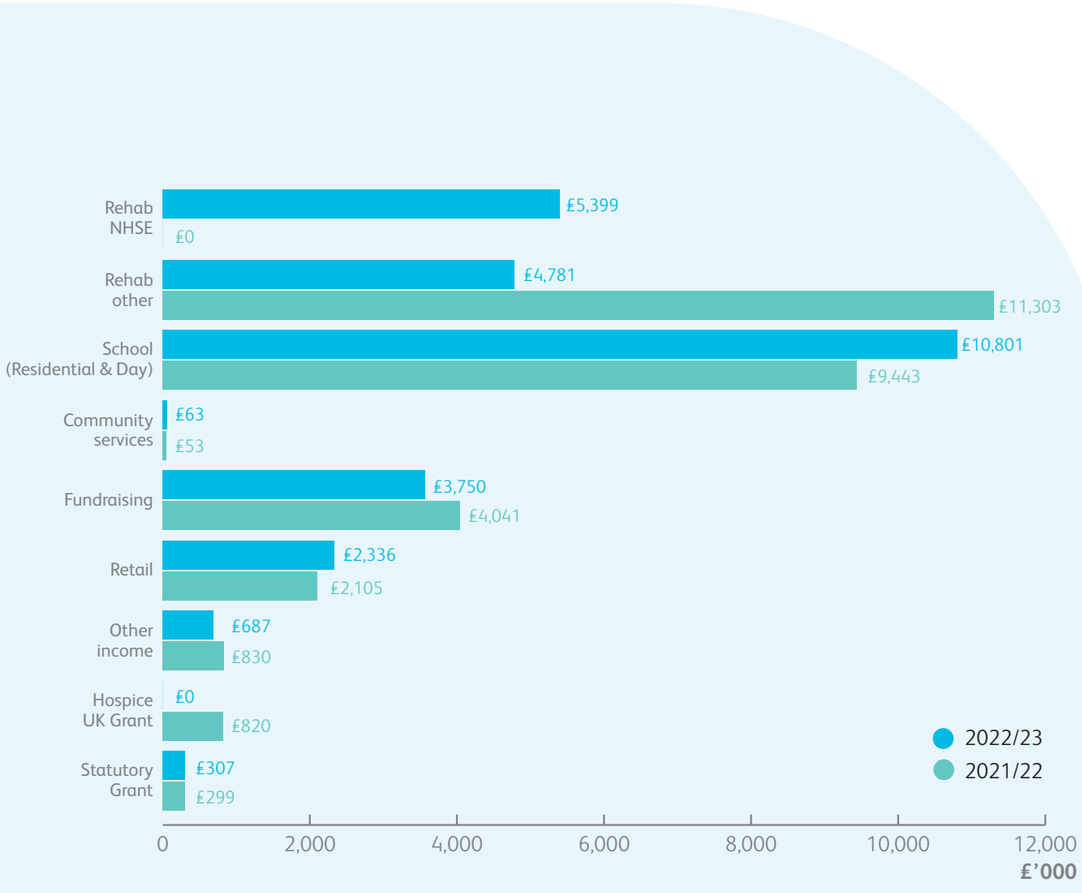
Statutory income

Approximately 58% of the Charity's income comes from annual and multi-year contracts including:

- Rolling, multi-year contracts for our residential and day school children who can stay with us from aged 2 to 19 years.
- Our block contract with NHS England for the rehabilitation of children with the most serious forms of acquired brain injury.

The balance of our income from residential rehabilitation services comes from placements funded primarily by Integrated Care Boards (ICBs), foreign embassies or, in some cases, privately.

We also receive a grant from NHS England ('NHS England Children's Hospice Grant') in contribution to the operating costs of our residential rehabilitation service and the delivery of clinical palliative care to children and young people. In 2022/23 we received £307k (2021/22 £299k). We also received a capital grant of £21k in 2022/23 and in 2021/22 from department for Education in respect of The Children's Trust School.



Fundraising

Fundraising and our 16 Retail shops accounted for 13% and 8% respectively of total income generated by the Charity and are vital in enabling us to invest in new equipment, continue with essential services such as play and music therapy, maintain our transport fleet to ensure children can travel to appointments, outings and back home, and fund our information service to help give children with brain injury and neurodisability the opportunity to live the best life possible.

During 2022/23 The Children's Trust supporters raised a total of £3.570m (£4.040m in 2021/22) from fundraising activities.

Our shops raised £2.336m (£2.056m in 2021/22). During the reporting period, we closed two Charity shops and planned to exit from another in April 2023. Despite these planned closures, the overall contribution from retail is forecast to increase, with fewer more profitable and efficient sites.

We are extremely grateful for the very generous contributions from donors, organisations and volunteers who – through their gifts of money and time and by donating goods to our charity shops – help make our work possible.

Our principal fundraising activities are focused across seven areas:

1	A chain of shops and online retail selling new and donated goods;
2	Soliciting gifts from trusts, foundations, and statutory partners;
3	The solicitation and stewardship of donations from supporters or entries to a lottery being paid either by direct debit or as cash gifts;
4	Gifts in the 'last will and testament' of supporters;
5	Running our own events and entering individuals into third party events and activities;
6	Building partnerships with businesses, schools, community groups and other organisations to support them in raising money on our behalf; and
7	Supporting individual members of the public to conduct their own fundraising activities on our behalf.

We also receive Gift Aid on monetary donations, event sponsorship and donations of second-hand goods to our shops. In 2022/23, payments from these sources totalled £371k (2021/22 £333k). 59% of donations to us qualified for Gift Aid (2021/22: 54%).

Supporter highlights from the year

Charity of the year adoptions

Charity of the year adoptions with golf clubs generated over £100k during the year, with notable thanks going to the captains and members at Walton Heath, Surbiton, Bletchingly and Kingswood Golf Clubs.

Significant donations from Foundations

We are grateful to receive donations from public and private Foundations. During the year, the Barratt Foundation donated £50k towards our core work, supporting children with brain injury, the Peter Harrison Foundation donated £30k towards our specialist music therapy programme and the Rooney Family Foundation donated £47k to fund an Innowalk Pro, a piece of robotic equipment. The Innowalk Pro means more children with complex physical disabilities can experience movement which not only has a range of benefits for their physical health, but also supports their emotional and mental wellbeing.

The Supercar Event

After carrying out a strategic review of The Supercar Event, The Children's Trust has taken the difficult decision to cease this event. The costs associated with holding the event, for both The Children's Trust and our wonderful drivers, have significantly increased over the years. Ultimately this means the event is no longer financially viable and is unable to contribute effectively towards the work we do supporting children and young people with brain injury.

We would like to take this opportunity to thank everyone who has been involved in making The Supercar Event a success over the years and for their part in helping to raise over £865k for The Children's Trust. From our committee, our drivers and our volunteers through to the visitors who have joined us at one (or even more) Supercar Events, our sincere thanks go to you. We couldn't have achieved any of this without you.

How we work

Our staff

At the end of 2022/23, as we were part way through our organisational restructure, we employed 530 staff on a full-time equivalent basis (544 at the end of 2021/22). Doctors, nurses, carers, allied health professionals, teachers and teaching assistants represented 68.5% of our employed workforce. We would like to thank all our staff for their hard work, patience and commitment through what has been a very challenging year.

Volunteers

There are many ways individuals can volunteer to support our work and help us make a difference to the lives of children with brain injury and neurodisability, from one-time opportunities at events throughout the year to regular opportunities in one of our charity shops. We also provide opportunities for volunteers onsite at Tadworth. We continue to recruit to our core groups of volunteers and, through our volunteering programme, we aim to provide volunteers with training and support at a level suitable to their role.

On average, our retail and event volunteers give 16 hours per month, with a total of 4,000 hours given every month.

Summary of volunteer participation:

Total number of volunteers:	1,213
Event volunteers	64.9%
Retail volunteers	25.3%
Onsite – child-facing	2.1%
Onsite – non-child-facing	0.9%
Off-site non-child-facing / Community / Remote	3.4%
Staff volunteers	2.4%
Trustees and governors	0.6%

Our culture and values

Our organisational culture and values sit at the very heart of what we do. Developed in collaboration with our staff, volunteers, partners and most importantly the children, young people and families that we support, our values, referred to as 'Our Promises', reflect the type of culture and environment everybody wants to see at The Children's Trust.

Our Promises are:

Child first:
- To put children and young people first, seeking their views and sharing decision-making with them.
- To contribute to our community, making it warm, positive and fun.
- To connect meaningfully with children and young people, enriching their lives.

Aim high:
- To be curious and courageous, exploring new ideas.
- Think big, finding ways to add value and improve what we do.
- To focus on quality, act responsibly and use evidence to support our choice.

Care deeply:
- To be friendly and show genuine compassion.
- To connect and collaborate effectively inside and outside of our charity.
- To recognise and encourage each other, taking time to celebrate successes.

Be open:
- To speak up confidently and look for solutions.
- To listen to others, sharing and receiving feedback in a positive way.
- To invite different views, respecting everyone's roles and contributions.

Own it:
- To take responsibility, owning what we do and delivering on our promises.
- To set ourselves high standards and use our expertise across the charity.
- To grow from mistakes, taking every opportunity to develop and improve.

Trustees' duty to promote the success of the charity – section 172 statement

Trustees have a duty to act in good faith to promote the success of the Charity for the benefit of its stakeholders and in doing so are required by section 172 of the Companies Act 2006 to have regard for various specific factors including:

The likely consequences of any decision in the long-term

The trustees make all key decisions with reference to our central ambition for all children and young people with brain injury and neurodisability to have the opportunity to live the best life possible. Never has this ambition felt more acute than during the last 12 months. The board has had to make a number of very difficult and at times legally complex decisions, all with the aim of restoring financial stability and the longer-term viability of the organisation. In reaching these decisions, the board has taken external, legal and professional advice and has consulted with, and tried to involve, staff along the way.

The interests of the company's employees

At the heart of our strategy lies our approach to our people – how we look after, motivate and develop our employees and volunteers and create a sense of being part of something special.

We are acutely aware that this year has been truly unprecedented for our staff. We have had to take very difficult decisions which have directly impacted colleagues, some of whom have regrettably had to leave us despite their tremendous contributions. As we embarked on a cost-cutting exercise and organisational restructure, focusing on transparent and open communication was key to ensure staff were kept up to date, their views heard, and decisions shared while retaining an engaged culture across all teams.

As part of the organisational change and formal consultation with all employees a nomination and subsequent ballot took place to elect employee representatives who then formed a formal Employee Representatives Council. We would like to thank all employee representatives for the enormous task they undertook on behalf of the organisation at a critical time.

We adopted a number of different communication channels to ensure staff were regularly kept up to date as we developed our recovery plan and consulted with staff on the proposed changes. These included: virtual, all-staff 'Town Hall' meetings, all staff emails, Employee Voice, our Staying Connected weekly newsletter and further updates on our intranet, The Loop.

We know that we have a long way to go to rebuild the trust and confidence of staff as we move forward with our recovery and we thank all colleagues, past and present, for their commitment and professionalism over this very challenging and unprecedented period for the Charity.

The need to foster the company's business relationships with suppliers, customers and others

We recognise that the Charity can only succeed if our relationships with referrers, funders, donors and key suppliers continue to thrive.

We have been extremely fortunate to have benefited from the generosity of a number of philanthropists as we pulled together a business recovery plan and rescue loan application. We will be forever grateful to you for your support in ensuring the Charity can continue to be here for children and young people with brain injury and neurodisability.

Our partnerships with local authorities and other funders are extremely important to us. We are appreciative of their support and commitment as we have sought to ensure we fully recover the costs of the highly specialist services we provide for children and young people with brain injury and neurodisability. We are proud of the difference our services make to our beneficiaries and are grateful to our funders for recognising our unique proposition and the value we bring.

We are also grateful for the patience, understanding and support of our key suppliers as we had to carefully manage our cash position.

The impact of the company's operations on the community and the environment

We have committed to minimising the environmental impact of our activities. For this to happen we need to make sure our practices are sustainable, from the top of our supply chain, through to our impact on our people, the environment and the communities in which we operate. We have a Responsible Organisation Strategy, which we will look to update in the forthcoming year, which sets out how we will make progress in this area. As we begin to look ahead to developing a new business strategy, the Charity's impact on the local community and wider environment remains a important consideration.

The desirability of the company maintaining a reputation for high standards of business conduct

We believe that maintaining a reputation for high standards of service delivery and business conduct is fundamental to the longer-term success and viability of the Charity. We keep this in mind in everything we do from recruitment and resourcing, the setting of policies and procedures, the choice of suppliers and partners we work with, the level of risk we are prepared to accept and the governance and monitoring arrangements we put in place.

Despite our financial challenges, the board, senior leadership team and all staff have been focused on ensuring we deliver high-quality services to children, young people and their families.

The need to act fairly between members of the company

The organisation, being a charitable company limited by guarantee, does not have shareholders and its members are limited to the directors of the company. All directors receive the same information about the strategy, operations and finances of the Charity and have equal voices in all key decision-making.

Our strategy and objectives

It has been a year of recovery and transition for The Children's Trust. The children and young people who come to us for rehabilitation and education have few alternative options and we knew we had to do everything in our power to ensure we could continue to be here for them.

In our Trustees' Report for 2021/22 we outlined our financial recovery plan with the key objectives of reducing our cost base, ensuring we are paid fairly for the services we provide and seeking new ways to create value from our assets. The Senior Leadership Team (SLT) and trustees have made significant progress in implementing that plan, financed by a loan facility of £5m from Charity Bank and Big Society Capital (of which only £3.5m has been drawn down) and £1.25m from two philanthropists. We believe that our recovery plan now paves the way towards a financially sustainable future for the Charity, so that we can be here for children, young people and their families in the long-term.

As we updated in last year's report, given the Charity's financial position, much of our 2020-25 business strategy, Hope and Ambition, has had to be put on hold; this includes the very difficult but necessary decision to stop Project Butterfly along with our community work in Birmingham.

Over the course of the next 12 months, we will continue the work we have begun in 2022/23 on our recovery and transition, focusing on three simple but fundamental objectives:

1. Deliver high quality, safe and effective care

Our purpose is to support children who need our help to live the best life possible. The longer-term viability of the Charity which allows us to do that, can only be assured if we continue our relentless focus on delivering services which are not only safe and meet regulatory standards, but which demonstrably improve the outcomes for children and young people with brain injury and neurodisability. Our recovery plan incorporates some changes to our service delivery model with these key objectives in mind, which allow us to deliver our services in a unique and effective way. We will:

- Offer an integrated service model across education, health, therapy and care which is aligned with regulatory frameworks, safeguarding requirements and contractual and statutory obligations.
- Co-design and co-produce our services with children, young people and families.
- Integrate with – and provide access for – the children and young people (CYP) to local healthcare systems as far as possible.
- Reduce our overall reliance on registered nurses employed across our site by creating more senior Care Support Assistant posts and recruiting a new team to provide 24/7 site-wide nursing cover and support.
- Expand the role of clinical education to include advice, clinical support and education across the multi-disciplinary team.
- Improve staff engagement, wellbeing and morale by consulting on organisational change, providing channels for people to speak up and listening to and being seen to act on feedback.

2. Maximise income

We need to:

- Ensure that all our services cover their costs by setting the right prices from the outset and through contract negotiations and annual reviews.
- Develop and foster strong relationships across our professional networks in the UK and abroad to increase awareness of, and demand for, our unique services. We will do this by focusing more resources on marketing and business development and by demonstrating more effectively the impact our services make in enabling children and young people with acquired brain injury and neurodisability to live the best life possible.
- Ensure that we can meet demand for our services by maintaining the required establishment of nurses, carers, doctors and allied health professionals.
- Leverage and grow our supporter base, invest in relationships and develop new fundraising events and other opportunities to grow voluntary income.
- Respond to the needs of many families in the UK during the current cost of living crisis and increase Retail contribution with our portfolio of well-located and appointed charity shops and online channel.

3. Reduce our cost base

We completed a significant organisational restructure early in the first quarter of 2023/24 and it will be important to remain focused on minimising staff costs (including temporary agency workers and recruitment fees) and maintaining a leaner workforce going forward. We will:

- Keep recruitment and agency fees down by ensuring The Children's Trust is not only a place that people want to come and work but somewhere they want to stay. Alongside competitive pay and benefits, benchmarked to the NHS (and Department for Education for teachers), we know from staff feedback that a commitment to investment in training, apprenticeships and broader career development are also key in reducing attrition.
- Continue to rationalise and consolidate our non-staff operating expenditure dispensing with non-essential goods and services and partnering with fewer, preferred suppliers who are better aligned with our purpose and objectives.
- Seek ways to use our site at Tadworth Court more efficiently. This includes taking advantage of new, hybrid working practices post-pandemic and decommissioning some of our administrative office spaces. We have also been looking at opportunities to reduce the footprint of our residential children's accommodation so that we can realise energy savings and deploy our nursing, care and therapy staff more efficiently. Looking beyond the next 12 months, we know we need to develop a long-term property strategy which supports the delivery of a safe, effective and efficient service delivery model, reduces central overheads and enables our School to operate from more modern facilities.
- Exercise robust financial governance and controls to ensure our recovery stays on track and that we meet the terms and conditions of our £5m commercial loan facility.

In the second half of 2023/24, under new leadership, we will begin the development of a new, longer-term vision, mission and strategy for the organisation. The key aims and objectives of our financial recovery plan of maximising income, reducing costs and leveraging our assets will remain central to this new strategy.

2022/23 performance

Neurorehabilitation

82 children and young people received intensive rehabilitation for brain injury or other support from our child and family services at our national specialist centre. 82 children and young people were also supported in 2021/22, and 72 supported in 2020/21.

During 2022/23, a total of 197 goals were set by children and their families using the Goal Attainment Scale (GAS). Upon discharge home from The Children's Trust, 83.2% of the goals were achieved 'as expected', 'more than expected' or 'much more than expected'. This is a slight increase from the previous year's total of 80.1% of goals achieved at this level.

Quality visit

Following the unexpected death of a child in June 2023 (as referenced in the Serious Incidents section of this report, page 30), the Charity was subject to an NHS Quality Visit.
This visit was carried out by a review team comprising stakeholders from Surrey County Council, NHS Surrey Heartlands, Evelina, Guy's and St Thomas' NHS Foundation Trust and South Thames Paediatric Network. The principal purpose of this visit was to gain assurance that all children being supported by The Children's Trust were being cared for in a safe environment.

Outcome of the visit

Following the NHS Quality Visit we received this positive feedback from the review team.

> *I was inspired by the wonderful work that takes place at The Children's Trust. The staff have an excellent knowledge of the children and young people receiving care – both residential and community. All staff showed dedication to the Trust and care and compassion to the children and young people. It was apparent that the voice of the child is heard by all and is central to all decisions made.*

> *The facilities are fantastic – there are age-appropriate facilities, common rooms, leisure equipment and activities. The children's bedrooms are personalised and are clean and well cared for. Understanding of the individuals and the importance of their autonomy was evident everywhere.*

> *I was honoured to be able to have a tour of the Trust and to meet so many members of the fabulous teams.*

Residential services – Ofsted visit

The Children's Trust residential services had an unannounced assurance visit by Ofsted Care on 14 June 2023.

At this inspection of our residential Houses, the inspectors evaluated:

- The care of children
- The safety of children
- The effectiveness of leaders and managers

> **The headline finding was:**
> *We did not identify any serious or widespread concerns in relation to the care or protection of children at this assurance inspection.*

> **The report goes on to state:**
> *Staff work with considerable skill and patience in order to provide individualised care that, as far as possible, gives children choices and allows them to spend time doing things that they enjoy.*

> **The Ofsted inspector noted that:**
> *The care the children receive was thoughtful and attentive, and that their capacity and views/feelings were taken into consideration.*

> **In terms of safety, it was noted that:**
> *There are rigorous systems and care plans in place to ensure that the quality of care is effective, and that issues are dealt with promptly and staff are encouraged to view them as learning experiences.*

> **The report also noted that:**
> *Management demonstrate a commitment to continuous improvement and were assured on the progress on the requirements made since their last visit and were able to close those.*

Read the full report

Neurorehabilitation – continued

To measure family centred and personalised care we gain feedback using the Measures of Processes of Care (MPOC) and the Friends and Family Survey (used within NHS settings). In 2022/23, all families (100%) would be likely or very likely to recommend The Children's Trust services to friends, family and other parents if they needed similar care or treatment. This is an improvement on The Children's Trust results from last year and is above the NHS's overall positive response score (91.6%) for February 2023.

Some areas of development for the last year include:

Neurotechnology

With thanks to our supporters, the recent investment in neurotechnology has enabled us to accelerate children's rehabilitation outcomes and offer greater quality of life to children attending The Children's Trust School. The introduction of Gripable has allowed us to focus on different aspects of grip, wrist and hand movement. The grip device is synced with virtual games on a tablet, increasing children's motivation to complete repetitive movements whilst giving the opportunity for a child to train movements outside of traditional therapy sessions. We have also been using two other robotic upper limb devices, the Pablo and Diego. These de-weighted devices are used with virtual reality gaming and functional tasks such as stirring cake mixture or re-learning skills such as dressing. Robotic technology has improved children's progress with a range of rehabilitation goals.

Last year we also reported on the introduction of the Innowalk Pro, a lower limb robotic device supporting children who have limited active lower limb movement. This is mainly used for children with complex medical needs residing with us residentially and attending the Children's Trust School. With a gift from a Foundation, we have been able to invest in a second Innowalk Pro device, increasing the number of children who can access this technology. In practice we have seen some amazing results, with some children standing for the first time and for others we have observed reduction in muscle tone, increase in oxygen saturations and increased levels of alertness and enjoyment. Over the next 12 months we hope to further develop our neurotechnology offer, scoping new and innovative devices which can offer support for children who are learning to walk again.

Acquired Brain Injury National Strategy and All-Party Parliamentary Group (APPG)

The Department for Health and Social Care has set out the key ambition to prevent brain injuries wherever possible and to achieve a step change in the care and support available to people living with an acquired brain injury (ABI), so that they have the chance to regain the fullest possible quality of life. The Children's Trust has been recognised as a key stakeholder and we submitted a 10-year overview report of our research in paediatric ABI practice as part of the government's call for evidence. We have hosted members from the Department of Health and Social Care at The Children's Trust to showcase the work we carry out with children, young people and families, whilst also contributing information on our work in neurotechnology. Members of our clinical team have represented as professionals at parliamentary round tables, working closely with Chris Bryant, MP for Rhondda and chair of the All-Party Parliamentary Group for ABI.

School and nursery

The Children's Trust School utilises the Goal Attainment Scale-Light model. This is a more developmental goal-scaling approach for use across disciplines with any students where individual goals are set as part of the therapy process. Throughout the academic year the students and their families are asked to set goals that they want to achieve. These goals are integrated into sessions in the students' individual house and class sessions. During the 2022/23 school year, students had achieved (or better) 74% of goals set within the autumn term, and 85% of goals set by the end of the summer term.

46 children attended The Children's Trust School and nursery (50 in 2021/22). The decrease reflects fewer young people able to transition to external adult provision due to lack of available places. The knock-on effect of this was a reduction in capacity for new admissions in 2022/23.

On average there were 29 residential school pupils in 2022/23 (27 in the prior two years) and seven day pupils, down from nine in 2021/22 and 12 in 2020/21. The overall number of pupils attending The Children's Trust School has remained stable since last year.

A School Evaluation Journey captures progress of the School since 2016. For the year 2022/23 specific strong School developments have continued the School growth and supported our aim to broaden the work of the School and develop as a Centre of Excellence.

In the year we are pleased to report the following achievements:

- Accredited with national ARTSMARK Platinum award, recognised to be offering a quality creative education as part of our curriculum.
- Accredited with MUSIC MARK, recognised to be offering a quality music education as part of our curriculum.
- Accredited with the Challenge Partner Area of Excellence, recognising cultural capital through our extensive accessible art offer.
- Nominated and shortlisted for NASS Breaking Barriers Award 2022
- Feedback from an ungraded Ofsted inspection from 15-16 November 2022, that: "The school remains 'good' but there is sufficient evidence to suggest that it may have been judged 'outstanding' in a graded inspection."

The final Ofsted report can be found here: https://reports.ofsted.gov.uk/provider/25/134902

Financial performance

Overview

As we highlighted in our 2021/22 Annual Report and Accounts, the quarter one (Q1) financial review conducted in July 2022 indicated that a number of key assumptions and income targets would not be met. Despite our best efforts, we were not able to staff all of our beds until the end of the third quarter and the private and international work which we had anticipated failed to materialise. With income significantly down against budget we were operating at a material and unsustainable deficit. Furthermore, the financial review revealed a difficult working capital position, including significant trade creditors (£1.79m), HMRC payment arrears (£1.5m) and overdue pension contributions (£250k) which had not been made clear to trustees when the budget for 2022/23 was approved.

As we reported in our annual report for 2021/22, the trustees concluded at an extraordinary meeting of the Finance, Fundraising & General Purposes Committee on 5 July 2022 that the financial position was untenable and posed a serious threat to the future solvency of the Charity. A financial review group was immediately established to develop a response plan and a serious incident notification was filed with the Charity Commission on 9 August.

During the year, a total of £4.2m was withdrawn from the investment portfolio to support working capital, resulting in a balance of just £1.9m by the year-end. However, with a forecast full-year deficit of circa £5m and significant aged creditors, we knew that our cash requirements far exceeded our unrestricted reserves. We quickly sought external sources of finance, convening meetings with some of our philanthropic donors and a number of commercial lenders. It was apparent that an application for a commercial loan was going to take some time and that successfully navigating the bank's due diligence processes would be challenging. We are extremely fortunate to have received £1.25m of interest-free loans, from two of our philanthropists, to support working capital at a critical time whilst we developed our recovery plan. Post year-end, an agreement was signed with one philanthropist to convert £250k of one of the loans into a donation, for which we are extremely grateful.

Ultimately, we were successful in our application for a £5m loan facility from Charity Bank and Big Society Capital, secured against the land and buildings at Tadworth Court. The loan was approved and signed by the trustees on 7th February 2023 with the first drawdown against the facility of £3.5m in late February 2023. At the time of writing no further drawdowns had been made but there remains the option to drawdown the full balance up until the anniversary of the date of signing (17 February 2023). In March 2023, we were able to clear all overdue creditor balances including HMRC. Our final financial position at the end of the year was an operating deficit, before investment losses and gains on the revaluation of fixed assets, of £7.13m (2021/22 deficit of £4.20m). Taking into account revaluation gains and investment losses, we reported net expenditure of £3.73m (2021/22 net expenditure of £3.82m).

Progress with our recovery plan

Our short-term recovery plan and objectives are set out in more detail on page 18, Strategy and Objectives. In summary we have made good progress with our key financial objectives of reducing costs and growing income.

The recovery plan identified 2023/24 as a transition year whilst we worked through the impact of the restructure. The plan was to break even on a cash basis (operating surplus plus capital expenditure) and we are on track to achieve this. We have secured fee increases from most commissioning bodies that ensure we are covering the costs of the residential placements and we should achieve our budgeted income in 2023/24 provided we can continue to sustain and meet demand for our services.

Our overall staff numbers have been reduced by 15% as planned, which reduces the total staff budget by £3.7m. This will not translate exactly to an equal staff cost saving in future years as we previously capitalised some salaries related to capital projects which are now complete. In addition, we entered 2023/24 with a significant level of vacancies after the restructure and therefore staff costs are forecast to be under budget in 2023/24, even after accounting for the NHS Agenda for Change pay award which came in higher than budget. Non-staff operating costs remain a challenge as there are significant fixed overheads related to our site and the facilities we offer our children. It is a key area of focus for the future.

The recovery plan identified 2024/25 as the year in which we would achieve an accounting surplus (operating surplus plus depreciation) and start to replenish our reserves, after covering the costs of servicing the loans. At the time of writing, our latest forecast indicates we are on track to deliver a modest surplus.

Key financial performance indicators

	31/03/23	31/03/22
Turnover (£'000)	27,944	28,893
Year end trade debtors (£'000)	1,187	1,501
Year end debtors (days)	21	26
Year end trade creditors (£'000)	425	1,607
Total expenditure (£'000)	35,071	33,094
Year end creditors (days)	16	66
Inventory (months) (total non-pay actual less insurance and depreciation over inventory)	0.57	0.77
Completion of capital programme (%)	24	66
Agency spend (£'000)	475	636
Payroll (% of agency spend)	2	3
Bank staff spend (£'000)	659	475
Payroll (%)	2.59	1.96
Fundraising margin (%)	40	33
Retail margin (%)	34	30
Average yield on investments (%) (dividend income plus change in portfolio value over average amount invested over the year)	-8	-11

Reserves

As at March 2023, reserves totalled £19.9m (2022: £23.6m), of which £0.3m (2022: £1.4m) relates to expendable Restricted Funds and £1.76m (2022: £1.8m) is the Fixed Asset Restricted Fund which reflects the reducing balance on the Department of Health grant made in 1995 in relation to the Grade 1 listed property known as Tadworth Court.

£57k (2022: £736k) relates to Endowment Funds following the Charity Commission's approval to reallocate the Gardiner Endowment Fund as general unrestricted. Of the remaining balance of £17.7m, £19.4m (2022: £17.1m) has been Designated to represent that element of the reserves which is represented by fixed assets (excluding the amount in the Fixed Asset Restricted Fund) and is therefore not available as working capital. The balance of £1.7m is negative Unrestricted Funds which trustees believe is a more transparent presentation of the Charity's reserves rather than suspending the policy of holding a Designated Fixed Asset Fund.

The financial challenges referred to above have reduced the reserves to an unacceptably low level with no 'free reserves' (2022: £2.6m). In previous years the trustees reviewed reserves at year end and allocated amounts to reflect the strategic requirements of the Charity. This policy was suspended in the 21/22 Trustees Report and Accounts when the financial crisis emerged in summer 2022. The current focus is on maintaining the unrestricted funds and minimum cash balance required in the Charity Bank and Big Society Capital loan agreement.

In 2023/24 the trustees will be developing a new reserves policy which takes account of the financial risks facing the Charity, the level of reserves deemed prudent as a contingency and the period over which this can be achieved. Current forecasts show the organisation achieving an accounting surplus for 2024/25 after a transition year 2023/24. The new reserves policy will balance the need to build up funds for stability and future developments against the plan to pay down the recovery loan as soon as possible.

Going concern

In accordance with the Charities Statement of Recommended Practice (FRS 102), the trustees have assessed the Charity's ability to continue as a going concern to assure themselves in preparing the annual accounts on this basis. The assessment has taken into account all available information about the future for at least, but not limited to, 12 months from the date of signing of the accounts.

Two fundamental objectives of our recovery plan were to significantly reduce costs and to increase income. The trustees have reflected on the progress we have made here in the year under review as well as the risks and uncertainties that lie ahead.

Costs

As we reported in the Financial Overview, we have undertaken a significant organisational restructure and are committed to operating as a leaner organisation going forward. Cost savings have been achieved through a combination of redundancies, reshaping of certain roles and teams and natural attrition. One element of the organisational restructure is a change to the frontline staff mix which will result in an increase in the proportion of Care Support Assistants (CSAs) to nurses in future. We had planned to achieve this organically in the transition year of 2023/24 but now expect the process to complete in the first half of 2024/25. This more gradual transition will reduce the risk for the children and young people in our care and for our staff, without exceeding the financial envelope budgeted.

Operating and capital expenditure

Some challenges remain in reducing our operational expenditure and working within a much more limited capital expenditure budget than the organisation has been used to in recent years. However, there have been significant changes in financial controls, including a move to far more stringent budget management. These changes are beginning to yield tangible improvements in financial performance and stability as we enter the second quarter of 2023/24.

Income

On the income side, our recovery plan focused on ensuring we were being paid fairly for our services. We targeted inflationary fee increases across all of our services, as well as more significant uplifts for our school residential placements where a number of contracts had not been subject to a pricing review for some years. We completed our costing and pricing work in the first half of the year and updated our standard tariffs. The contract negotiations with commissioners concluded successfully sooner than we had anticipated in our budget planning. This will bring our income closer in line with the cost of delivering our services and has enabled us to award salary increases in line with the Agenda for Change pay scale announced for the NHS in March 2023.

Risk factors

The Charity is expected to return to an operating surplus in 2023/24 and a full accounting surplus in 2024/25. At the time of writing, the overall budget for 2023/24 is being exceeded and we believe we are on track for 2024/25. To date only £3.5m of the Charity Bank and Big Society Capital loan has been drawn down. Subject to continuing to meet the financial covenants under the loan facility agreement, trustees will have until February 2024 to decide whether there is a requirement to draw down the remaining £1.5m.

The two key risk factors on income are demand and capacity. Although overall occupancy is forecast to be in line with budget for 2023/24, we are developing plans to address some challenges we are beginning to see with school referrals (both residential and day). We also anticipate some changes to referral pathways as a result of the planned delegation of NHS specialist commissioning at the end of March 2024. There is uncertainty at the time of writing about how exactly the changes in the NHS will impact us. However, we know our service offering for those children with the most acute brain injuries is truly unrivalled and unique in the UK and are therefore not forecasting any material reduction in income at this time.

In terms of capacity as a risk factor, being able to staff all our beds (across nursing and care, medical and therapy) and maintaining referral to admission conversion rates is critical. At the time of writing, the pressures with nurse recruitment have eased, although some challenges remain for allied health professionals. We have all of our budgeted beds open and the changes to the staff mix in our new operating model will help to reduce our overall reliance on registered nurses going forward.

Despite the more positive outlook on income and with a leaner organisation and lower cost base, the Charity's low level of reserves and reliance on the £5m loan facility, does leave the Charity vulnerable to further, unforeseen financial shocks and creates a material uncertainty. As we enter the second half of 2023/24 we will begin preliminary work on a new strategy which will incorporate a plan for delivering sustainable accounting surpluses and for replenishing the Charity's reserves to a more acceptable level.

Investment policy

The investment policy sees our reserves invested with the aim of at least maintaining the value or purchasing power in real terms. A total return target has been set at CPI + 3.5% p.a. net of fees. There is no specific income target but we seek to achieve a balanced return between income and capital growth. The time horizon is seen as long-term, more than five years. This policy will be reviewed in 2023/4 given the change in the Charity's financial circumstances and the significant reduction in funds invested.

The £101k 5.2% dividend yield on investment income remained low but was an improvement on the 2.4% yield of £169k in 2021/22 due to the reduced portfolio value. The Total Return on the portfolio to 31 March 2023 was a loss of 5% (2022 a gain of 7.4%). Over the last three years the Total Return has been 27.7% compared to the benchmark set of 28.67%. The benchmark for 2023 saw a loss of 3.37% driven by a negative year for bonds and higher interest rates in the UK and US.

The Charity had to withdraw £4.7m from the investment portfolios for working capital during the year and that, taking into account the investment loss in the year of £459k, means that the total invested had reduced from the £7m held at 31 March 2022 to £1.9m as at 31 March 2023.

The Investment Committee did not meet whilst the organisation worked through the Recovery Plan and loan application process. The Chair of the Investment Committee has monitored performance and maintained regular contact with representatives from Investec.

Principal risks and uncertainties

Although we have emerged from this financial year in a more financially stable position than we began the year, we are left with unacceptably low levels of reserves and £6m of medium-to long-term debt (assuming full utilisation of the £5m Charity Bank loan facility by February 2024). Our recovery plan, which factors in loan repayments, targets operating surpluses for 2023/24 and 2024/25. However, we know we need to develop a radical, new strategy capable of delivering more significant surpluses so that we can rebuild our reserves. Seeking further ways to grow our services and income and to reduce our cost base will be key to our future success. There will be challenges to how we can achieve this, including high inflation, record levels of public sector debt putting pressure on the budgets of our funders and changes in the commissioning of health services in the UK with a preference for more local provision. The changes in commissioning present both risks and opportunities. On the one hand there is a potential threat to our one-site, national centre of excellence business model. On the other, we see opportunities to expand our Community Rehabilitation Services and forge partnerships with the new Integrated Care Boards to meet increasing demand for more local service provision.

The following table sets out the board's assessment of the Charity's principal risks at the time of writing, alongside the control measures and mitigations in place to manage them to within an acceptable level.

Principal risk	Control measures and mitigations
Financial Stability	
The senior leadership team and trustees have developed and begun the implementation of a comprehensive financial recovery plan to dramatically cut operating costs, address loss-making contracts and increase efficiency through a new frontline service delivery model. We have belief in our recovery plan but our transition is not without risk. In particular, we will need to comply with a number of financial covenants attached to the bank loan we have recently secured. Key external risks which prevail include global inflation and the cost of living crisis; financially stressed local authorities (our funders); public sector pay pressure (in particular, Agenda for Change in the NHS); and the potential for health and social care staff shortages which could impact our ability to staff beds and simultaneously increase our recruitment and retention costs. The squeeze on public sector finances may make it more challenging for our funders to meet the costs of providing our services. In the longer-term, changes in the national commissioning landscape (in particular a preference for more local healthcare provision) may impact the volume of referrals we receive from the newly formed Integrated Care Boards (ICBs) and we await further clarification and guidance from NHS England in December 2023 as to how the delegation of specialist commissioning may impact our block contract next year. Finally, the recent financial crisis has weakened the Charity's balance sheet in terms of the depletion of its investment portfolio and free reserves, as well as the addition of £6m of long-term loan liabilities. This leaves the Charity more vulnerable to financial shocks in future.	A key element of our financial recovery plan has been a material reduction in operational expenditure, through an organisational restructure. This was completed successfully at the end of May 2023. With the injection of £6.25m of loans and donations (£1.5m of which we have opted not to draw down at this time) to support working capital, we have been able to clear all overdue creditors, including HMRC. We are meeting all the requirements of our loan and our current forecast do not indicate any risk of not being able to continue to do so for the foreseeable future. At the time of writing we are achieving our bed occupancy and income targets but we know we need to stay focused on building and maintaining a healthy referrals pipeline, particularly for the school where we are beginning to see some challenges. We also need to prepare for potential changes to referral pathways for our rehabilitation service, given the direction of travel in terms of NHS commissioning. In terms of capacity, we have stabilised our nursing and CSA staff establishment and remain focused on retention and development. In the longer-term our current plans envisage the expansion of our community services, positioning the Charity strategically to support national changes to specialist commissioning and to deliver rehabilitation in the community, closer to home, through funded packages of care. As we enter the second half of 2023/24, we will begin to develop our thinking on a new strategy which will seek new ways to grow services and income and operate even more efficiently with a lower overall cost base.

Safe and effective services	
We provide services to some of the most medically complex and vulnerable children and young people in the UK and operate in a highly regulated environment, overseen by three key regulators (CQC, Ofsted Care and Ofsted Education). Delivering high quality and safe services is our primary objective. A failure to comply with statutory requirements could compromise the health and safety of our children and young people and colleagues and/or lead to significant fines, negative publicity and a decline in referrals to our services.	We have robust policies, procedures and controls in place to ensure compliance with applicable regulations. Our most recent full inspections by CQC and Ofsted Children's Homes were in January 2020 and May 2022 respectively. CQC rated our service as "Outstanding" and Ofsted found our service to be "Good". However at the time of signing of the accounts a joint full inspection by Ofsted Education and Ofsted Care had just been completed and we await the findings. CQC undertook a targeted inspection in May 2021 and reported that the overall rating for the service had not changed and remained "Outstanding". We also received a supportive letter from CQC in June 2022 in response to the Coroner's Prevention of Future Deaths report. In January 2023, Ofsted Education published its report following a section 8 monitoring visit in November 2022. The Outcome section of the report stated: *"The Children's Trust school continues to be a good school. There is enough evidence of improved performance to suggest that the school could be judged as outstanding if we were to carry out a graded (section 5) inspection now."*
Cyber security	
The level of cyber threat facing organisations globally is increasing including the threat of politically-motivated and state-sponsored attacks. The Department for Digital, Culture, Media and Sport's Cyber Security Breaches Survey in 2022 reported that 30% of charities had identified a cyber attack in the past 12 months, with 87% reporting phishing attempts and 23% sustaining a more sophisticated attack such a denial of service, malware or ransomware. There is therefore a risk of a major cyber attack impacting the Charity either directly or indirectly, leading to loss of confidentiality, integrity or availability of critical personal, financial and business data and subsequently major business disruption.	We have a number of information security and data protection policies in place, overseen by our Information Governance Committee. We have also invested in robust information security measures and cyber defences, proportionate to the level of risk we face. Such measures include anti-virus and malware detection software, multi-factor authentication across our corporate network and systems, regular vulnerability scanning and penetration testing, system back-ups and disaster recovery plans, due diligence on IT suppliers and data processors. We also have an outsource arrangement in place with a specialist firm for 24/7 security incident and event management services. Mandatory, annual information governance training which covers cyber security and social engineering is in place for all staff and trustees. This is supplemented by monthly bite-sized, online training and simulated phishing emails to test awareness and understanding across the workforce. Looking ahead to 2023/24 we are intending to seek accreditation to Cyber Essentials Plus.
Major incidents and business continuity	
The financial crisis forced us to examine the organisation's preparedness for a sudden, forced closure of the Charity which has identified some gaps in our planning. Furthermore, we deprioritised our rolling programme of work on major incident and business continuity planning over the last 12 months as we focused on our financial recovery. We have also lost key people and corporate knowledge in this regard as we have undertaken an organisational restructure. In the short-term, whilst we refocus our attention on strengthening operational resilience and updating our plans, there is a risk of disruption to our services from major incidents.	In 2023/24 we will be reviewing, updating and testing our major incident and business continuity plans and ensuring that we maintain a rolling programme of work to keep these up to date. We will also be working in partnership with Surrey County Council and other local authorities to put in place joint contingency planning should there ever be a need to close or evacuate our site completely, temporarily or otherwise.

Serious incidents

Financial sustainability

In the Trustees' Report for 2021-22 we reported that we had notified the Charity Commission of a serious incident in relation to the Charity's financial position. We also outlined the findings of our internal audit, completed in November 2022, which examined the root causes of the crisis. The full internal audit report, including management action plan, was shared with the Charity Commission in November 2022.
The recommendations from the internal audit have been incorporated into our business recovery plan for 2023-24 and are being closely monitored by our Finance, Fundraising and General Purposes Committee and Audit and Risk Committee.

We have remained in close contact with the Charity Commission throughout the year as we have developed and begun to implement our financial recovery plan. In June 2023, the Charity Commission wrote to us to confirm they were closing their active case for the time being but also clarified their policy to monitor compliance with the regulatory advice and guidance they had issued to trustees under section 15(2) of the Charity's Act 2011. The letter in June 2023 included an action plan setting out the Charity Commission's regulatory advice in more detail and requires trustees to provide an update on progress with the action plan in early December 2023.

Sudden unexpected death in 2017

In our Trustees' Report for 2021-22 we provided an update on the conclusion, in April 2022, of the Coroner's inquest into the tragic and unexpected death of a child in our care in May 2017. At the time of writing, two civil claims were in progress in relation to the child's death. We are working with the claimant's solicitors via our insurer towards the final settlement of these claims. These claims are fully covered under the terms of our insurance policy and are therefore not separately disclosed in the financial statements.

Sudden unexpected death in June 2023

On 29th May 2023, one of our residential school children suffered an unexpected rapid deterioration whilst in our care. The national 'Sudden Unexpected death in Childhood' protocol was activated by the ambulance service who responded to the emergency call. Sadly, the child died in hospital on 1st June, without a diagnosis. At the time of reporting we have been notified that the Coroner will be opening an investigation to establish the cause of death. We would like to extend our deepest condolences to the child's family at this very difficult time.

All of our key regulators including the Charity Commission were notified of this incident at the time it occurred. Quality assurance visits from Ofsted Care and NHS England which were triggered concurrently (looking at the quality of our service overall, rather than the specifics of this incident), did not identify any concerns and made a number of positive observations about the facilities and quality of care at The Children's Trust. There was no impact on the financial statements as at the date of signing but there is the possibility of a legal claim being brought against the Charity, pending the outcome of the inquest, at a future date.

Sudden unexpected death in September 2023

On 11th September 2023, we very sadly and unexpectedly lost another one of our residential school children. At the time of reporting we are awaiting further information about the cause of death. We offer our heartfelt sympathy and condolences to the family and continue to support our staff who worked so closely with the child.

The trustees confirm that in approving the Trustees' Report they are also confirming the strategic report in their capacity as Directors of the charitable company.

On behalf of the board

Duncan Ingram
Chair of Trustees

Environmental, social and governance

Structure and management

The Children's Trust is a charitable company limited by guarantee, incorporated and registered in the UK and governed in accordance with its Articles of Association.

The Charity's organisational and governance structure is designed to support the effective management and oversight of its three key income generating activities, being:

- Residential neurorehabilitation and disability services at Tadworth Court, including a children's home for pupils at The Children's Trust School;
- The Children's Trust School; and
- Fundraising and Retail.

<table>
<tr><th colspan="7">The Children's Trust Board of Trustees</th></tr>
<tr><td>Remuneration Committee</td><td>Clinical Governance and Safeguarding Committee</td><td>Educational Governance Committee</td><td>Finance, Fundraising and General Purposes Committee</td><td>Audit and Risk Committee</td><td>Investment Committee</td><td>Appointments Committee</td></tr>
<tr><th colspan="7">Senior Leadership Team</th></tr>
<tr><td colspan="7">Directorates</td></tr>
<tr><td>Director of Finance</td><td>Medical Director & Consultant in Paediatric Neurodisability</td><td>Director of Fundraising & Communications</td><td>Director of Resources</td><td>Chief Executive</td><td>Director of Nursing & Quality</td><td>Director of Therapies & Education</td></tr>
</table>

Board of Trustees

The Children's Trust is governed by the Board of Trustees ("the board") who are also the Charity's directors under company law.

The board ordinarily meets six times a year, with the Chief Executive and other members of the senior leadership team in attendance. Each meeting follows a core set of agenda items, allowing trustees to hear from and challenge management on business performance and to have oversight of governance, risk and compliance matters. In addition, a rolling board agenda builds in strategic check-points, governance reviews, risk deep dives and operational spotlights at key points throughout the year. 2022/23 has been an exceptional year and due to the financial crisis, extraordinary board meetings have been convened on a much more frequent basis.

Our trustees may serve in total for a period of nine years with the option to stand for re-election annually thereafter, for a maximum of three further 12-month terms. When recruiting and appointing trustees, we look for individuals who can provide leadership and expertise across our key services and disciplines of nursing, care, education, therapy and fundraising and who can support and bring effective challenge to the senior leadership team on business strategy, finance, operations, governance, risk and regulatory compliance. Each trustee is assigned as a lead for a particular business area or professional discipline.

Like many charities we recognise the importance of board diversity and are committed more broadly to the principles of equity, diversity and inclusion from 'board to floor'. Aside from ensuring the board collectively has the necessary professional skills and sector-specific experience to govern the Charity

effectively, we are actively reviewing our approach to recruitment to ensure that our board and wider workforce are more representative of the beneficiaries and communities we serve.

All trustees follow a dedicated induction programme and complete mandatory refresher training across key areas of risk and compliance, such as safeguarding, health and safety, infection prevention control and information governance annually. We set high standards of professional conduct and integrity for our trustees and conflicts of interest are regularly reviewed.

As part of board succession planning, the board has recently conducted an exercise to define the skills and experiences most important to the future success of The Children's Trust and performed a gap analysis against existing skills and experiences. This identified areas of strength and some gaps. The output of this has informed the candidate profiles for trustee recruitment.

The trustees have the benefit of a qualifying third party indemnity provision as defined by section 234 Companies Act 2006. The Charity purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its trustees.

Board committees

Given the breadth of sectors we operate across, the board delegates some of its key functions and responsibilities to a number of specialist committees as follows.

Clinical Governance and Safeguarding Committee

This committee provides structured and systematic oversight of the organisation's clinical governance, risk management and safeguarding policies and procedures. It holds management to account for compliance with key regulations and statutory guidance, including the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014; Care Quality Commission (Registration) Regulations 2009; and The Care Standards Act 2000, and provides assurance to the board over the same. The committee meets at least five times per annum.

Educational Governance Committee

This committee has delegated authority to act as the de facto 'governing body' of The Children's Trust School. The scope and objectives of the committee are informed by UK legislation and statutory guidance from Department for Education. The committee's role is to hold the school leadership team to account for the educational performance, internal organisation and management and control of the school, including the performance management of staff. The committee meets four times per annum.

Finance, Fundraising and General Purposes Committee

The primary purpose of this committee is to support the board in ensuring the Charity manages its finances, income, human resources, estates, facilities and IT responsibly and ethically in pursuit of its charitable purposes, and that its fundraising practices are compliant, efficient and effective. The committee normally meets five times per annum however the frequency has been increased in 2022/23 in response to the need for additional scrutiny and review of the financial position and plans.

Audit and Risk Committee

The primary purpose of the committee is to provide assurance to the board on the adequacy of risk management, internal control and governance arrangements and that public and charitable funds are used efficiently and effectively. The Audit and Risk Committee is responsible for the appointment of the external auditor, for the ongoing relationship and liaison with the auditor and for monitoring management's responsiveness to both internal and external audit findings and recommendations. The committee meets five times per annum.

Investment Committee

The primary purpose of the committee is to establish and monitor the Charity's investment and reserves policies. The committee ordinarily meets four times per annum, however, it has met less frequently in 2022/23 given the level of funds withdrawn from the portfolio over the last 12 months and hence the lower risk exposure to investment gains and losses. The frequency of future meetings will be reviewed with the new Chair of Trustees.

Appointments Committee

The committee's primary purpose is to review board composition and approve trustee, honorary officer and senior leadership team appointments. The committee meets once per annum or as and when necessary for new appointments.

Remuneration Committee

The primary purpose of the remuneration committee is to determine employment and remuneration policies and to approve the annual pay review. The committee meets once per annum and as required. In 2022/23, the committee met on 22 March.

Equity, diversity and inclusion

At The Children's Trust we recognise how important it is to have leadership that reflects the children, young people and families who we support. We also recognise that staff, comprised of a range of backgrounds and experiences will help us to better understand the needs of those we support, and how we can best represent their interests.

We particularly welcome applications from people living with disabilities, individuals from diverse ethnic backgrounds and those from other under-represented groups. We adopt an inclusive approach to training and career development and make workplace adjustments where staff acquire or develop disabilities during their employment with us.

The Children's Trust is committed to achieving equity, diversity and inclusion (EDI) across all levels of the organisation. Our EDI strategy agreed in 2022 says:

> *We will be an organisation that has a diverse mix of people and perspectives, and we will celebrate diverse lived experience. Diversity is powerful. We want to both increase the diversity within our workforce at all levels, and showcase the current diversity we have. We know this will both enhance the culture of the organisation and improve the services we provide. To do this we need to strengthen our data set and adapt how we recruit.*

We made a commitment to:

- strengthen our data set by using new methods to facilitate staff to share their information;
- gain accreditations, so we are recognised as an inclusive employer by diverse groups;
- review our recruitment strategies and processes;
- provide EDI training for hiring managers;
- create more apprenticeships and work experience to increase diversity at entry levels;
- review and develop our external and internal communications;
- make our application and interview process more accessible;
- increase the number of agencies we work with to include protected characteristics specialists; and
- ask questions in exit interviews relating to EDI, and analyse and act on feedback.

Fundraising practices

As a member of the Fundraising Regulator scheme, The Children's Trust operates in accordance with the Code of Fundraising Practice and is an organisation member of the Chartered Institute of Fundraising. We participate in consultations regarding any changes to the Code, as appropriate.

Fundraising programmes are compliant with the Institute and our own Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes. The Charity also operates a whistleblowing policy and a complaints policy and process. It is also registered with the Gambling Commission for the purposes of running a lottery, conducting a supporter raffle and to hold draws at local events.

The Charity continues to review its Supporter Promise, which is available on our website. This confirms our commitment to abiding by the Fundraising Preference Service and the Mail and Telephone Preference Services.

During 2022/23, we engaged one commercial participator; Sterling, who are the external lottery manager for The Children's Trust lottery. We monitor their compliance and there were no incidents to report in 2022/23.

We take a robust approach to handling donor complaints and welcome feedback from supporters and the public. During the financial year 2022/2023, 100% of complaints were investigated.

Fundraising complaints

Complaints in relation to fundraising activity (those in relation to retail operations):

- 2022/23: 22 (retail 14)
- 2021/22: 19 (retail 18)
- 2020/21: 16 (retail 14)
- 2019/20: 42 (retail 29)
- 2018/19: 56 (retail 30)

There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office, or any other regulatory body.

Our environmental impact

Streamlined energy and carbon reporting (SECR)

Start date for SECR period: 1 April 2022
End date for SECR period: 31 March 2023

Methodology

All the SECR data requirements for unquoted 'large' companies have been met and the energy consumption and emissions are reported below. This includes UK consumption of electricity, gas and transport fuels where the organisation is responsible for the fuels.

The methodology used to calculate emissions is the GHG Reporting Protocol Corporate Accounting and Reporting Standard (2022). UK Government greenhouse gas emissions conversion factors for 2022 have been applied.

Scope 2 emissions from purchased electricity have been calculated using the location-based approach only.

Base year recalculation

We are following advice given in the government's guidance on how to measure and report greenhouse gas emissions. Should we discover errors in the energy and fuel consumption data that we used to calculate our year emissions, we will recalculate our base year emissions using revised/amended data in order to correct the errors. This is the case for the baseline year 2019/20 in this report.

Third party verification				
No third party data verification of the emissions data has been carried out				
Reported emissions (and carbon offsets)				**tonnes CO2e**
	2022/23	**2021/22**	**2020/21**	**2019/20**
Total gross emissions (scope 1, 2 and 3)	422.3	429.4	396.8	612.0
Total direct and indirect emissions (scope 1 and 2)	413.3	422.1	389.0	595.8
Total direct (scope 1) emissions	193.2	172.7	139.1	289.7
Direct emissions (scope 1) stationary combustion	137.6	149.6	119.8	238.4
Direct emissions (scope 1) mobile combustion	55.6	23.1	19.3	51.4
Direct emissions (scope 1) from transport mobile combustion	55.6	23.1	19.3	51.4
Direct emissions (scope 1) from other mobile combustion	0.0	0.0	0.0	0.0
Direct emissions (scope 1) from agricultural sources	0.0	0.0	0.0	0.0
Total indirect emissions (scope 2)	220.1	249.4	250.0	306.0
Indirect emissions (scope 2) from electricity	220.1	249.4	250.0	306.0
Total other indirect emissions (scope 3)	9.0	7.3	7.7	16.3
Other indirect (scope 3) emissions from business travel	9.0	7.3	7.7	16.3
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	9.0	7.3	7.7	16.3
Energy consumption				**kWh**
Total energy consumption used to calculate emissions	2,091,267	2.034,841	1,831,198	2,767,184
Energy consumption, combustion of gas	668,162	736,910	651,561	1,296,512
Energy consumption, electricity	1,132,085	1,168,418	1,065,586	1,190,750
Energy consumption, combustion of transport fuel	271,020	129,513	114,051	279,922
Energy consumption, other	0	0	0	0
Intensity ratio	**tCO2e/sqm**	**tCO2e/sqm**	**tCO2e/FTE**	**tCO2e/FTE**
Intensity ratio	0.029	0.030	0.6	0.6
The reported emissions intensity ratio is the total gross emissions (scope 1, 2 and 3) per Square Meter of Total floor area.				
Intensity ratio based solely on mandatory data	True			

Energy efficiency action report

1. A return to a business-as-usual state, following the Covid-19 pandemic, along with the update to GHG calculations for 2022, has had a negative impact on scope 1 and 3 emissions, specifically mobile combustion and transport mobile combustion, as predicted and previously reported in 2021/22. However, some initiatives (both planned and unplanned) have delivered a positive impact, namely estate rationalisation and reduced operational hours, specifically within our retail portfolio, as detailed further in the proceeding points.

2. The Estates Strategy Programme (ESP) was developed to include energy and sustainability initiatives, which has delivered some positive impacts during 2022/23. The ESP and below initiatives will continue to be refined, alongside implementation of new innovations, as approved.

3. Continued adoption of digital, hybrid and flexible ways of working: Initially implemented during Covid-19, this agile way of working has positively contributed to the reduction of electricity consumption compared with the previous year.

4. Tadworth Court: Site rationalisation and a smarter approach to space utilisation commenced during 2022/23, with the planned closure of one of our residential houses, Willow. Some nominal benefits have been observed during 2022/23, due to this project, although, the full impact of this programme is expected to be fully realised during 2023/24, once the building is mothballed.

5. All new projects and developments undertake a sustainability impact assessment (SIA), by use of an Environmental Impact Assessment tool, which requests contractors and the project manager to consider environmental impacts of their project and whether the organisation can redesign, mitigate or accept this impact.

6. As part of the delivery of the ESP, a more sustainable means of operating has been developed, including reducing reliance on gas systems, which commenced with the decommission of the boiler at Nork retail store, delivering a reduction of 19,881kWh annually during 2022/23. This initiative totals 41% of the total savings made on the consumption of gas, throughout the entire estate. An additional initiative that contributed to the reduction in gas consumption was the upgrade to a more energy efficient boiler installed in The Mansion.

7. It was predicted that the organisation would see an increase in electricity usage during 2022/23. However, a decrease has been reported due to two retail outlet closures and reduced opening hours (see subsequent points). Therefore, an overall annual electrical energy saving of 36,333kWh has been recorded during 2022/23.

8. Retail estate rationalisation (planned): Crawley retail outlet closed in August 2022 and North Cheam ceased trading in February 2023, which contributed to the positive reduction in energy consumption during 2022/23. As the latter store was closed in February 2023, the full benefit of this disposal is expected to rollover into 2023/24.

9. Reduction in retail trading hours (unplanned): North Cheam was short-staffed prior to closure, due to long-term sickness, leading to reduced trading of two days per week on average from July 2022 until the shop closed in February 2023. Canterbury operated without an Assistant Shop Manager, so this store closed two to three days each week from May 2022 to March 2023, which further contributed to the saving on electrical consumption.

10 Retail lamp replacements: Faulty strip lighting at Nork store were replaced with LED lamps, a more energy efficient fitting, along with ad hoc LED re-lamping (upon failure) were also delivered at Redhill, Reigate and Tadworth Corner, along with staff contributing to energy saving by turning off lights in areas when not occupied. These simple, cost-effective initiatives all positively contributed to a reduction in electricity consumption.

11 The intensity ratio is reflective of the total floor area of our estate. This will be reviewed for the 2023/24 reporting year, to reflect the closure of retail units to ensure an accurate picture of our infrastructure continues to be conveyed.

12 As predicted and reported in 2021/22, an increase in vehicle usage (both owned fleet and grey fleet), alongside the updated 2022 GHG calculations, has increased the total energy consumption. Thus, impacting on scope 1 and 3 emissions, during 2022/23, as we transitioned to a business-as-usual state, following the previously reduced mileage by our fleet vehicles during the unpresented Covid-19 pandemic. However, we have rationalised our pool cars by 50%, and removed two hire vehicles during 2022/23 in a bid to contribute to reduce vehicle emissions. Conversely, this may have simply added pressure on demand of the remaining fleet usage, which will need to be reported on and verified at the end of 2023/24. It is acknowledged that we will need to consider and explore additional green, carbon reducing initiatives in this area, which may require additional investment.

13 Grey fleet mileage has increased by 5,771 miles since 2021/22, this was expected as we transition out of the unprecedented epoch of Covid-19. However, green initiatives such as carshare for business travel and public transport will be continually reviewed, explored and reported upon.

14 Despite the overall increase in scope 3 emissions, compared to 2021/22, it is imperative to highlight the fact an overall 55% reduction in scope 3 emissions since pre-pandemic 2019/20 reporting year, which we should take as a positive result and be considered as a new baseline.

15 The data from this report is understood to be accurate at the time of writing.

SECR total energy consumption 2022/23

Energy consumption	kWh
Total energy consumption used to calculate emissions	2,091,267
Energy consumption, combustion of gas	688,162
Energy consumption, electricity	1,132,085
Energy consumption, combustion of transport fuel	271,020
Energy consumption, other	0

Statement of trustees' responsibilities

The trustees (who are also directors of The Children's Trust 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 that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity 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 judgements 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees also confirm that, in the case of each of the persons who were directors at the time of reporting and as far as each trustee was aware, there is no relevant audit information of which the Charity's auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

In accordance with Sch 7.1A of Companies Act 2006, the directors point out that they have chosen to disclose information required under Sch 7.11(3) of Companies Act 2006, within Section 172 statement in the Strategic Report (page16).

On behalf of the board

Duncan Ingram
Chair of Trustees
Date: 28 September 2023

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2023

Opinion
We have audited the financial statements of The Children's Trust (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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 2023 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.

Material uncertainty relating to going concern
We draw your attention to the disclosures made in the accounting policies in note 1.2 of these financial statements, concerning the Charity's ability to continue as a going concern.

Following the deterioration of the financial position during the previous financial year and its continuation into the current year, this saw the development and implementation of a recovery plan from November 2022, and is supported by ongoing annual forecasts.

The trustees have a reasonable expectation that the Charity has adequate resources to continue operating for the foreseeable future, thus, the Charity continues to adopt the going concern basis in preparing the financial statements. However, there exist material uncertainties over the ability to deliver the recovery plan and any underperformance could lead to a breach in their funding agreements.

This indicates that material uncertainty exists that may cast significant doubt over the Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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.

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, 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 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.

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 37, 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 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 Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. 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, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Safeguarding Vulnerable Groups Act 2006, Keeping Children Safe in Education 2019, the Code of Fundraising Practice, the Children and Families Act 2014, the UK General Data Protection Regulations, the Care Act 2014 and the Care Quality Commission regulations. We performed audit procedures to inquire of management [and those charged with governance] whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area 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.

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.

Hannah Catchpool
(Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

13 November 2023

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted General Funds	Restricted Funds	Endowment Funds	2023 Total Funds	2022 Total Funds
Income and endowments from:						
Charitable activities	**2**	21,023	-	-	21,023	20,778
Donations and legacies	**3**	2,886	231	-	3,117	3,652
Government grants	**3a**	-	328	-	328	1,207
Other trading activities						
– Events		328	-	-	328	257
– Charity shops		2,336	-	-	2,336	2,056
– Lottery		125	-	-	125	131
	4	2,789	-	-	2,789	2,444
Investment income	**5**	98	-	3	101	169
Other income	**6**	586	-	-	586	643
Total income		**27,382**	**559**	**3**	**27,944**	**28,893**
Expenditure on:						
Raising funds						
– Costs of donations and legacies		1,630	-	-	1,630	1,793
– Investment in future income		-	-	-	-	64
– Events		522	-	-	522	340
– Charity shops		2,354	-	-	2,354	2,096
– Lottery		52	-	-	52	130
Total cost of raising funds	**8**	4,558	-	-	4,558	4,423
Charitable activities	**7**	28,673	1,668	-	30,341	27,579
Impairment		172	-	-	172	1,092
Total expenditure		**33,403**	**1,668**	**-**	**35,071**	**33,094**
Net (expenditure) before gains / (losses)		(6,021)	(1,109)	3	(7,127)	(4,201)
Net unrealised (loss) / gain on investments	**15**	(444)	-	(15)	(459)	382
Net (expenditure)		(6,465)	(1,109)	(12)	(7,586)	(3,819)
Transfers between funds	**21**	668	-	(668)	-	-
Gain on the revaluation of fixed assets	**14**	3,854	-	-	3,854	
Net movement in funds		**(1,943)**	**(1,109)**	**(680)**	**(3,732)**	**(3,819)**
Reconciliation of funds:						
Total funds brought forward		19,675	3,191	736	23,602	27,421
Total funds carried forward		**17,732**	**2,082**	**56**	**19,870**	**23,602**

The statement of financial activities includes all gains and losses recognised in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet

As at 31 March 2023

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Intangible fixed assets	**14a**	1,925		2,124	
Tangible fixed assets	**14**	15,504		14,520	
Tadworth Court	**14**	3,756		2,250	
			21,185		18,894
Investments	**15**		1,924		6,999
			23,109		25,893
Current assets					
Stocks		278		308	
Debtors	**16**	1,883		3,473	
Cash at bank and in hand		1,865		549	
		4,026		4,330	
Current liabilities					
Creditors: amounts falling due within one year					
Creditors	**17**	(2,890)		(6,621)	
		(2,890)		(6,621)	
Net current assets / (liabilities)			1,136		(2,291)
Creditors: amounts falling due after more than one year					
Loans			(4,375)		-
Net assets			**19,870**		**23,602**
The funds of the Charity					
Unrestricted funds					
General funds			(1,695)		2,582
Revaluation reserve			3,842		-
Designated			15,585		17,093
			17,732		19,675
Restricted funds			324		1,391
Fixed Asset Restricted Fund			1,758		1,800
Endowment funds			56		736
Total funds	**21**		**19,870**		**23,602**

The financial statements were approved by the trustees and authorised for issue on 28 September 2023.

Company Number: 1757875

Duncan Ingram

Chair of Trustees

Fiona Sheridan

Chair of Fundraising, Finance and General Purposes

Cash flow statement
For the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Net expenditure for the reporting period before gains/(losses)		(7,586)	(3,819)
Cash flows from operating activities			
Interest and investment income	**15**	(101)	(169)
Depreciation and impairment	**14**	2,164	2,883
Loss in investment in market value	**15**	476	(345)
Increase / (decrease) in stocks		30	(113)
Decrease / (increase) in debtors		1,590	(392)
(Decrease) / increase in creditors		(4,106)	3,305
Net cash used in operating activities		**(7,533)**	**1,350**
Cash flows from investing activities			
Investment income received		101	169
Investment income reinvested	**15**	(101)	(169)
Capital expenditure	**14**	(601)	(3,074)
Sale of investments	**15**	4,700	1,500
Net cash (used in)/provided by investing activities		**4,099**	**(1,574)**
Cash flows from financing activities			
Inflow from Loan		4,750	
Net cash flow from financing activities		**4,750**	**-**
Change in cash and cash equivalents in the reporting period		1,316	(224)
Cash and cash equivalents at the beginning of the year		549	773
Cash and cash equivalents at the end of the year		**1,865**	**549**
Analysis of cash and cash equivalents			
Cash at bank and in hand		1,865	549
Total cash and cash equivalents		**1,865**	**549**

i. Reconciliation of net debt	At start of year	Cash Flows	At end of year
Cash	549	1,316	1,865
Overdraft facility repayable on demand	-	-	-
	-	1,316	1,865
Loans falling due within one year	-	-	375
Loans falling due after more than one year	-	-	4,500
Total	**549**	**1,316**	**(2,885)**

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2023

1. Accounting policies

The Children's Trust is a Charitable Company limited by guarantee. The address of the Trust's principal place of business is given on page 37 of this report. The nature of the Charity's operations is set out in the Trustees' Report.

1.1 Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities unless otherwise stated in the relevant accounting policy note. In December 22 Savills carried out an independent revaluation of the Land, Tadworth Court and Freehold & Land asset catagories, with the accounting policy moving to a revaluation from the historical cost model.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102. The Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP effective 1 January 2019) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The Charity meets the definition of a public benefit entity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Preparation of the accounts on a going concern basis

The Children's Trust is still working through implementing the recovery plan approved in November 2022. This is expected to continue in the transition year of 2023/24. The position trustees are adopting in relation to Going Concern is that, while progress is being made but on a more gradual basis, they are confident the plan will be achieved. The Children's Trust is a Going Concern but there remains a material uncertainty. Further consideration of the progress against the plan is included in the Trustees Report on page 26.

In the event the cost savings and income levels reflecting changes to the operating model in the recovery plan are not achieved or economic changes and demand and capacity factors are not as reflected in the plan, there is a risk the Charity will breach the terms of their loan funding agreements. This represents a material uncertainty that may cast significant doubt over the going concern position of the Charity.

Until we can demonstrate delivery of the Recovery Plan and develop a robust strategic plan for the next five years showing how the organisation can achieve income growth and generate sufficient surpluses to build reserves back up to an agreed minimum level the material uncertainty will remain.

1.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Collections made by third parties on behalf of the charity are accounted for when received.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacy income, entitlement is taken as the earlier of the date on which either probate has been granted or when the estate has been finalised and notification has been made by the executors that a distribution will be made. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Funds received for capital projects are accounted for as restricted income. The treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

Donated professional services and donated facilities are recognised as income when the charity has control over the item. On receipt, donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Where support costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in note 9 to the accounts.

Any irrecoverable VAT is included as part of the cost to which it relates.

1.5 Fund accounting

General unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity.

Designated funds are set aside by the trustees out of unrestricted general funds for specific future purposes.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

Endowment funds are funds where the assets must be held by the charity, principally in the form of investments.

Income from endowments is included in income, either restricted or unrestricted, in accordance with the terms of the endowment.

Any capital gains or losses arising on the investments are allocated to the related fund. Further explanation of the nature and purpose of each fund is included in note 21.

1.6 Fixed assets

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and stated at cost or valuation less depreciation.

During 22-23 the accounting policy for Tadworth Court, Freehold Land and Freehold and leasehold buildings valuation moved from a cost to a revaluation model. The revaluation model has been adopted to ensure the non-current assets are shown at their true market value in financial statements presenting a more accurate financial picture than the cost model.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold land	Not depreciated
Freehold and leasehold property	4%
Tadworth Court	2%
Plant and office furniture and equipment	20%
Residential houses furniture and equipment	20%
Computer Equipment	33%
Motor vehicles	25%
Motor vehicles – vans	14%
Motor vehicles – minibuses	13%

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment. An asset is considered impaired when its fair market value is less than its carrying value (historical cost minus accumulated depreciation). This may occur due to physical damage to the asset, a change in consumer demand, or legal changes surrounding the asset.

Intangible fixed assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	16.6%

1.7 Tadworth Court

This balance represents the freehold of Tadworth Court, it houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at cost and is depreciated over 50 years (2%). The trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which enhances the asset is capitalised as it is incurred, i.e. extends its UEL or increases its value.

1.8 Investment

Quoted investments are included at market value (bid/selling price). Investments in subsidiaries are stated at cost. Realised and unrealised gains and losses are shown in the appropriate section of the SOFA.

1.9 Stock

Stock is stated at the lower of cost and net realisable value. Shop stocks are held for resale whilst medical stock refers to items that are purchased in advance of use and are carried forward in stock at the year end, prior to use the following year.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Income is accrued in relation to fees due but not invoiced as at year end. Other Debtors includes funds due from Gift Aid, the lottery and legacies where no invoice will be raised. Bad Debt Provision is provided for by applying a percentage based on the Finance Director's assessment of the likelihood of recovery to any debt over 60 days.

1.11 Pension costs

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the Charity in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of valuations using a projected unit method. The TPS is a multi-employer scheme but sufficient information is not available to use defined benefit accounting and therefore it is accounted for as a defined contribution scheme, with the amount charged to the statement of comprehensive income being the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1.12 Operating lease payments

Total payments under operating leases are charged to the SOFA on a straight line basis over the lease term.

1.13 Consolidation

The Children's Trust Trading Company Limited did not trade during the year. This company has not been consolidated as in the opinion of the directors it is not material to the charity's results. Thus the information within these financial statements is presented as an individual undertaking. 2022 was not consolidated on the grounds of immateriality.

1.14 Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The Tadworth Court valuation is an estimate because the valuation report was dated December 2022 and it has been applied as at 31 March 2023 so the trustees have had to estimate that this valuation was fit for purpose for the year end accounts. The other material judgement in the accounts is the preparation on the basis that the organisation is a Going Concern which is covered in the Going Concern section on page 26.

1.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.16 Creditors

Creditors 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 are recognised at their settlement amount. Accruals are made for late invoices and any others we are aware of incurring that relate to the period. Other creditor balances include March payroll pension liabilities due in the following month and Children's Funds (their pocket money). Deferred income is mainly Set Up fees – the amounts we hold for each child for specific equipment, etc. plus fundraising income for events in the following financial year. Social Security and other taxation is the March payroll deductions and employer contribution due to be paid in the following month. Loans includes any donor loan repayment instalments due in the next 12 months.

1.17 Financial instruments

The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income, social security and other taxation liabilities, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

The long-term loan received from Charity Bank and Big Society Capital bearing a market rate of interest which meets the qualifying criteria set out in section 11 of FRS 102. It is recognised at its transaction value, being the principal amount advanced.

1.18 Employee benefits

Termination payment and the cost of short-term benefits, such as accrued holiday are recognised as a liability and an expense.

1.19 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.

2. Income from Charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000
Care and rehabilitation services	10,180	-	-	10,180
The Children's Trust School	10,780	-	-	10,780
Community services	63	-	-	63
Total charitable activities	**21,023**	**-**	**-**	**21,023**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 Total £'000
Care and rehabilitation services	11,303	-	-	11,303
The Children's Trust School	9,422	-	-	9,422
Community services	53	-	-	53
Total charitable activities	**20,778**	**-**	**-**	**20,778**

3. Donations and legacies

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 Total £'000
Donations and covenants	2,462	231	2,693	1,900	1,652	3,552
Legacies	424	-	424	100	-	100
Total donations and legacies	**2,886**	**231**	**3,117**	**2,000**	**1,652**	**3,652**

Support was received from The Peter Harrison Foundation donating £30,000 to music therapy.

3a. Income from Government grants

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 Total £'000
NHS England Palliative Care	-	307	307	-	299	299
DFE Capital Grant		21	21	-	21	21
Hospice UK Grant	-	-	-	820	-	820
UK Government Furlough Scheme	-	-	-	18	-	18
Retail Grant	-	-	-	49	-	49
Total Government grants	**-**	**328**	**328**	**886**	**320**	**1,206**

Charity shop gift aid is included in donations.

4. Other trading activities

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 Total £'000
Events	328	-	328	257	-	257
Charity shops	2,336	-	2,336	2,056	-	2,056
Lottery	125	-	125	131	-	131
Total other trading activities	**2,789**	**-**	**2,789**	**2,444**	**-**	**2,444**

5. Investment income

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 Total £'000
Dividends and interest: UK	76	3	79	100	25	125
Dividends and interest: foreign	22	-	22	44	-	44
Bank interest	-	-	-	-	-	-
Total investment income	**98**	**3**	**101**	**144**	**25**	**169**

6. Other income

	Unrestricted £'000	Restricted £'000	2023 Total £'000	Unrestricted £'000	Restricted £'000	2022 Total £'000
Lettings	126	-	126	119	-	119
Catering	106	-	106	96	-	96
Nursery	186	-	186	145	-	145
Other income	168	-	168	283	-	283
Total other income	**586**	**-**	**586**	**643**	**-**	**643**

7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2023 Total £'000
Charitable activities	28,673	1,668	-	30,341
Total expenditure	**28,673**	**1,668**	**-**	**30,341**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 Total £'000
Charitable activities	25,939	1,558	82	27,579
Total expenditure	**25,939**	**1,558**	**82**	**27,579**

8. Expenditure on:

2023

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2023 Total £'000
Charitable activities				
Care and rehabilitation services	9,163	5,071	276	14,510
The Children's Trust School	9,516	5,269	225	15,010
Community services	513	290	18	821
	19,192	10,630	519	30,341
Raising funds				
Costs of generating donations and legacies	1,033	574	23	1,630
Investment in future income	-	-	-	-
Events	327	182	13	522
Charity shops	1,536	777	41	2,354
Lottery	25	14	13	52
	2,921	1,547	90	4,558
Total expenditure	**22,113**	**12,177**	**609**	**34,899**

2022

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2022 Total £'000
Charitable activities				
Care and rehabilitation services	9,104	4,696	195	13,994
The Children's Trust School	8,639	3,840	159	12,638
Community services	622	311	13	946
	18,365	8,847	367	27,579
Raising funds				
Costs of generating donations and legacies	1,120	648	24	1,793
Investment in future income	40	23	1	64
Events	212	123	5	340
Charity shops	1,442	622	32	2,096
Lottery	81	47	2	130
	2,895	1,464	64	4,423
Total expenditure	**21,260**	**10,311**	**431**	**32,002**

Expenditure on raising funds is unrestricted in both years.

9. Allocation of support costs

2023

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2023 Total £'000
Marketing	115	119	17	19	6	276
Communications	158	164	24	26	9	381
Facilities	1,313	1,364	200	220	74	3,171
Human resources	798	828	121	134	45	1,926
Finance	492	511	74	82	28	1,187
IT	665	691	101	112	37	1,606
Chief Executive's Office	107	111	16	18	6	258
Strategy Team	175	182	26	29	10	422
Risk (insurance)	168	175	25	28	9	405
Depreciation: Tadworth	428	447	68	-	29	972
Depreciation: Other	420	436	63	70	24	1,013
Costs of Recovery Plan – professional fees and redundancies	232	241	35	39	13	560
Total support costs allocated (note 8)	**5,071**	**5,269**	**770**	**777**	**290**	**12,177**

The costs of 22-23 recovery plan included £170k legal and £270k redundancy costs as one off costs incurred in 22-23.

2022

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2022 Total £'000
Marketing	130	106	23	19	9	287
Communications	243	199	44	36	16	538
Facilities	1,192	975	213	176	79	2,635
Human resources	719	588	129	107	48	1,591
Finance	413	338	74	61	27	913
IT	502	411	90	74	33	1,110
Chief Executive's Office	93	76	17	14	6	206
Strategy Team	291	238	52	43	19	643
Risk (insurance)	120	98	22	18	8	266
Depreciation: Tadworth	495	403	89	-	33	1,020
Depreciation: Other	353	289	63	52	23	780
Salary sacrifice	145	119	26	22	10	322
Total support costs allocated (note 8)	**4,696**	**3,840**	**842**	**622**	**311**	**10,311**

Basis of allocation

Support costs are recharged relative to the proportions of direct costs.

Risk (insurance) costs relate to insurance. All other Risk and Governance costs are shown in Note 9 (a).

9a. Allocation of governance costs

	2023 £'000	2022 £'000
Risk and governance	465	361
External audit	144	70
Total	**609**	**431**

10. Net income/(expenditure) for the year

	2023 £'000	2022 £'000
This is stated after charging:		
Depreciation	1,987	1,791
Impairment	172	1,092
Payments under operating leases:		
Retail properties	375	422
Equipment	54	9
Auditor remuneration:		
Audit of the financial statements 21-22	78	70
Audit of the financial statements 22-23	66	-

11. Gift Aid

For the year ended 31 March 2023, the charity received Gift Aid payments of £371k (2022: £333k).

12. Staff remuneration and pensions

	2023 £'000	2022 £'000
Salaries	21,018	19,616
Social security costs	2,099	1,815
Pension costs	1,401	1,373
Temporary staff costs	463	762
Agency staff costs	475	636
Total	**25,456**	**24,202**

The year end head count was 651 staff (2022: 707 staff). This figure includes permanent, fixed term and active bank workers and the average monthly number of full-time employees during the year were as follows:

12a. Average monthly number of full-time employees during the year

	2023 FTEs	Restated 2022 FTEs
Charitable activities	345	380
Fundraising	25	25
Charity shops	27	29
Support	129	123
Governance	4	5
Total	**530**	**544**

Key management personnel include the trustees, Chief Executive, Interim Chief Executive and the senior leadership team. The total employee benefits of the charity's key management personnel were £1,076k (2022: £1,073k). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The 2022 FTE figures have been restated to reflect the catagorisation more accurately.

No trustee has received any remuneration during the year (2022: £nil). No trustee expenses were reimbursed during the year (2022: £nil).

The total number of employees whose emoluments for the year (not including national insurance or pension contributions) exceeded £60,000 was as follows:

	clinical	executive	2023 total	clinical	executive	2022 total
£60,001-£70,000	-	8	8	1	2	3
£70,001-£80,000	5	3	8	6	4	10
£80,001-£90,000	1	1	2	2	2	4
£90,001-£100,000	1	1	2	-	-	-
£100,001-£110,000	-	-	-	1	1	2
£110,001-£120,000	-	-	-	-	1	1
£120,001-£130,000	-	1	1	-	-	-
£130,001-£140,000	-	-	-	-	1	1
£180,001-£190,000	1	-	1	1	-	1
Total	**8**	**14**	**22**	**11**	**11**	**22**

The Chief Executive changed in December 2022 and the post is currently held on an Interim basis.

The Interim Chief Executive's emoluments (including NI and pension) fell into the £130,001 - £140,000 category on a full year basis.

During the year the charity made payments to 8 staff (2022: 5 staff) in respect of redundancy and termination totalling £90k (2022: £37k).

21 staff totalling £54k (2022: nil) received redundancy payments as part of the recovery plan organisational restructure. Included within creditors at the year end are a further £216k in relation to redundancy payments.

Pensions

The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 ("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, is as follows:

	2023 £'000	2022 £'000	2023 £'000	2022 £'000
TCT Group Pension Plan	861	858	517	531
Teachers' Pension Scheme	129	129	11	13
NHS Pension Scheme	411	376	74	79
	1,401	1,363	602	623

The Children's Trust Group Pension Plan

The charity's Group Pension Plan is a defined contribution scheme, administered by Aviva, as personal pension plans for the benefit of employees. The scheme is also used to comply with auto-enrolment requirements, which came into effect from 1 November 2013.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to Access.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including 0.8% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation was carried out in April 23 and will be reflected in the 23-24 account

The pension costs paid to TPS in the year amounted to £129k (2022: £129k).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

There were no outstanding teacher's pension contributions at year end for either year.

National Health Service Pension Scheme

The NHS operates an unfunded defined benefit scheme for the nursing sector, in which the charity participates. The charity 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. The charity is not liable for past service costs beyond these contributions. Contributions remained at 14.38% in 2023 and in 2022.

13. Trustee emoluments and reimbursed expenses

	2023 £'000	2022 £'000
Trustees' expenses	-	-

Trustees are encouraged to claim expenses to avoid this being a barrier to new trustees. If trustees don't wish to claim expenses, then they can make a donation of a similar amount. Gift Aid can then be claimed on such a donation.

The charity purchased insurance costing £6,652 (2022: £6,652) included in support costs to protect it from loss arising from neglect or default of the trustees and to indemnify the trustees against the consequences of neglect or default on their part.

14. Fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost							
At 1 April 2022	3,544	753	24,913	5,579	433	1,874	37,096
Revaluation	1,549	2,197	108	-	-	-	3,854
Additions	-	-	30	229	-	251	510
Transfers	43	-	511	151	-	(705)	-
At 31 March 2023	5,136	2,950	25,562	5,959	433	1,420	41,460
Depreciation and Impairment							
At 1 April 2022	1,294	-	13,463	4,139	338	1,092	20,326
Impairment	-	-	-	-	-	172	172
Charge for the year	86	-	973	603	40	-	1,702
At 31 March 2023	1,380	-	14,436	4,742	378	1,264	22,200
Net book value at 31 March 2023	**3,756**	**2,950**	**11,126**	**1,217**	**55**	**156**	**19,260**
Net book value at 31 March 2022	**2,250**	**753**	**11,450**	**1,440**	**95**	**782**	**16,770**

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities.

Parts of the building and grounds are open to the public on several days in the year.

Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property. (See Note 21 in respect of restricted funds).

During 2022-23 an independent professional revaluation of the land and buildings at Tadworth Court was carried out by Savills. The valuations were as follows; Land £2,950,000, Tadworth Court £3,750,000 and Freehold Land & Buildings £11,150,000 on the basis of open market valuation as at December 2022. Under the historical cost model the carry amounts would have been Land £753,000, Tadworth Court £2,197,000 and Freehold Land & Buildings £11,017,000.

14a. Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Total £'000
Cost			
At 1 April 2022	2,342	741	3,083
Additions	15	76	91
Transfers	811	(811)	-
	3,168	6	3,174
Amortisation			
At 1 April 2022	959	-	959
Charge for the year	290	-	290
	1,249	-	1,249
Net book value at 31 March 2023	**1,919**	**6**	**1,925**
Net book value at 31 March 2022	**1,383**	**741**	**2,124**

15. Investments

	2023 £'000	2022 £'000
Market value at 1 April 2022	6,999	7,986
Cash transferred	(4,700)	(1,500)
Increase in market value	(459)	383
Investec Wealth and Investment dividends re-invested	101	169
Fees/charges	(17)	(39)
Market value at 31 March 2023	**1,924**	**6,999**
Historical cost as at 31 March 2022	**1,814**	**6,058**

	2023 £'000	2022 £'000
Fixed investments	313	944
Listed equities	1,260	4,977
Property	113	444
Alternatives	187	524
Cash	51	110
Total	**1,924**	**6,999**

£75k received originally from the Victoria Convalescent Fund is currently invested through Investec. The market value at 31 March 2023 was £57k (2022: £68k).

At 31 March 2023 the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2022: £2). The registered office of the subsidiary is Tadworth Court, Tadworth, Surrey, KT20 5RU. The Childrens Trust Trading Company has been dormant as of April 2022.

16. Debtors

	2023 £'000	2022 £'000
Trade debtors	1,187	1,501
Other debtors	404	1,250
Prepayments and accrued income	292	722
Total	**1,883**	**3,473**

17a. Creditors: amounts falling due within one year

	2023 £'000	2022 £'000
Trade creditors	424	1,607
Accruals	1,076	1,190
Other creditors	294	70
Deferred income	242	743
Social security and other taxation	479	3,011
Loans	375	-
Total	**2,890**	**6,621**

Analysis of deferred income

Income is deferred where it relates to future events or services for which monies had been received prior to the year end. During the year £743k was released to income and £242k was deferred.

17b. Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Loan	4,375	-
Amount payable:		
in more than one but not more than two years	625	-
in more than 2 years but less than five years	320	-
in five years or more	3,430	-
Total	**4,375**	**-**

During 22-23 The Childrens Trust entered into an agreement with Charity Bank (£4m) and Big Society Capital (£1m) to have access to a loan facility totalling £5m. Under the terms of the loan agreement the loan facility should be fully drawn down within 1 year of the signature date. As at the date of signing these accounts £3.5m has been drawn down.

During 22-23 The Childrens Trust also received loans from longstanding donors via Nednil Limited and Ashill Land Limited, and from a donor who wishes to remain anonymous.

Lender	Amount £'000	Drawn down £'000	Interest rate	Agreement date	Drawdown date	Term
Charity Bank	4,000	2,800	base plus 3.25%	17/02/2023	27/02/2023	25 years, first 3 years interest only
Big Society Capital	1,000	700	base plus 3.25%	17/02/2023	27/02/2023	25 years, first 3 years interest only
Major Donor 1 a	500	500	interest free	05/09/2022	07/09/2022	to 1 June 2025 repayments commencing Sept 23
Major Donor 1 b	500	500	interest free	24/11/2022	25/11/2022	to 1 June 2025 repayments commencing Sept 23
Nednil Limited	100	100	interest free	30/08/2022	30/08/2022	to 1 September 2024
Ashill Land Limited	150	150	interest free	12/12/2022	12/12/2022	to 21 December 2024

Post year-end, an agreement was signed with major donor 1 to convert £250k of one of the loans into a donation.

18. Financial and capital commitments and contingent liabilities

At 31 March 2023 the Trust had total commitments under non cancellable leases/agreements as follows:

	2023 £'000	2022 £'000
Leasehold buildings – up to one year	167	268
Leasehold buildings – between one and five years	346	78
Leasehold buildings – more than five years	-	101
Other – up to one year	51	29
Other – between one and five years	131	-
Total	**695**	**476**

At 31 March 2023, capital commitments authorised and contracted for (net of payments to date on account) amounted to £98k (2022: £98k) . No other capital expenditure was authorised but not contracted for.

19. Government grants

The following government grants were received:

	2023 £'000	2022 £'000
NHS England Children's Palliative Care grant	307	299
DFE Capital Grant	21	21
Hospice UK Grant	-	820
UK Government Furlough Scheme	-	18
Retail Grant	-	49
Total	**328**	**1,207**

There are no unfulfilled conditions which would require the repayments of any grants.

20. Related party transactions

There were no related party transctions during the year (2022: nil).

21. Capital and reserves

As at 31 March 2023:

a. Movement on funds	At 1 April 2022 £'000	Income £'000	Expenditure £'000	(Losses)/gains £'000	Transfers £'000	At 31 March 2023 £'000
Unrestricted general funds:						
Unrestricted funds:						
Undesignated	2,582	27,382	(33,403)	(444)	2,188	(1,695)
	2,582	27,382	(33,403)	(444)	2,188	(1,695)
Designated funds:						
Tangible fixed assets reserve	17,093	-	-	3,854	(1,520)	19,427
	17,093	-	-	3,854	(1,520)	19,427
Total unrestricted	**19,675**	**27,382**	**(33,403)**	**3,410**	**668**	**17,732**
Restricted funds:						
Development and operational	1,370	538	(1,584)	-	-	324
Grants	21	21	(42)	-	-	-
	1,391	559	(1,626)	-	-	324
Fixed Asset Restricted fund						
Department of Health	1,800	-	(42)	-	-	1,758
	1,800	-	(42)	-	-	1,758
Endowment funds:						
Gardiner Fund	668	-	-	-	(668)	-
Victoria Convalescent Fund	68	3	-	(15)	-	56
	736	3	-	(15)	(668)	56
Total funds	**23,602**	**27,944**	**(35,071)**	**3,395**	**-**	**19,870**

Transfers include £668k Gardiner fund moving to unrestricted and the remaining balance reducing the value of the fixed assets at the end of the year.

Previous year (31 March 2022):

	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted general funds:						
Undesignated funds:						
Undesignated	6,966	26,896	(30,362)	369	(1,287)	2,582
	6,966	26,896	(30,362)	369	(1,287)	2,582
Designated funds:						
Tangible fixed assets reserve	17,231	-	(1,092)	-	954	17,093
	17,231	-	(1,092)	-	954	17,093
Total unrestricted	**24,197**	**26,896**	**(31,454)**	**369**	**(333)**	**19,675**
Restricted funds:						
Development and operational	659	1,652	(941)	-	-	1,370
Grants	318	320	(617)	-	-	21
	977	1,972	(1,558)	-	-	1,391
Fixed Asset Restricted fund						
Department of Health	1,467	-	-	-	333	1,800
Endowment funds:						
Gardiner Fund	708	23	(75)	12	-	668
Victoria Convalescent Fund	72	2	(7)	1	-	68
	780	25	(82)	13	-	736
Total funds	**27,421**	**28,893**	**(33,094)**	**382**	**-**	**23,602**

Designated funds

The fixed asset reserve, but not including the Department of Health (DoH) restricted fund represents the charity's investment in fixed assets.

Restricted funds

These are set out subsequently.

Endowment funds

The Gardiner Fund is an endowed special trust, established as an appeal fund in 1983. During the year the Gardiner fund was transferred from endowment with Charity Commission approval in November 2022.

The Victoria Convalescent Fund is a permanent endowment and represents a gift of capital to the charity, the income from which is restricted and is used to fund care for children for whom no statutory funding is available.

As at 31 March 2023:

b. Analysis of restricted funds	At 31 March 2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2023 £'000
Operational:					
Project Butterfly	256	(255)	(9)	(10)	-
Aim 2	433	(50)	269	(114)	-
DFE Capital grant	-	-	-	-	-
Palliative Care	-	307	307	-	-
Sub total	**689**	**2**	**567**	**(124)**	**-**
Development:					
Community	64	3	65	(2)	-
Walkway	-	-	-	-	-
School	47	-	-	(47)	-
Cheyne Centre	2	76	27	(51)	-
Sub total	**113**	**79**	**92**	**(100)**	**-**
Houses					
Camelia/ Mulberry House	53	19	46	(26)	-
Maple House	27	-	25	(2)	-
Oak House	40	-	40	-	-
Chestnut House	43	15	55	(3)	-
Hawthorn House	25	-	12	(13)	-
Jasmine House	48	-	48	-	-
Sub total	**236**	**34**	**226**	**(44)**	**-**
Other					
Other	332	423	699	(56)	-
Sub total	**332**	**423**	**699**	**(56)**	**-**
Project Funds					
Community	-	-	-	169	169
Maple House non-staff budget relief	-	-	-	2	2
Mulberry / Camelia House non-staff budget relief	-	-	-	25	25
Chestnut House non-staff budget relief	-	-	-	3	3
Hawthorn House non-staff budget relief	-	-	-	13	13
General Equipment for CYP's	-	-	-	38	38
Play Services	-	-	-	69	69
Opthalmology equipment	-	-	-	4	4
Rose Garden	-	-	-	1	1
Sub total	**-**	**-**	**-**	**324**	**324**
Grants:					
School Standards Fund	21	21	42	-	-
	21	21	42	-	-
Restricted total	**1,391**	**559**	**1,626**	**-**	**324**
Fixed Asset restricted					
Department of Health	1,800	-	42	-	1,758
Total	**3,191**	**559**	**1,668**	**-**	**2,082**

Restricted funds have been transferred to regroup lines with the same restricted purpose.

Operational and Development funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

Houses represents funds that are restricted donations for each individual house within the organisation and are used for outings for children, leisure activities and other items, depending on the bequest granted by the donor.

Other is a combination of a lot of small restricted funds, each with their own dedicated cost centre and specific restricted funding.

Project funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

The Department of Health made grants in 1995 to the charity in relation to the Grade 1 listed property known as Tadworth Court. These grants, totalling £2.85m, are only repayable under certain circumstances which, in the opinion of the Trustees, are unlikely to arise. Of the total grants, £750,000 was applied to the transfer of the freehold of the site and £2.1m was applied to repairs to the building. The grants are secured by a legal charge over the freehold property.

c. Analysis of net assets between funds

2023

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2023 £'000
Fund balances at 31 March 2023 are represented by:				
Fixed assets	19,427	1,758	-	21,185
Investments	1,868	-	56	1,924
Current assets	3,705	321	-	4,026
Current liabilities	(2,765)	-	-	(2,765)
Long term liabilities	(4,500)	-	-	(4,500)
Total funds	**17,735**	**2,079**	**56**	**19,870**

2022

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2022 £'000
Fund balances at 31 March 2021 are represented by:				
Fixed assets	17,094	1,800	-	18,894
Investments	6,263	-	736	6,999
Current assets	2,939	1,391	-	4,330
Current liabilities	(6,621)	-	-	(6,621)
Total funds	**19,6754**	**3,191**	**736**	**23,602**

22. Financial instruments

	2023 £'000	2022 £'000
Financial instruments measured at fair value are as follows:		
Financial assets		
Investec Investment	**1,924**	**6,999**

23. Post Balance Sheet Events

On 25 August 2023 one of the donors who gave the charity an interest free loan (itemised in note 17b as Major Donor 1) signalled his intention to convert the first 2 loan repayments (due 1 September and 1 December 2023 totalling £250k) into a donation and to add the remaining £125k instalment due on 1 March 2024 to the end of the existing loan period, extending it to 1 September 2025. The Children's Trust accepted this generous offer on 30 August 2023.

On 1st June 2023, one of our residential school children sadly passed away in hospital. Please refer to the serious incident section under principal risks and uncertainties.

Further information
Reference and administrative details

Trustees

The following individuals were directors of the company during the reporting period:

Duncan Ingram
Chair of Trustees
Remuneration Committee (Chair)
Appointments Committee (Chair)
Resigned 28 September 2023

Fiona Sheridan
Vice Chair of Trustees
Finance, Fundraising and General Purposes (Chair)
Audit and Risk Committee
Investment and Remuneration Committees

Sarah Baker
Clinical Governance and Safeguarding Committee
Whistleblowing and Safeguarding Lead
Resigned 22 December 2022

Viv Berkeley
Educational Governance Committee (Chair)
Resigned 29 July 2022

Timothy Davies
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee
Investment Committee
Educational Governance Committee

Denise Matthams
Clinical Governance and Safeguarding Committee (Chair)
Educational Governance Remuneration Committee

Toby Mullins
Educational Governance Committee (Chair from 29 July 2023)
Research Governance Committee

Nigel Scott
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee (Chair)
Investment Committee (Chair)

Sam Thomson
Finance, Fundraising and General Purposes Committee
Resigned 28 September 2023

Anne Walker
Clinical Governance and Safeguarding Committee
Finance, Fundraising and General Purposes Committee
Audit and Risk Committee
Resigned 14 July 2023

Trustee appointments post year-end

Marian Ridley
Clinical Governance and Safeguarding Committee
Appointed 16 June 2023

Rory Litherland
Finance, Fundraising and General Purposes Committee
Remuneration Committee
Appointed 14 July 2023

Christine Brookes
Whistleblowing Champion and EDI Steering Group
Appointed 14 July 2023

Stephen Flanagan
Chair of Trustees
Appointed 14 July and as Chair *28 September 2023*

Senior Leadership Team

The following individuals were members of the Senior Leadership Team during the reporting period:

Dalton Leong
Chief Executive
Resigned 2 December 2022

Michael Maddick
Director of People and Culture (until 31st November 2022)
Interim Chief Executive and acting Director of Resources (from 1 December 2022)

Jayne Cooper
Director of Clinical Services (Chief Nurse)
Resigned 15 April 2022

Claire Champion
Interim Director of Nursing and Quality
Appointed 6 June 2022

Liz George
Director of Income Generation and Communications
Resigned 5 April 2023

Colin Kerr
Director of Finance and Business Performance
Resigned 8 July 2022

Elizabeth Sell
Interim Director of Finance
Appointed 8 September 2022

Samantha Newton
Director of Education
Resigned 2 January 2023

Dr Vijay Palanivel
Medical Director and Senior Consultant in Paediatric Neurodisability

Nicola Smith
Director of Strategy and Transformation
Resigned 30 April 2023

Melanie Burrough
Director of Therapies and Interim Director of Education
Appointed 15 August 2022 and 2 January 2023

SLT appointments post year-end

Katie Roberts and Sheila Lutchanah
Interim Director of Fundraising and Communications
Appointed 3 April 2023

Company Secretary

Olivia Rowntree

Medical Advisor

Dr Sarah Aylett
Resigned 6 September 2022

Registered Office

The Children's Trust, Tadworth Court
Tadworth, Surrey, KT20 5RU

Advisors

Bankers
Lloyds Bank, 4th Floor, 125 London, Wall London, EC2Y 5AS
Charity Bank Limited, 82 High Street, Tonbridge, Kent, TN9 1BE

Auditor
RSM UK Audit LLP, 25 Farringdon, Street London, EC4A 4AB

Solicitors
Mills & Reeve, Botanic House, 100 Hills Road, Cambridge,
CB2 1PH

Investment Managers
Investec Wealth & Investment, 30 Gresham Street, London
EC2V 7QP

Ambassadors

Amanda Burton

Jenni Falconer

Richard Hammond

Adam Hills MBE

Harry Judd

Izzy Judd

Nicholas Owen

Elaine Paige OBE

Joely Richardson

Phil Tufnell

Holly Valance

David Walliams OBE

Sophia Warner BEM

The Children's Trust
For children with brain injury

The Children's Trust
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Tadworth
Surrey
KT20 5RU

01737 365000
enquiries@thechildrenstrust.org.uk
thechildrenstrust.org.uk

Charity registration number: 288018
Company registration number: 1757875

Registered with FUNDRAISING REGULATOR

Ofsted Good Provider

The Children's Trust is registered with the Fundraising Regulator, inspected and rated an 'Good Provider' by Ofsted Care (for residential houses).
The Children's Trust School is rated a 'Good Provider' by Ofsted Education. TCT_1800 11/23.

THE CHILDREN'S TRUST

England & Wales - Charity number 288018

Accounts

The Children's Trust
Annual Report and Accounts 2021-2022

The Children's Trust
For children with brain injury

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A message from our Chair

In a year characterised by intense national recruitment challenges and the operational pressures associated with this, we continued to support the children who needed us.

We pressed ahead with our five-year strategy, Hope and Ambition (2020-2025), and we made significant progress towards many of our strategic programmes. We continue to drive our work towards a time when all children and young people with brain injury and neurodisability can live the best life possible.

We launched our new values in 2021/22 with a buzz of related activity throughout the year. This has been a great reminder of the strength of our shared purpose and passion to support children. Our previous values led us on a great path of success and helped us evolve to reach even more children. And with this development came the necessity to redefine our values. Known as our Promises, our new set of values are strongly aligned with our current goals. They form a solid foundation to start embedding the culture needed to deliver change.

We would like to thank employees, volunteers, the children and young people and all the stakeholders for fully embracing this work and contributing with enthusiasm and energy. It is already evident that our new Promises are inspiring us all to work at our best.

In December 2021 the government committed to developing an acquired brain injury (ABI) strategy following a successful campaign led by a coalition of organisations including The Children's Trust. The strategy is being created to ensure that everyone with an ABI has access to appropriate services and support throughout their lives. We are thrilled that the government has pledged to create this strategy, but our work is not done. We will continue to work closely with families, government ministers, and the strategy board to ensure that the unique needs of children and young people are addressed in the strategy.

As many workplaces started to prepare for a 'business as usual' mode of working in 2022 following the Covid-19 Pandemic, The Children's Trust remained vigilant to ensure the protection of the highly vulnerable children in our care. Many restrictions remained in place for staff and volunteers as the safety of the children and young people remained our number one priority and we fulfilled our organisational Promise to put the 'Child First'.

Staff absence due to Covid-19, in addition to the UK-wide healthcare shortage, led to occasions where we have been on the brink of a critical staff shortage. We continued to have strong referral pipelines, although these were undermined by the need to defer and delay admissions due to staff shortages.

We acted quickly to ensure that we continued to meet the needs of children safely and effectively. We swiftly trained non-clinical staff who volunteered to support the care staff during this time. And the People team have focused on our people proposition, recruitment and retention strategy to ensure that we can recruit more healthcare staff in the long-term. It is more important than ever for us to understand how we can appeal to more nurses and healthcare staff as an exceptional place to work.

Financially, it was a challenging year for the charity and this is outlined further in the Financial Review on page 10.

Following the year end, in the first quarterly review of 2022/23 we identified the need to take urgent action to address an unbudgeted projected year-end deficit as well as significant cash flow pressures. We developed a recovery plan aimed at reducing our cost base and seeking additional funding. The charity's financial position has also meant that we have had to pause or stop a number of our strategic projects, regrettably including Project Butterfly.

Our recovery plan has been developed to achieve a sustainable financial foundation for both the immediate and long-term future.

I would like to extend my thanks for the continued resilience and commitment of our workforce during this time. The needs of the children and young people who rely on our support will remain our number one priority as we move towards a sustainable future.

Dalton Leong stepped down as Chief Executive in December 2022 after leading The Children's Trust for more than nine years. During his time with the charity The Children's Trust has expanded its services and helped more children than ever before. Dalton has ensured that the voices of children are heard by decision-makers in Government through our public affairs work. And he has personally welcomed many families through our doors. On behalf of the trustees, I would like to extend my thanks to Dalton for his commitment over the years.

Duncan Ingram
Chair of Trustees

Objectives and activities

The Children's Trust is the UK's leading charity for children with brain injury and neurodisability. The charity was established in 1984 for the following purposes:

'For the care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life-limiting or life-threatening conditions and neurological damage acquired through accident or other causes; for the support of families and other carers involved; and for the prevention of such disabilities and disorders.'

'To hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.'

These objectives still guide us today. We continue to work towards a time when all children with brain injury and neurodisability have the opportunity to live the best life possible.

We deliver rehabilitation, education and community services through skilled teams who work with children, young people and their families.

Our services are provided through:

- Individually tailored rehabilitation programmes for children who have sustained a brain injury.
- The Children's Trust School and Nursery for children with a range of complex education, health, therapy, and care needs.
- A Brain Injury Community Service providing therapeutic support.
- A Brain Injury Hub providing online evidence-based resources for families, teachers, and health professionals.

Our progress against our five-year strategy, Hope and Ambition is presented here as the trustees' 37th Annual Report and the audited financial statements of the charity for the year ending 31 March 2022.

Public benefit

In assessing the charity's impact on our beneficiaries, the trustees follow the Charity Commission guidance and are confident that the services provided by the charity meet those requirements. The trustees and the senior leadership team measure the achievement of the objectives and performance of the charity by regularly reviewing key performance indicators and outcome measures. This is done through monthly business meetings, a quarterly review process led by the Chief Executive and through regular reports to trustees.

Volunteers

While volunteering opportunities were limited in 2021, the loyalty of our volunteers remained consistent. We were thrilled to welcome many more volunteers in 2022 than before the Pandemic. We are forever grateful to those who give their time to support our work and help us make a difference to the lives of children with brain injury and neurodisability.

- Total number of volunteers: 1116
- Event volunteers: 59.4%
- Retail volunteers: 30.5%
- Onsite – child facing: 3.1%
- Onsite – non child facing: 3.1%
- Staff volunteers: 3%
- Trustees and Governors: 1.6%

Strategic report

Achievements and performance

Highlights in numbers 2021/22

- The Children's Trust provided 1633 direct services to children and families (1863 in 2020/21). There were several reasons which we believe impacted how many direct services we were able to deliver in 2021/22. Many families delayed admission due to the ongoing impact of the pandemic and we also suspended some services due to the vulnerability of the children we support. In addition to this, we were forced to close some of our beds due to insufficient staffing levels as a result of recruitment challenges and covid-related absence.
- 82 children received intensive rehabilitation for brain injury or other support from our child and family services at our national specialist centre (72 in 2020/21).
- 80.1% of the goals for children receiving rehabilitation were achieved as 'expected,' 'more than expected' or 'much more than expected'(83% in 2020/21). We continuously review the goals we set to ensure that they remain sufficiently challenging, yet achievable for our children and young people. Small variations in this KPI year-on-year are therefore to be expected.
- 92.7% of families feel confident in recommending us (100% in 2020/21).
- We had 14,023 active supporters in 2021/22 (14,344 in 2020/21).

Expanding services

As part of our Hope and Ambition strategy we set out to develop and launch five new services over the course of the five-year strategic period. In 2021/22 we launched an Outpatient Movement Disorders pilot. Early treatment options for children with movement disorders are often crucial to prevent decline in their condition. However, there are often long waiting lists for medical and therapy intervention. By developing this service, we have created additional options for local commissioners so more children are able to benefit.

Robotic technology

Thanks to the generosity of supporters, we invested in robotics equipment to support children and young people with movement and their ability to participate in everyday tasks. We have purchased upper limb and lower limb devices. The upper limb equipment helps children move their arms and hands by providing weight relief.

The lower limb robotic device supports children who have limited active lower limb movement. The robotic dynamic standing device, the Innowalk Pro, has helped children at The Children's Trust School access movement and postures that many have never been able to achieve before.

The system supports a child from a sitting position into a standing position and provides guided and repetitive movements in a safe upright, weight-bearing position.

The results achieved through the Innowalk Pro have been significant. Some of the children are standing for the first time in a long time and we have also observed previously distressed children becoming calmer when using the device. Other immediate effects we have seen include; a reduction in muscle tone for children with high tone, increase in oxygen saturations, increased alertness and a clear enjoyment of the activity.

Evidence shows that therapy is supported by repetitive meaningful motor and task practice which these robotic devices enable. We are delighted to have fully invested in technology that will further accelerate rehabilitation outcomes for children.

Equipping teachers to support children with brain injury

Our online programme for schools, Acquired brain injury—an introduction for school staff, was launched in May 2021. By February 2022 more than 400 teachers had completed the programme, with additional sign ups in progress

The programme was created to give teachers across the UK a basic understanding of childhood brain injury and its effects, as well as the confidence to apply this knowledge to the children they teach. The free session, funded by the Constable Education Trust, is set in the context of the school and classroom and aimed at those with little or no knowledge of acquired brain injury.

The interactive programme takes teachers through the session, with a short quiz at the end to assess their comprehension of the subject. It takes approximately 30 minutes to complete.

Bumps Happen

A new section of the website was created to provide support for families and carers of children who have a bump to the head.

While it is not uncommon for children to experience knocks to the head as they grow up, we know that on occasions the more significant bumps can lead to ongoing problems. Post-concussion syndrome means children can go undiagnosed, and their problems can be misunderstood as behavioural issues.

The "Bumps Happen" section of the website has been created to address this issue. It is an interactive tool which delivers advice and guidance to parents and carers of a child who has had a bump to the head. Using artificial intelligence, Bumps Happen creates a pathway for the user, directing them to appropriate information and, in some cases, it will serve as an entry point for more specialist support from our team.

Public affairs

We were delighted that, following a successful campaign led by a coalition of organisations including The Children's Trust, the government committed to developing an Acquired Brain Injury (ABI) Strategy in December 2021.

The strategy is being created to ensure that everyone with ABI has access to appropriate services and support throughout their lives. We have been heavily involved in this work to date. We have submitted The Children's Trust's unique research around the issues of paediatric brain injury and have hosted joint workshops with the Child Brain Injury Trust (CBIT) for families to share their experiences and views. These have been shared with the government strategy board to help form a fair and inclusive strategy.

We are thrilled that policy makers pledged to create this strategy, but our work is not done. We will continue to work closely with families, government ministers, and the strategy board to ensure that the unique needs of children and young people are addressed in the strategy.

The Children's Trust has also continued to play a key role in the work of the Disabled Children's Partnership; a coalition of over 100 organisations campaigning for improved health and social care for disabled children, young people and their families. As a founding member we have helped steer some of the main campaigns throughout the year.

In February 2022, we warmly welcomed the announcement of a new £30 million fund for short breaks for disabled children – a great win for the Disabled Children's Partnership's #GiveItBack campaign, and a key step in creating a better system of health and care support for every family with a disabled child.

Fundraising

The generosity and enthusiasm of our supporters was inspiring as we returned to in-person events, welcomed supporters back to The Children's Trust site and re-opened the doors of our shops.

We saw an increase in companies fundraising for us as people returned to their offices; our lottery players were offered a greater chance of winning a larger prize as we changed our lottery model and our shops have never been busier.

The Omicron virus took hold in the winter months, so we returned to stricter social distancing measures and sadly had to cancel a few events. But this didn't keep the community down for long and we welcomed over 60 "Surrey Hills Hikers" to our site by the end of the year in March.

Fundraising fuels our ambition for children with brain injury and neurodisability. It underpins our strategic activities and enables us to invest in new services, equipment, facilities and information to help give children with brain injury and neurodisability the opportunity to live the best life possible.

During 2021/22 The Children's Trust supporters raised a total of £4.040m (£4.3m in 2020/21) from fundraising activities. Our shops raised £2.056m (£1.319m in 2020/21) and in addition the organisation received a Covid-related retail grant from the Government of £49k. Our fundraising and retail income is made possible by the very generous contributions from donors, organisations and volunteers who help make our work possible. We are very grateful for their support.

Fundraising focuses on seven main areas:

1. a chain of shops and online retail selling new and donated goods
2. soliciting gifts from trusts, foundations and statutory partners;
3. the solicitation and stewardship of donations from supporters or entries to a lottery being paid either by direct debit, or as cash gifts
4. gifts in wills from supporters
5. running our own events and entering individuals into third-party activities
6. building partnerships with businesses, schools, community groups and other organisations to support them in raising money on our behalf
7. supporting individual members of the public to conduct their own fundraising activities on our behalf.

We also receive Gift Aid on monetary donations, events sponsorship and donations to our shops and in 2021/22 the payments received totalled £333k (2020/21: £267k). Against this, the charity sustained irrecoverable VAT of £903k (2020/21: £1,066k).

54% of donations to us qualified for Gift Aid (2020/2021: 46.96%).

As a member of the Fundraising Regulator scheme, The Children's Trust operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising.

Fundraising programmes are compliant with the Institute and our own Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes. The charity also operates a whistleblowing policy and a complaints policy and process. It is also registered with the Gambling Commission for the purposes of running a lottery, conducting a supporter raffle and to hold draws at local events.

The charity continues to review its Supporter Promise, which is available on our website. This confirms our commitment to abiding by the Fundraising Preference Service, and the Mail and Telephone Preference Services.

During the course of 2021/22 we engaged one commercial participator; Sterling, who are the external lottery manager for The Children's Trust lottery. Over the course of the year, we moved from 'Vanguard' lottery, managed by Sterling, to joining Sterling's 'Unity' lottery, which offers supporters larger prizes and a better chance of winning, as well as increased returns for The Children's Trust. We monitor their compliance and there were no incidents to report in 2021/22.

We take a robust approach to handling complaints and welcome feedback from supporters and the public. During the financial year 2021/22, 100% of complaints were investigated.

Complaints in relation to fundraising activity (those in connection with retail operations):

- 2021/22: 19 (retail: 18)
- 2020/21: 16 (retail: 14)
- 2019/20: 42 (retail: 29)
- 2018/19: 56 (retail: 30)

There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office or any other regulatory body.

Supporter highlights from the year:

- Santander Consumer UK were one of the first partners to resume staff fundraising following the Covid-19 pandemic. A sponsored 46-mile trek and other activities raised more than £30,000 for The Children's Trust.
- St George's Hill Golf Club raised over £100,000 for us throughout the year which will support the work of our Brain Injury Community Service (BICS) based at St. George's Hospital.
- National Doughnut Week celebrated its 30th year in 2021. Since the campaign started supporting The Children's Trust over 15 years ago, it has raised approximately £500,000 to support children with brain injury and neurodisability.
- Supercar drivers from all over the country donated their time, tyres and petrol to give adrenaline-charged passenger rides in July 2021 for the Supercar Event, raising more than £30,000.
- We were delighted to be able to support our 33 London Marathon runners when the event returned in October 2021 following a hiatus due to the Covid-19 pandemic. They raised over £93,000.
- Power of Wheels Partnership: We completed a successful five-year partnership with KIA in December 2021. The car manufacturer has raised more than £835,000 for us during this time, supporting the work of our Brain Injury Community Service. In addition, KIA loaned us seven vehicles which completed 728 journeys and covered 57,222 miles!

Trustees' duty to promote the success of the Charity – Section 172 statement

Trustees have a duty to act in good faith to promote the success of the charity for the benefit of its stakeholders and in doing so are required by section 172 of the Companies Act 2006 to have regard for various specific factors including:

The likely consequences of any decision in the long term
The trustees make all key decisions with reference to its broader five-year strategy and to our central ambition for all children and young people with brain injury and neurodisability to have the opportunity to live the best life possible. We include our young people in all key planning decisions across the charity, and indeed they, and their families, helped us to formulate our strategy.

The interests of the company's employees
At the heart of our strategy lies our approach to our people – how we look after, motivate and develop our employees and volunteers and create a sense of being part of something special. We regard ongoing, regular engagement with all colleagues as a top priority.

We have invested in initiatives such as employee voice, employee wellbeing, learning and development and diversity and inclusion and actively ensure we provide a working environment that is safe and secure.

In responding to challenges with the national shortage of nurses and carers, the trustees have also taken decisions to invest in a number of initiatives including international recruitment, staff pay and benefits, time-bound "golden hellos" for new starters, professional qualifications and apprenticeships, career development and exit interviews and data analysis in order to improve staff retention.

The need to foster the company's business relationships with suppliers, customers and others
We recognise that charity can only succeed if our relationships with referrers, funders, donors and key suppliers continue to thrive. We actively engage in service reviews with our funders and with our key suppliers and, acknowledging that these are two-way relationships, we seek ways to achieve mutually desirable outcomes. In particular we have had to work closely with suppliers in the face of significant financial pressures and we have really valued their support in this regard.

The impact of the company's operations on the community and the environment

As part of our Hope and Ambition Strategy we have committed to being a more responsible organisation and to minimising the environmental impact of our activities. For this to happen we need to make sure our practices are sustainable, from the top of our supply chain, through to our impact on our people, the environment, and the communities in which we operate. We have developed a Responsible Organisation Strategy which sets out how we intend to make progress in this area and provides a framework for decision-making.

The desirability of the company maintaining a reputation for high standards of business conduct
We believe that maintaining a reputation for high standards of service delivery and business conduct is fundamental to the longer-term success and viability of the charity. We keep this in mind in everything we do from recruitment and resourcing, the setting of policies and procedures, the choice of suppliers and partners we work with, the level of risk we are prepared to accept and the governance and monitoring arrangements we put in place.

The need to act fairly between members of the company.
The organisation, being a charitable company limited by guarantee, does not have shareholders and its members are limited to the directors of the company. All directors receive the same information about the strategy, operations and finances of the charity and have equal voices in all key decision-making.

Culture & values

Our organisational culture and values sit at the very heart of what we do. During 2021, we embarked on a process to explore our culture and in November we launched new values, which had been shaped by colleagues, volunteers, partners and the young people we support.

This was an important journey for us and our new Promises – which is what we have named our values – will help us create an inspiring and productive workplace for the future. They capture our aspirations as an organisation and will guide the way we act, interact and come together to achieve our goals.

Our Promises were developed in collaboration with our staff, volunteers, partners and most importantly the children, young people, and families that we support. Our Promises reflect the type of culture and environment everybody wants to see at The Children's Trust.

Our 'Promises' are:

Child First:
- To put children and young people first, seeking their views and sharing decision-making with them.
- To contribute to our community, making it warm, positive and fun.
- To connect meaningfully with children and young people, enriching their lives.

Aim High:
- To be curious and courageous, exploring new ideas.
- Think big, finding ways to add value and improve what we do.
- To focus on quality, act responsibly and use evidence to support our choice.

Care Deeply:
- To be friendly and show genuine compassion.
- To connect and collaborate effectively inside and outside of our charity.
- To recognise and encourage each other, taking time to celebrate successes.

Be Open:
- To speak up confidently and look for solutions.
- To listen to others, sharing and receiving feedback in a positive way.
- To invite different views, respecting everyone's roles and contributions.

Own It:
- To take responsibility, owning what we do and delivering on our promises.
- To set ourselves high standards and use our expertise across the charity.
- To grow from mistakes, taking every opportunity to develop and improve.

Equity, diversity and inclusion

At The Children's Trust we recognise how important it is to have leadership that reflects the children, young people and families that we support. We also recognise that staff, from a range of backgrounds and bringing different experiences will help us to better understand the needs of those we support, and how we can best represent their interests. We particularly welcome applications from disabled people and make workplace adjustments to accommodate staff, should they acquire or develop disabilities during their employment with us. The Children's Trust is committed to achieving equity, diversity and inclusion (EDI) across all levels of the organisation. Over the last 12 months we have agreed our new EDI strategy and EDI policy, which includes EDI training for our staff. We have established an EDI Steering Group and an EDI Staff Network called Spark. In addition, we systematically collect EDI data submitted by our staff to monitor recruitment and progression of staff.

Progress and challenges: an overview of 2021/22

The table on the right gives an overview of our plans for 2021/22 and insight into our key successes. It also outlines aspects of our strategy that have been more challenging to deliver and how we have addressed these areas.

RAG Ratings:

Red: Project delayed or stopped
Amber: Partially achieved or ongoing
Green: Complete/on track

Aim one: Build on our specialist knowledge to grow our services at Tadworth Court and help more children and young people	Outpatient Movement Disorders: pilot service was launched.	Green
	Family Offer: This project is aimed at improving the overall experience of families and ensuring equitable access to services. We paused the work in 2022 to prioritise recruitment and retention of staff needed to deliver core services.	Red
	Building skills: The clinical education team reviewed the training package for ventilation care. A benchmarking exercise was undertaken against other organisations and national guidance.	Green
	Capital Appeal: We made the difficult decision to postpone our plans to build a new Centre of Excellence, "Project Butterfly". Postponing these plans is disappointing, especially in view of the pledges our donors have made and most importantly, recognising that our young people and staff deserve the best possible environment we can create. However, it is important to make sure that the conditions are right to ensure the long-term success of any new capital build programme.	Red
Aim two: Support every child in the UK with an acquired brain injury	Bumps Happen: A new information section was published on the website for families and caregivers.	Green
	Interdisciplinary teams: Considerable time was dedicated to stakeholder engagement and consultation to inform the first of these teams. Despite readiness to launch our first Community Neurorehabilitation Service in early 2023, this project will now no longer proceed following an organisational restructure. We are disappointed that this project will not proceed to fruition, but the preliminary work has helped us fully understand the gaps of provision and will support our long-term goal of supporting even more children.	Amber
	Supporting schools: Acquired brain injury – an introduction for school staff, was launched in May 2021.	Green
Aim three: Improve outcomes for children and young people through integration of our specialist skills and approaches	Transdisciplinary working: We created a Transformation and Integration Lead role to continue the strategic work on integrated services. This role took oversight of the work on Transdisciplinary Service Provision, Waking Day Curriculum and 24h Neurorehabilitation, as well as Co-production. We have undertaken work to understand and identify best practice in relation to these areas of work. The work on co-production will enhance how we co-design and co-produce at The Children's Trust in years to come, putting the voice of those who use our services at the centre of what we do.	Green
	Project Butterfly: Following a programme of engagement with staff, children and young people and other key stakeholders to finalise the designs, in early March 2022 we were delighted to be granted planning permission for the new Education, Health, Therapy and Care facility that has been in development over the last two years. We also began the private stage of a fundraising appeal and were grateful for the early support pledged. Unfortunately, due to the current financial challenges and as stated above, this project has now been postponed for the foreseeable future.	Amber
Building Excellence	Culture and values: We rolled out our new values, our Promises in 2021 and 2022.	Green
	Leadership development: two cohorts 'graduated' and received recognition	Green
	Business performance projects: The work to increase management effectiveness, including the creation of a central data hub, was paused as we focused on core recruitment and retention.	Red
	Electronic records: Work progresses positively on the development of our electronic records system. We are now parallel running the system in one of the residential houses alongside paper records to ensure forms are developed as required. This system will be transformative in the way child records are accessed, completed, monitored and maintained. The Electronic Records System is an important element of enhancing our documentation process, in maintaining children and young peoples' records and ensuring that there is one accurate and integrated view of the young person's needs.	Green

Financial review

Financial performance and position

In the 2020/21 report we said that we expected to return to pre-pandemic levels of activity and income by the second half of 2021/22. This was partially achieved – referrals were 28 % higher than in 2020/21 (136 v 106) and returned to pre-pandemic levels. However, although demand for admissions was strong, we had to deal with critical consequences of the national chronic shortage of nursing and care staff from October 2021. This meant beds being temporarily closed to new admissions during the winter period, increased recruitment costs and another year of extensive use of temporary and agency staff to ensure the safety and quality of care was not compromised.

In fundraising there was strong performance in donations driven by the capital campaign. Retail income recovered as anticipated but some significant fundraising events were cancelled and so events income did not return to the pre-pandemic levels as we had hoped. We also had a poor year for legacy income.

Given the organisation's financial situation the trustees decided that Project Butterfly was unlikely to go ahead with the current design plans for a new building to house the school and the project should be postponed for the foreseeable future. The project will need to recommence at some point as it is a business need to upgrade or replace our school building within the next 8 – 10 years but we are likely to move to a more affordable and sustainable option. How and when we accomplish this will form a key part of the recovery plan.

All costs incurred to date for Project Butterfly for design, planning and development work are shown in assets under construction in Note 14 in the 2021/22 accounts have been impaired to £nil by the trustees, a decision taken post year end in light of the decision to postpone the project for the foreseeable future due to the financial position of the Trust.

The overall impact is that we are reporting a £3.1m operating deficit in 2021/22 before the £1m impairment and unrealised investment gains. The trustees believe the organisation is still a going concern as detailed in the section below (page 17).

Working capital

During 21/22 we faced a number of working capital challenges:

- Significant delays in expected legacy receipts and certain grants from the NHS.
- Our cash position was being affected by the realisation that our costs were now out of line with our income to the extent that the gap was becoming greater than that which fundraising could cover.
- Timely collection of debts was inconsistent and at times very difficult.
- We had committed funds to strategic capital expenditure programmes that were creating too great a drain on increasingly stretched resources.

During the financial year, cash was bolstered from the investment portfolio twice during the period (totalling £1.5m) in order to reduce the pressure.

The 2022/23 Q1 financial review, undertaken by the Head of Finance following the departure of the former Finance Director, reported that the working capital position was critical with significant trade creditors (£1.79m), HMRC payment arrears (£1.5m) and overdue pension contributions (£250k), despite a further £500k cash injection from the portfolio in April 2022.

The trustees concluded at an extraordinary meeting of the Finance, Fundraising & General Purposes Committee on 5 July 2022 that this position was untenable and posed a serious threat to the charity. A financial review group was immediately established to investigate and develop a response plan. A serious incident notification was filed with the Charity Commission on 9 August after some exploratory analysis had been undertaken to verify the potential situation.

The recovery plan, approved by the trustees in November 2022, formed the basis of a successful application for loan funding to Charity Bank and Big Society Capital. The £5m loan facility (with mortgage secured on the land & buildings), was approved and signed by the trustees on 30 January 2023. The trustees believe that this is sufficient to pay remaining overdue creditors and to support the delivery of the recovery plan. Further information about the loan is included in the Going Concern statement on page 17.

At the time of writing, the reset budget for 2022/23 is being met or exceeded and we are once again operating at full bed capacity.

Key financial performance indicators

	31/03/22	31/03/21
Turnover (£'000)	28,893	28,468
Year end trade debtors (£'000)	1,501	1,136
Year end debtors (days)	26	15
Year end trade creditors (£'000)	1,607	1,032
Total expenditure (£'000)	33,094	29,424
Year end creditors (days)	66	53
Inventory (months)	0.77	0.6
(total non pay actual less insurance and depreciation over inventory)		
Completion of capital programme (%)	66	102
Agency spend (£'000)	636	817
Payroll (%)	3	4
Bank staff spend (£'000)	475	389
Payroll (%)	1.96	1.74
Fundraising margin (%)	33	32
Retail margin (%)	30	-1
Average yield on investments (%)	-11	25
(dividend income plus change in portfolio value over average amount invested over the year)		

Reserves

As at March 2022, reserves totalled £23.6m (2021: £27.4m), of which £1.4m (2021: £2.4m) relates to Restricted Funds and £0.7m (2021: £0.7m) relates to Endowment Funds. Of the remaining balance of £21.5m, £18.9m (2021: £17.2m) has been Designated to represent that element of the reserves which is represented by fixed assets and is therefore not available as working capital.

With regard to the balance of £2.6m (2021: £6.9m) of 'free reserves', the view of the trustees is that this balance is required due to the previously stated element of financial risk being carried as the charity transitions back to its pre Covid-19 levels of activity and bears additional financial pressures brought about by staff shortages and anticipated inflationary impacts.

These allocations are consistent with the basis previously adopted by the trustees: each year the trustees review reserves and allocate cover to specific areas of concern. However, the response to the financial challenges referred to above has reduced the reserves to an unacceptably low level. In 2023 as part of the recovery plan, the trustees will be developing a reserves policy reflecting the new operating model and will determine how and over what period an appropriate level of reserves is achieved. Current forecasts show the organisation achieving financial stability in 2024/25 after a transition year 2023/24. The new reserves policy will balance the need to build up funds for stability and future developments against the plan to pay down the recovery loan as soon as possible.

Investment policy and objectives

The investment policy has been to preserve capital value in real terms and produce a certain level of income, although the charity does not rely on that income. The investment managers are instructed to return a balance between income and capital growth and the portfolio is constructed with this in mind. The risk profile is Medium/High with a horizon of 5-10 years. This policy will be reviewed in 2023 as part of the recovery plan given the change in financial circumstances.

- At December 2021, the value of our portfolio had increased by £0.7m (8%) since April 2021. With the outbreak of the war in Ukraine, £0.6m of value was lost by February 2022. There was a small improvement towards the end of March, but a further £0.4m of value was lost over April and May.
- The £169k (2.4%) yield on investment income remained low compared to pre-Covid levels but was a slight improvement on the 2.1% yield of £171k in 2020/21.
- Results continue to be monitored by the Investment Committee, which meets with representatives from Investec at each meeting.
- Post year end the charity had to withdraw substantial funds from the investment portfolios for working capital and as at December 2022 the total invested had reduced from the £7m held at 31 March 2022 to £1.9m in January 2023.

Environmental, social and governance (ESG) impact of our investment portfolio

The current investment policy precludes any direct investment in tobacco companies and other companies that may harm or exploit children or young people. As part of our responsible organisation work, we report on the Environmental, Social and Governance (ESG) impact of our investment portfolio in the annual report and accounts. The ESG performance of our investment portfolio is measured and benchmarked by two separate third party analytics solutions providers (Sustainalytics and Institutional Shareholder Services) that give us a score against sustainability factors and alignment with the UN Sustainable Development Goals. Our direct investments scored an average of +2.4, when scored against the UN Sustainable Development Goals with a range of +10 to -10. The MSCI UK IMI index benchmark is +1.2. Sustainalytics measured our average score as 20.2 (range is 0-100 with low scores good and high scores bad). The MSCI UK index average score is 21.7. In conclusion our investment portfolio ESG scores are better than the average and benchmark scores for UK wide investments. In the next year we will continue to review how we approach and report on responsible investments.

Principal risks and uncertainties

During the year, the trustees, supported by the audit and risk committee, has reviewed and updated the organisation's risk management policy and framework and agreed its risk appetite in May 2022.

Taking account of the highly vulnerable nature of the children and young people supported by the charity, the trustees adopt a cautious approach to risk-taking.

In common with many charities and other organisations operating in the health and social care sector, we continue to face a number of significant headwinds in the wake of the pandemic which increase uncertainty for our business. These include global inflation, a cost-of-living crisis, the declining health of public sector finances, public sector pay-related strike action and record health and social care vacancies across the UK. There are processes in place for the senior leadership team, the trustees and committees to regularly review and monitor the organisation's principal risks and uncertainties, taking account of the external environment, as well as the measures being taken to reduce and mitigate them.

Over the last two years, the Covid-19 pandemic has featured at the top of our list of principal risks, both in terms of the real threat to life that the virus posed to our clinically vulnerable children and young people and in terms of the business disruption and financial pressures it brought to bear. As we have moved into the new financial year, the severity of the threat posed by Covid-19 has diminished significantly and at the time of reporting it is no longer considered to be a principal risk. Covid-19, along with seasonal flu and other viruses and infectious diseases is dealt with as part of our overall Infection Prevention and Control strategy, policies and procedures, with monitoring and oversight provided via the Clinical Governance and Safeguarding Committee.

The following table sets out the trustees' assessment of the charity's principal risks at the time of writing, alongside the control measures and mitigations in place to manage them to within an acceptable level.

Principal Risk	Control Measures and Mitigations
Financial sustainability The senior leadership team and trustees have developed a comprehensive financial recovery plan to dramatically cut operating costs, address loss-making contracts and increase efficiency through a new front-line service delivery model. We are confident that we have a financially viable business model, although our financial recovery is not without risk. In particular, we will need to comply with a number of financial covenants attached to the bank loan we have recently secured. Key external risks include global inflation and the cost-of-living crisis; financially stressed local authorities (our funders); public sector pay pressure (in particular, Agenda for Change in the NHS) and health and social care staff shortages which impact our ability to staff beds and simultaneously increase our recruitment and retention costs. The squeeze on public sector finances may make it more challenging to negotiate fee uplifts to cover our increasing operating costs. In the longer-term, changes in the national commissioning landscape (in particular a preference for more local healthcare provision) may impact the volume of referrals we receive from the newly formed Integrated Care Boards (ICBs) or could lead to a material reduction in our national specialist commissioning contract with NHS England.	A key element of our financial recovery plan is a material reduction in operational expenditure, through an organisational restructure. The other significant element is a £5m cash injection in the form of a commercial loan. Our financial modelling has been set conservatively and our key assumptions have been reviewed and tested independently. Performance against the new budget will be closely monitored by the Finance Fundraising and General Purposes Committee. At the time of writing, demand for our services is strong and we have turned a corner on the recruitment of nurses and carers such that we were at full bed occupancy in December 2022. The bank loan and our new financial model mean we can stabilise working capital and this will be an area that is kept under close scrutiny. We have a rolling, annual contract with NHS England with whom we meet on a quarterly basis to review performance and to have early sight of any potential changes to the volume, value or longevity of our contract. In the longer-term our current strategy envisages the expansion of our brain injury community services, positioning the charity strategically to support national changes to specialist commissioning and to deliver rehabilitation in the community, closer to home, through funded packages of care.
Reputation There is a risk that the charity's reputation with funders, donors, suppliers, staff and other key stakeholders is damaged as a result of serious incidents or a decline in regulatory inspection ratings, to the extent that it threatens our recovery plan and the achievement of the charity's broader aims and objectives.	Our most recent full inspections by CQC and Ofsted Children's Homes were in January 2020 and May 2022 respectively and found our service to be "Outstanding" and "Good" respectively. More recently we have had a number of visits from local authorities and regulators, all of which have confirmed our service meets expected standards. Ofsted Education undertook a section 8 visit in November and found evidence of improved performance. We are aware that given the charity's financial position and recent serious incident, strong engagement and a focus on strengthening relationships with all stakeholder groups will be key going forward.

Principal Risk	Control Measures and Mitigations
Recruitment and Retention Record nursing and care vacancies across the health and social care sector continued to impact our business right through the first half of 2022-23. Whilst we believe that the actions we have been taking to address this are effective and are bearing fruit, being able to recruit and retain sufficient and appropriately skilled staff in the longer-term remains critical to meeting our income targets.	We have started 2023 with a full establishment of nurses and carers and have a rigorous recruitment and retention plan. Measures and initiatives we have implemented include the use of specialist recruitment agencies, actively marketing overseas, aligning pay and benefits with the NHS Agenda for Change, applying London-weighting, extensive marketing and advertising campaigns across social media and local radio, a new nurse apprenticeship programme and preceptorship for newly qualified nurses, new partnerships with local universities and colleges and expanding our staff accommodation offer. We have reviewed the drivers of rising staff attrition which has informed a range of additional retention measures. These measures include defining clear career development pathways and expanding our learning and development. We are already seeing the impact that these measures are having in reducing attrition as we begin 2023. Our senior leadership team monitors a series of KPIs on a monthly basis, including vacancy rates, job application and conversion rates, progress against recruitment targets and leavers and sickness absence, to assess the effectiveness of the measures we are taking. These KPIs are being reviewed by trustees for potential inclusion in the trustees management information pack for 2023/24.
Organisational Strategy and Transformation The success of our financial recovery plan and future viability will rely heavily on how well we execute organisational change, including the transition to a new service delivery model. Ensuring that staff, funders, regulators and donors are on board with the changes we plan to make will be key. There will be a number of departures, retirals and new appointments at trustees and senior leadership level in the coming months and the interim period could bring about organisational instability at critical point in our recovery. A comprehensive review of strategic projects will need to be undertaken in early 2023-24 as they will not all remain viable. The challenges with operating the school from a building which is time-expired remain and will need to be addressed in the forthcoming strategic period. The wider, 24-acre site at Tadworth Court presents additional challenges in terms of significant financial overheads.	We have established a taskforce of senior managers to lead on and oversee the implementation of our financial recovery plan. The governance of this significant programme of work includes regular oversight by the senior leadership and by the board and its committees. We are progressing plans at pace to make new appointments to the Board of Trustees and senior leadership team in order to build the future change leadership capability. This will include the appointment of a new Chief Executive and Chair of Trustees. The senior leadership team and trustees will undertake a comprehensive strategic review in the first half of 2023-24; including a review of our sustainable property strategy.

Principal Risk	Control Measures and Mitigations
Quality, Safety and Compliance Delivering high quality and safe services is a primary objective. A failure to comply with regulatory requirements could compromise the health and safety of our children and young people and colleagues and/or lead to significant fines, negative publicity and a decline in referrals to our services.	We have robust policies, procedures and controls in place to ensure compliance with applicable regulations. Our most recent full inspections by CQC and Ofsted Children's Homes were in January 2020 and May 2022 respectively. CQC rated our service as "Outstanding", and Ofsted found our service to be "Good". CQC undertook a targeted inspection in May 2021 and reported that overall rating for the service had not changed and remained "Outstanding". We also received a supportive letter from CQC in June 2022 in response to the coroner's prevention of future deaths report.
Safeguarding The Children's Trust supports some of the most vulnerable children and young people in our society. A failure in our internal control system or governance arrangements to prevent or adequately respond to safeguarding incidents and near misses could put our children and young people at risk of harm and adversely impact our CQC and Ofsted Care ratings.	Safeguarding is one of the charity's top priorities and trustees dedicate significant time and attention to checking and challenging the effectiveness of governance arrangements and systems of risk management and control in this area. Our rigorous recruitment procedures, policies, staff training and open and transparent culture help us reduce the likelihood of a safeguarding incident taking place and ensure that risks and issues are identified and addressed at the earliest possible opportunity. Where serious incidents and near misses occur, management and the trustees are committed to ensuring that there is effective institutional learning.
Cyber Security The level of cyber threat facing organisations globally is increasing including the threat of state-sponsored attacks. There is a risk of a major cyber-attack impacting the charity either directly or indirectly, leading to loss of confidentiality, integrity or availability of critical personal, financial and business data.	We have a number of information security and data protection policies in place, overseen by our Information Governance Committee. Information security measures include, anti-virus and malware detection software, multi-factor authentication across our corporate network and systems, regular vulnerability scanning and penetration testing, system back-ups and disaster recovery plans, due diligence on all IT suppliers and data processors and in 2022, we entered into a contract with a specialist firm for 24/7 security incident and event management services. Mandatory, annual information governance training which covers cyber security and social engineering is in place for all staff and trustees. This is supplemented by monthly bite-sized, online training and simulated phishing emails to test awareness and understanding across the workforce.

Annual statement of internal control

The Charity Commission's guidance on 'Internal financial controls for charities' states that 'trustees should, at least annually, ensure a review is conducted of the effectiveness of the charity's internal financial controls'. The trustees retain ultimate responsibility for the charity's system of risk management and internal control in its widest sense.

The Finance department undertook a self-assessment of the charity's internal financial controls, using the Charity Commission's checklist, early in the second half of 2021/22. No exceptions were noted.

The Audit & Risk Committee formally reviewed the wider system of risk management and internal control in February 2022. The conclusion reached was that there had not been any significant control failures but that there were opportunities to enhance the internal control framework as follows:

- Improve the overall effectiveness of risk management with a particular focus on risk appetite, the further development and reporting of KPIs and KRIs and greater scrutiny and challenge of management's risk responses.
- Internal Audit to independently review and assess the charity's key financial controls as detailed in the Charity Commission's self-assessment tool.
- Formalise fraud prevention and detection controls following the charity's stated commitment to the Charity Commission's "Stop Fraud Pledge".

Since the review of internal controls in February 2022, the trustees formally reviewed and approved its risk appetite in May 2022; a fraud risk assessment has been undertaken and there is ongoing work to develop and improve the reporting of key financial performance and risk indicators. Internal Audit has also completed a review of financial governance and controls in November 2022, further detail is provided below.

Significant Control Failures

Post-year end, as part of the financial review undertaken in July 2022, significant concerns were raised by the senior leadership team about the charity's working capital position, liquidity and future solvency. Consequently, a serious incident was reported to the Charity Commission at the beginning of August 2022. A comprehensive internal audit was completed in November 2022 to examine the root causes and to make recommendations for the tightening of financial governance and internal control. The key areas identified for improvement include:

- The quality and integrity of management information reported to trustees.
- Tightening of policies and procedures designed to manage risk exposure effectively, including treasury management, reserves, capital expenditure and staff remuneration.
- Scrutiny and challenge – ensuring that there is effective financial governance and oversight at management and board level.
- Culture and behaviours – ensuring all voices carry equal weight, that conflicts of interest do not arise and that all colleagues feel empowered and supported to speak up.

The implementation of the agreed management actions from the internal audit will be closely monitored by the Finance, Fundraising and General Purposes Committee and the Audit & Risk Committee.

Other Incidents

After five years, the Coroner's inquest into the tragic and unexpected death of five-year old Connor Wellsted in May 2017 finally concluded in April 2022. The Coroner issued a Regulation 28 "Action to Prevent Future Deaths" report which was critical of management's handling of the incident and raised a number of concerns for the charity to respond to. The Children's Trust formally responded to the coroner's report on the 8 July 2022. Whilst the report contained a number of factual inaccuracies (which we addressed in our response), we ultimately accept the coroner's findings. The Children's Trust is an organisation committed to listening and responding to all feedback. As such our response detailed the measures that have been implemented since Connor's death as well as further actions management will be taking, overseen by the trustees, to ensure that such a tragic incident can never happen again. The CQC, NHS England and Surrey Heartlands were invited to respond to the coroner's prevent of future deaths report as well. Their responses are published on HM Coroner's Court website and include positive commentary on the steps we have taken and the quality of our service.
The trustees and senior leadership team express their deep regret over Connor's death and offer their sincere condolences to Connor's family and foster parents.

Going concern

Post year end, as part of the Q1 Financial Review, it became apparent that the budget for 2022/23 was not going to be achieved. The trustees decided that the charity's financial position should be reported to the Charity Commission in a Serious Incident Report. Immediate action was taken to reduce expenditure in areas that would not impact on the children in our care and a financial review was undertaken in which it was apparent that the charity could not continue to support its current staff levels. Discussions were opened with potential providers of loan finance, using the charity's significant property assets as collateral, given the significant cash injection required to enable us to trade through a transition and return to financial stability.

In October 2022 the trustees approved a new working model presented by the senior leadership team that refocussed delivery on the specific requirements of our contracts with commissioners and proposed a reduction in headcount of approx. 15%. A formal revaluation of the Tadworth site identified a £3.8m increase in the value of the property which supported applications for loan funding. The recovery plan, approved by the trustees in November, set out a path to deliver an operating surplus by the end of 2023/24. Longer term it is anticipated that the new Chair and Chief Executive will lead on a strategy for the next 5 – 10 years that will identify how best the charity can return to a sustainable financial position that focuses on delivering the best possible experience for our stakeholders: where growth can be achieved and we make best use of our site and property.

This plan was the basis of an application which resulted in a £5 million loan facility over 25 years provided by Charity Bank (£4m) and Big Society Capital (£1m) that was agreed in January 2023. The financial covenants for this loan give Charity Bank the right to approve the appointment of trustees and the Chief Executive, to attend Board meetings and require the charity to meet certain milestones in relation to the recovery plan.

A restructuring consultation formally began in December 2022 with proposed changes that would deliver the planned headcounts by May 2023. We started recruiting for the Chief Executive and Chair in January 2023 as soon as we were able to do so. We expect it will take some months to fill these important positions.

The trustees have confidence in the recovery plan and, with the Charity Bank loan offer accepted by the trustees on 30 January 2023, they expect the charity to return to an operating surplus in 2023/24 and a full accounting surplus in 2024/25. The trustees consider that, upon receipt of the loan funds, the charity is a going concern. However, they believe a material uncertainty exists until such time as the recovery plan is fully implemented.

Future plans

It has been a challenging year for the charity. However, the children and young people that come to us for rehabilitation and education have few alternative options and we aim to be here for them, for as long as we are needed.

Our future plans are therefore focused on putting in place the recovery plan to reduce our cost base, find new ways to create value from our assets and strengths and to ensure we are being paid fairly for what we deliver. At the time of writing, the trustees have approved a proposal to revise our operating model to give us the best chance of returning to a sustainable financial position, whilst still providing the high-quality education, health, therapy and care that our children and young people require and indeed, deserve.

Subject to restructuring proposals being approved; the focus for the future year will be in transitioning to a different way of working as well as starting to develop the longer-term vision and a refreshed strategy.

This new model will:

- Offer an integrated service model across education, health, therapy and care.
- Align services against our regulatory frameworks/ safeguarding requirements, contractual obligations and statutory provision.
- Deliver services that are both clinically safe, effective and priced to match the cost of provision.
- Support transition processes for those aged >18 years old, to make capacity available for more children to access The Children's Trust School.

This new way of working will:

- Use beds more flexibly, responding to the needs of the young people requiring our services and provide a flexible workforce that can meet a range of children's needs.
- Allow for a workforce that is responsive to meet needs across all houses, benchmarking with similar providers.
- Strengthen site wide cover and support via 24/7 senior nursing cover
- Align therapy and psychosocial capacity with contractual requirements e.g., NHS England guidelines.
- Focus on delivery of statutory provision with Education, Health and Care plans.
- Enhance the role of the Clinical Education Team to include advice, clinical support and education across the multi-disciplinary team.
- Co-design and co-produce our services with children, young people and families, with a greater focus on partnership with families and professionals.
- Integrate with and provide access for the Children and Young People (CYP) to local healthcare systems such as GPs and secondary care.
- Be cost effective and enable us to be a sustainable organisation for the future.

Environment

Streamlined Energy and Carbon Report	
Start date for SECR period	1st April 2021
End date for SECR period	31st March 2022

Methodology

All the SECR data requirements for unquoted 'large' companies have been met and the energy consumption and emissions are reported below. This includes UK consumption of electricity, gas and transport fuels where the company is responsible for the fuels.

The methodology used to calculate emissions is the GHG Reporting Protocol Corporate Accounting and Reporting Standard. UK Government greenhouse gas emissions conversion factors for 2020 have been applied.

Scope 2 emissions from purchased electricity have been calculated using the location-based approach only.

Base Year Recalculation

We are following advice given in the government's guidance on how to measure and report greenhouse gas emissions. Should we discover errors in the energy and fuel consumption data that we used to calculate our year emissions, we will recalculate our base year emissions using revised/amended data in order to correct the errors. This is the case for the baseline year 2019/20 in this report.

Third party verification			
No third-party data verification of the emissions data has been carried out			
Reported emissions (and carbon offsets)			**tonnes CO2e**
	2021/22	**2020/21**	**2019/20**
Total gross emissions (Scope 1,2 and 3)	429.4	396.8	612.0
Total direct and indirect emissions (scope 1 and 2)	422.1	389.0	595.8
Total direct (scope 1) emissions	172.1	139.1	289.7
Direct emissions (scope 1) stationary combustion	149.6	119.8	238.4
Direct emissions (scope 1) mobile combustion	23.1	19.3	51.4
Direct emissions (scope 1) from transport mobile combustion	23.1	19.3	51.4
Direct emissions (scope 1) from other mobile combustion	0.0	0.0	0.0
Direct emissions (scope 1) from agricultural sources	0.0	0.0	0.0
Total indirect emissions (scope 2)	249.4	250.0	306.0
Indirect emissions (scope 2) from electricity	249.4	250.0	306.0
Total other indirect emissions (scope 3)	7.3	7.7	16.3
Other indirect (scope 3) emissions from business travel	7.3	7.7	16.3
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	7.3	7.7	16.3

Energy Consumption			kWh
Total energy consumption used to calculate emissions	2.034,841	1,831,198	2,767,184
Energy consumption, combustion of gas	736,910	651,561	1,296,512
Energy consumption, electricity	1,168,418	1,065,586	1,190,750
Energy consumption, combustion of transport fuel	129,513	114,051	279,922
Energy consumption, other	0	0	0
Intensity ratio	**tCO2e/sqm**	**tCO2e/FTE**	**tCO2e/FTE**
Intensity ratio	0.030	0.6	0.6
The reported emissions intensity ratio is the total gross emissions (scope 1,2 and 3) per Square Meter of Total floor area.			
Intensity ratio based solely on mandatory data	True		

Energy efficiency action report

1. Due to the continuing Covid-19 pandemic there was still reduced opening hours in the retail units and reduction in the mileage completed by our fleet of vehicles. This will therefore show an increase in 2022/23 which we will work to flatten through the Green plan.
2. As a result of the Covid-19 the organisation has adopted new digital ways of working that have reduced emissions including electricity use and staff commute emissions as we transition into a more hybrid approach to working. The estates strategy programme will continue to develop this and implement initiatives as approved.
3. All new projects and developments must now undertake a sustainability impact assessment, that asks all project managers to consider environmental impact (as well as other impact) of their project and whether the organisation can redesign, mitigate or accept this impact.
4. In 2022 as part of the delivery of the Estates strategy, a more sustainable means of operating will be developed. This includes reducing reliance on natural gas systems. As a result the organisation will see an increase in electricity use from 2022 which will be from 100% renewable sources (subject to contract approval).
5. We have updated the intensity ratio for this year to be based on total floor area of our estate. This will provide a more realistic picture of our infrastructure and will make it easier to include the new education centre when appropriate.
6. The data from this report is understood to be accurate at the time of writing.

Energy Consumption Summary 2021/22

Energy Consumption	kWh
Total energy consumption used to calculate emissions	2,034,841
Energy consumption, combustion of gas	736,910
Energy consumption, electricity	1,168,418
Energy consumption, combustion of transport fuel	129,513
Energy consumption, other	0

Statement of trustees' responsibilities

The trustees (who are also directors of The Children's Trust 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 that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 judgements 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees also confirm that, in the case of each of the persons who were directors at the time of reporting and as far as each trustee was aware, there is no relevant audit information of which the charity's auditor is unaware, and that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Structure, governance and management

Structure, constitution and objects

The Children's Trust was established and incorporated on 30 September 1983, and assumed the management of the Tadworth Court site from 1 April 1984. As a charity we seek to benefit the public through the pursuit of our objectives and aims as set out in our articles of association.

The Children's Trust is a charitable company not having a share capital. The charity's objects as set out in the Articles of Association describe the charity's core purpose which is: "for the care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life limiting or life threatening conditions and neurological damage acquired through accident or other causes; for the support of families and other carers involved; and for the prevention of such disabilities and disorders."

In addition, our objects define a further duty to: 'hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all the buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.'

The Children's Trust Trading Company Limited is a wholly owned trading subsidiary of The Children's Trust, trading from 1 April 2020. The subsidiary re-commenced trading during the year 2020, after an interregnum of 18 years. This has been re-established because of increased business and levels of commercial activity. However, with the cancellation of virtually all public activities during the pandemic, revenues and costs were not significant enough to necessitate using the trading subsidiary. The decision was taken to keep all such transactions in the charity in 2021/22 as they are below the £80k non charitable object related trading limit. This will be reviewed in 2022/23 and if there is no need for the trading subsidiary, we will make it dormant again and keep its existence as a separate legal entity under review.

Organisational structure

The charity's organisational and governance structure is designed to support the effective management and oversight of its three key income generating activities, being:

- Residential neurorehabilitation and disability services at Tadworth Court, including a children's home for pupils at The Children's Trust School
- The Children's Trust School
- Fundraising and Retail

The Children's Trust Board of Trustees							
Remuneration Committee	Research Governance Committee	Clinical Governance and Safeguarding Committee	Educational Governance Committee	Finance, Fundraising and General Purposes Committee	Audit and Risk Committee	Investment Committee	Appointments Committee
Senior Leadership Team							
Directorates							
Director of Nursing and Quality	Medical Director	Director of Therapies	Finance Director	Chief Executive	Director of Strategy and Transformation	Director of People and Culture	Director of Fundraising, Retail and Communications

Board of Trustees

The Children's Trust is governed by the Board of Trustees ("the board") who are also the charity's directors under company law. Our trustees may serve in total for a period of nine years with the option to stand for re-election annually thereafter, for a maximum of three further 12-month terms.

When recruiting and appointing trustees, we look for individuals who can provide leadership and expertise across our key services and disciplines of nursing, care, education, therapy and fundraising and who can support and bring effective challenge to the senior leadership team on business strategy, finance, operations, governance, risk and regulatory compliance. Each trustee is assigned as a lead for a particular business area or professional discipline.

Like many charities we recognise the importance of board diversity and are committed more broadly to the principles of equity, diversity and inclusion from 'board to floor'. Aside from ensuring the board collectively has the necessary professional skills and sector-specific experience to govern the charity effectively, we are actively reviewing our approach to recruitment to ensure that our board and wider workforce are more representative of the beneficiaries and communities we serve.

The board meets six times a year, with the Chief Executive and other members of the senior leadership team in attendance. Each meeting follows a core set of agenda items, allowing trustees to hear from and challenge management on business performance and to have oversight of governance, risk and compliance matters. In addition, a rolling board agenda builds in strategic check-points, governance reviews, risk deep dives and operational spotlights at key points throughout the year.

All trustees follow a dedicated induction programme and complete mandatory refresher training across key areas of risk and compliance, such as safeguarding, health and safety, infection prevention control and information governance annually. We set high standards of professional conduct and integrity for our trustees and conflicts of interest are regularly reviewed.

As part of board succession planning, the board has recently conducted an exercise to define the skills and experiences most important to the future success of The Children's Trust and performed a gap analysis against existing skills and experiences. This identified areas of strength and some gaps. The output of this is informing the candidate profiles for trustee recruitment.

The trustees have the benefit of a qualifying third-party indemnity provision as defined by section 234 Companies Act 2006. The Charity purchased and maintained throughout the year directors' and officers' liability insurance in respect of itself and its trustees.

Board Committees

Given the breadth of sectors we operate across, the board delegates some of its key functions and responsibilities to a number of specialist committees as follows.

Clinical Governance & Safeguarding Committee
This committee provides structured and systematic oversight of the organisation's clinical governance, risk management and safeguarding policies and procedures. It holds management to account for compliance with key regulations and statutory guidance, including the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014; Care Quality Commission (Registration) Regulations 2009 and The Care Standards Act 2000 and provides assurance to the board over the same. The committee meets at least five times per annum.

Educational Governance Committee
This committee has delegated authority to act as the de facto 'governing body' of The Children's Trust School. The scope and objectives of the committee are informed by UK legislation and statutory guidance from Department for Education. The committee's role is to hold the Director of Education and senior leadership team to account for the educational performance, internal organisation and management and control of the school, including the performance management of staff. The committee meets four times per annum.

Finance, Fundraising and General Purposes Committee
The primary purpose of this committee is to support the board in ensuring the charity manages its finances, income, human resources, estates, facilities and IT responsibly and ethically in pursuit of its charitable purposes, and that its fundraising practices are compliant, efficient and effective. The committee normally meets five times per annum however the frequency has been increased in 22/23 in response to the need for additional scrutiny and review of the financial position and plans.

Audit & Risk Committee
The primary purpose of the committee is to provide assurance to the board on the adequacy of risk management, internal control and governance arrangements and that public and charitable funds are used efficiently and effectively. The Audit & Risk Committee is responsible for the appointment and removal of the external auditor, for the ongoing relationship and liaison with the auditor and for monitoring management's responsiveness to both internal and external audit findings and recommendations. The committee meets five times per annum.

Investment Committee
The primary purpose of the committee is to establish and monitor the charity's investment and reserves policies. The committee meets four times per annum.

Appointments Committee

The committee's primary purpose is to review board composition and approve trustee, honorary officer and senior leadership team appointments. The committee meets once per annum or as and when necessary for new appointments.

Remuneration Committee
The primary purpose of the remuneration committee is to determine employment and remuneration policies and to approve the annual pay review. The committee meets once per annum.

Research Governance Committee
This committee was established to ensure that the charity undertakes good quality research to further its reputation with leading clinicians and healthcare institutions.

New Build Committee
This committee was established to govern all aspects of a major construction project at Tadworth Court (Project Butterfly). Our plans had been to build a new £15m facility to replace the existing school building and provide shared spaces for our multi-disciplinary teams, children and young people and their families to come together. Given the decision to postpone Project Butterfly for the foreseeable future and our commitment to revisit our business strategy in early 2023/24, there are no plans for this committee to convene for the foreseeable future.

Governance

The Governance Working Group which comprises three trustees, Director of People & Culture, Director of Education and the Company Secretary meets periodically throughout the year sets an annual programme of work focussed on reviewing and improving compliance with the Charity Governance Code, adopted by the charity through our 'Principles of Governance'.

In 2021/22, the working group has reviewed and updated the charity's Articles of Association, Matters Reserved for the board, Delegation of Financial Authority and the terms of reference for each of the board's committees.

An external board effectiveness review was also commissioned in the second half of the year which found the charity was strong on the technical and regulatory aspects of governance but that heavy workload in these areas sometimes reduced the time for consideration of more strategic, external facing issues. Overall, the review concluded that the charity was well-run. The Governance Working Group, alongside the board, is taking forward the recommendations from the review.

Since the year-end and following the reporting of the serious incident to the Charity Commission, a number of areas for improvement have been raised as part of an internal audit of the charity's financial governance and internal controls. Implementing the agreed action plan from this internal audit will be a key priority for the senior leadership team in the coming months, with oversight from the Finance, Fundraising and General Purposes Committee and Audit & Risk Committee.

The Trustees confirm that in approving the Trustees' report they are also confirming the strategic report in their capacity as Directors of the charitable company.

On behalf of the Board

Duncan Ingram
Chair of Trustees

Date: 7 February 2023

Reference and administrative details

Trustees

The following individuals were directors of the company during the reporting period:

Duncan Ingram
Chair of Trustees and Remuneration Committee (Chair) and Appointments (Chair)

Sarah Barker
Clinical Governance and Safeguarding Committee, whistleblowing and safeguarding lead
resigned on 22 December 2022

Viv Berkeley
Educational Governance Committee (Chair)
resigned 29 July 2022

Timothy Davies
Finance, Fundraising and General Purposes, Audit and Risk, Investment and Educational Governance Committees

Denise Matthams
Clinical Governance and Safeguarding, Educational Governance (Chair) and Remuneration Committees

Toby Mullins
Educational Governance and Research Governance Committees

Nigel Scott
Finance, Fundraising and General Purposes, Audit and Risk (Chair) Investment (Chair) and New Build Committees (Chair)

Fiona Sheridan
Finance, Fundraising and General Purposes (Chair), Audit and Risk, Investment and Remuneration Committees and appointed Vice Chair of Trustees more recently from March 2022

Sam Thomson
Finance, Fundraising and General Purposes Committee

Anne Walker
Clinical Governance and Safeguarding, Finance, Fundraising and General Purposes and Audit and Risk Committees

Senior Leadership Team

Dalton Leong
Chief Executive
resigned 2 December 2022

Jayne Cooper
Director of Clinical Services (Chief Nurse)
resigned 15 April 2022

Claire Champion
Interim Director of Nursing and Quality
appointed 6 June 2022

Paul Farthing
Director of Income Generation and Communications
resigned 16 September 2021

Liz George
Director of Income Generation and Communications
appointed 1 February 2022

Colin Kerr
Director of Finance and Business Performance
resigned 8 July 2022

Elizabeth Sell
Interim Director of Finance
appointed 8 September 2022

Michael Maddick
Director of People and Culture
appointed Interim Chief Executive 1 December 2022

Samantha Newton
Director of Education
resigned 2 January 2023

Dr Vijay Palanivel
Medical Director and Senior Consultant in Paediatric Neurodisability

Nicola Smith
Director of Strategy and Transformation

Melanie Burroughs
Director of Therapies,
appointed 15 August 2022

Company Secretary

Olivia Rowntree

Medical Advisor

Dr Sarah Aylett
resigned 6 September 2022

Registered Office

The Children's Trust Tadworth Court Tadworth
Surrey KT20 5RU

Advisors

Bankers
Lloyds Bank, 4th Floor, 125 London, Wall London, EC2Y 5AS

Auditor
RSM UK Audit LLP, 25 Farringdon, Street London, EC4A 4AB

Solicitors
DAC Beachcroft, 100 Fetter Lane, London, EC4A 1BN
Mills & Reeve from 25 May 2022

Investment Managers
Investec Wealth & Investment, 30 Gresham Street, London
EC2V 7QP

Ambassadors

Amanda Burton
Jenni Falconer
Jacqueline Gold CBE
Richard Hammond
Adam Hills MBE
Harry Judd
Izzy Judd
Nicholas Owen
Elaine Paige OBE
Joely Richardson
Phil Tufnell
Holly Valance
David Walliams OBE
Sophia Warner BEM

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2022

Opinion
We have audited the financial statements of The Children's Trust (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 2022 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.

Material uncertainty relating to going concern
We draw your attention to the disclosures made in the accounting policies in note 1.2 of these financial statements, concerning the Charity's ability to continue as a going concern. During the year ended 31 March 2022 and subsequently the Charity's financial position deteriorated significantly, leading to the development of a recovery plan in November 2022.

Additional funding through a working capital loan of £5m has been secured in February 2023 in order to implement the trustee approved recovery plan.

The trustees have reasonable expectation that the Charity now has adequate resources to continue operating for the foreseeable future, thus, the Charity continues to adopt the going concern basis in preparing the financial statements. However, there exists uncertainties over the ability to deliver the recovery plan and any underperformance could lead to a breach in their funding agreements. This indicates that material uncertainty exists that may cast significant doubt over Charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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.

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2022

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.

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, 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 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.

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 21, 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 to going concern and using the going concern basis of accounting unless the trustees

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2022

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 frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- 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 Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. 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, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Safeguarding Vulnerable Groups Act 2006, Keeping Children Safe in Education 2019, the Code of Fundraising Practice, the Children and Families Act 2014, the UK General Data Protection Regulations, the Care Act 2014 and the Care Quality Commission regulations. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls and as the area 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 and challenging judgments and estimates.

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

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2022

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.

HCatchpool

Hannah Catchpool
(Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

16 February 2023

Statement of financial activities (incorporating an income and expenditure account)
For the year ended 31 March 2022

	Note	Unrestricted General Funds	Restricted Funds	Endowment Funds	2022 Total Funds	2021 Total Funds
Income and endowments from:						
Charitable activities	**2**	20,778	-	-	20,778	19,008
Donations and legacies	**3**	2,000	1,652	-	3,652	3,802
Government grants	**3a**	887	320	-	1,207	3,387
Other trading activities						
– Events		257	-	-	257	132
– Charity shops		2,056	-	-	2,056	1,319
– Lottery		131	-	-	131	167
	4	2,444	-	-	2,444	1,618
Investment income	**5**	144	-	25	169	171
Other income	**6**	643	-	-	643	482
Total income		**26,896**	**1,972**	**25**	**28,893**	**28,468**
Expenditure on:						
Raising funds						
– Costs of donations and legacies		1,793	-	-	1,793	1,811
– Investment in future income		64	-	-	64	195
– Events		340	-	-	340	252
– Charity shops		2,096	-	-	2,096	1,885
– Lottery		130	-	-	130	141
Total cost of raising funds	**8**	4,423	-	-	4,423	4,284
Charitable activities	**7**	25,939	1,558	82	27,579	25,140
Impaorment	**23**	1,092	-	-	1,092	-
Total expenditure	**8**	**31,454**	**1,558**	**82**	**33,094**	**29,424**
Net (expenditure) before gains		(4,558)	414	(57)	(4,201)	(956)
Net unrealised gain on investments	**15**	369	-	13	382	1,375
Net (expenditure)/income		(4.189)	414	(44)	(3,819)	419
Other recognised gains/(losses):						
Transfers	**21**	(333)	333	-	-	-
Net movement in funds		**(4,522)**	**747**	**(44)**	**(3,819)**	**419**
Reconciliation of funds:						
Total funds brought forward		24,197	2,444	780	27,421	27,002
Total funds carried forward		**19,675**	**3,191**	**736**	**23,602**	**27,421**

The statement of financial activities includes all gains and losses recognised in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

Balance sheet
As at 31 March 2022

	Note	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Fixed assets					
Intangible fixed assets	**14a**	2,124		1,794	
Tangible fixed assets	**14**	14,520		15,442	
Tadworth Court	**14**	2,250		1,466	
			18,894		18,702
Investments	**15**		6,999		7,986
			25,893		26,688
Current assets					
Stocks		308		195	
Debtors	**16**	3,473		3,081	
Cash at bank and in hand		549		773	
		4,330		4,049	
Current liabilities					
Creditors: amounts falling due within one year	**17**	(6,621)		(3,316)	
Net current (liabilities)/assets			(2,291)		733
Net assets			**23,602**		**27,421**
The funds of the Charity					
Unrestricted funds					
General funds			2,582		6,966
Designated			17,093		17,231
			19.675		24,197
Restricted funds			1,391		977
Fixed Asset Restricted Fund			1,800		1,467
Endowment funds			736		780
Total funds	**21**		**23,602**		**27,421**

The financial statements were approved by the trustees and authorised for issue on 7 February 2023.

Company Number: 1757875

Duncan Ingram
Chair of Trustees

Fiona Sheridan
Chair of Fundraising, Finance and General Purposes

Cash flow statement
For the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Net expenditure for the reporting period before gains/(losses)		(3,819)	419
Adjustments for:			
Interest and investment income		(169)	(171)
Depreciation and impairment	14	2,883	1,712
(Gain)/loss in investment in market value	15	(345)	(1,375)
Increase in stocks		(113)	(12)
Decrease/(Increase) in debtors		(392)	2,400
Increase in creditors		3,305	616
Net cash used in operating activities		**1,350**	**3,589**
Cash flows from investing activities			
Investment income received		169	171
Investment income reinvested	15	(169)	(171)
Capital expenditure	14	(3,074)	(3,028)
Sale of investments	15	1,500	(500)
Purchase of investments	15	-	430
Net cash (used in)/provided by investing activities		**(1,574)**	**(3,098)**
Change in cash and cash equivalents in the reporting period		(224)	491
Cash and cash equivalents at the beginning of the year		773	282
Cash and cash equivalents at the end of the year		**549**	**773**

	2022 £'000	2021 £'000
Analysis of cash and cash equivalents		
Cash at bank and in hand	549	773
Total cash and cash equivalents	**549**	**773**

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2022

1. Accounting policies

The Children's Trust is a Charitable Company limited by guarantee. The address of the Trust's principal place of business is given on page 26 of this report. The nature of the Charity's operations is set out in the Trustees' Report: as the UK's leading charity for children with brain injury and neurodisability we deliver rehabilitation, education and community services through skilled teams who work with children, young people and their families.

1.1 Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102. The Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP effective 1 January 2019) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The Charity meets the definition of a public benefit entity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Preparation of the accounts on a going concern basis

The 5-year strategy approved by the board in March 2020 predicted an operating surplus of £1.5m in 2021/22 and in subsequent years and was aimed at facilitating a significant capital asset rebuild of approximately £15m.

Post year end, as part of the Q1 financial review, it became apparent that the budget for 2022/23 was not going to be achieved.

The board approved a recovery plan in November 2022 which is based upon fundamental changes to our service delivery model and cost base that will take time to have an impact upon income and expenditure. We are expecting a significant deficit in 2022/23 and to return to an operating surplus in 2023/24.

This plan was the basis of an application which resulted in a £5 million loan facility over 25 years provided by Charity Bank (£4m) and Big Society Capital (£1m) that was agreed in January 2023. A restructuring consultation formally began in December 2022 with proposed changes that would deliver the planned reduced headcount by May 2023. A formal revaluation of the Tadworth site identified a £3.8m increase in the value of the property which supported applications for loan funding.

Given the deficit in 2021/22 and the significant forecast deficit in 2022/23 which has required substantial application of funds from the investment portfolio, the trustees focus is now on returning the organisation to a position of sustainable financial stability and Project Butterfly has been postponed for the foreseeable future.

The recovery plan refocusses delivery on the specific requirements of our contracts with commissioners; evolving our model in the school-houses to be care led, developing our CSAs to lead in place of nurses; a proposed reduction in headcount of approx. 15%.

The implementation of this plan has already begun with staff consultation on the proposed restructure and negotiations with commissioners around 2023/4 fees. However it will take most of 2023/24 to fully implement the care-led model and there are various risks in our plan in relation to inflation and pay increase assumptions.

In the event the cost savings and income levels in the recovery plan are not achieved, there is a risk the Charity will breach the terms of their loan funding agreements. This would lead to a material uncertainty that may cast significant doubt over the going concern position of the Charity until such time as the recovery plan is successfully implemented.

On the basis of the recovery plan and associated forecasts and the loan secured in January, the board is satisfied that the charity is a going concern and therefore prepared the accounts on a going concern basis.

1.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Collections made by third parties on behalf of the charity are accounted for when received.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Notes to the financial statements
For the year ended 31 March 2022

For legacy income, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

When funds are restricted for capital expenditure the treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

Donated professional services and donated facilities are recognised as income when the charity has control over the item.

On receipt, donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs (audit and insurance), are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Where support costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in note 9 to the accounts.

Any irrecoverable VAT is included as part of the cost to which it relates. The amount incurred in the year is disclosed in note 11.

1.5 Fund accounting

General unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity.

Designated funds are set aside by the trustees out of unrestricted general funds for specific future purposes.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

Endowment funds are funds where the assets must be held by the charity, principally in the form of investments.

Income from endowments is included in income, either restricted or unrestricted, in accordance with the terms of the endowment.

Any capital gains or losses arising on the investments are allocated to the related fund. Further explanation of the nature and purpose of each fund is included in note 21.

1.6 Fixed assets

Tangible fixed assets
Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold land	Not depreciated
Freehold and leasehold property	4%, 10% and 20%
Tadworth Court	2%
Plant and office furniture and equipment	10%-20%
Residential houses furniture and equipment	20%
Computer equipment	33%
Motor vehicles	20%
Motor vehicles – vans	14%-25%
Motor vehicles – minibuses	13%

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

Post year end the trustees commissioned Savills to undertake a formal revaluation of the Tadworth Court site and properties. This report was prepared and reviewed by Savills qualified staff (MRICS) and was dated 2 December 2022. It gave a market value for the site of £17.85 million. From 2022/23 onwards there must be a formal revaluation every five years with an informal review by a suitably qualified party between those dates. The terms of the Charity Bank loan require a revaluation every 3 years.

Assets in the course of construction are carried at cost less any identified impairment loss. Depreciation commences when the properties are ready for their intended use.

Notes to the financial statements
For the year ended 31 March 2022

Intangible fixed assets
Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	33%
Computer software – major systems	17%

Assets in the course of construction are carried at cost less any identified impairment loss. Amortisation commences when the software is ready for its intended use.

1.7 Tadworth Court

This balance represents the freehold of Tadworth Court, it houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at cost and is depreciated over 50 years. The trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which is required to preserve or prevent deterioration is capitalised when it is incurred.

1.8 Investment

Quoted investments are included at market value (bid/selling price). Investments in subsidiaries are stated at cost. Realised and unrealised gains and losses are shown in the appropriate section of the SOFA.

1.9 Stock

Shop stock is stated at the lower of cost and net realisable value. Medical stocks are held at cost and are not normally held for resale.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.11 Pension costs

Certain of the charity's clinical and teaching staff are members of the NHS Pension Scheme or Teachers' Pension Scheme respectively, both of which are defined benefit schemes. The schemes are not designed to be run in a way that would enable individual employer bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as if they are a defined contribution scheme: the cost of participating in the schemes is taken as being equal to the contributions payable to the scheme for the accounting period.

Other staff are able to join the charity's defined contribution pension scheme. The employer contributions are included within resources expended and represent the amount of contribution payable to the schemes in respect of the accounting period.

1.12 Operating lease payments

Total payments under operating leases are charged to the SOFA on a straight-line basis over the lease term

1.13 Consolidation

The financial statements include the results of the charity only on the basis that the results of The Children's Trust Trading Company Limited are immaterial to the charity. Accordingly, a consolidated statement of financial activities and balance sheet has not been prepared for the year.

1.14 Critical accounting estimates and areas of judgement

In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The only material judgement required that relates to 2021/22 was to impair the Project Butterfly costs. Given the postponement of the project for the foreseeable future and the possibility that the current designs may not be adopted when the project recommences the trustees decided it would not be reasonable to retain the work in progress in fixed assets and the costs have been fully expensed in 2021/22.

Post year end the trustees commissioned Savills to provide a revaluation of the Tadworth site and properties. The value reported in December 2022 was £17.85 million and this value will be reflected in the 2022/23 accounts.

1.15 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.16 Creditors

Creditors 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 are recognised at their settlement amount.

1.17 Financial instruments

The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there

Notes to the financial statements
For the year ended 31 March 2022

is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income, social security and other taxation liabilities, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

1.18 Employee benefits

The cost of short-term benefits, such as accrued holiday are recognised as a liability and an expense.

1.19 Significant events

Post year end, as part of the Q1 financial review, it became apparent that the budget for 2022/23 was not going to be achieved. The trustees decided that the charity's financial position should be reported to the Charity Commission in a Serious Incident Report.

The board approved a recovery plan in November 2022 which set out a path to deliver an operating surplus by the end of 2023/24. This plan was the basis of an application which resulted in a £5 million loan facility over 25 years provided by Charity Bank (£4m) and Big Society Capital (£1m) that was agreed in January 2023. A restructuring consultation formally began in December 2022 with proposed changes that would deliver the planned headcounts by May 2023. A formal revaluation of the Tadworth site identified a £3.8m increase in the value of the property which supported applications for loan funding.

1.20 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.

Notes to the financial statements
For the year ended 31 March 2022

2. Charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 Total £'000
Care and rehabilitation services	11,303	-	-	11,303
The Children's Trust School	9,422	-	-	9,422
Community services	53	-	-	53
Total charitable activities	**20,778**	**-**	**-**	**20,778**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2021 Total £'000
Care and rehabilitation services	10,261	-	-	10,261
The Children's Trust School	8,720	-	-	8,720
Community services	27	-	-	27
Total charitable activities	**19,008**	**-**	**-**	**19,008**

3. Donations and legacies

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Donations and covenants	1,900	1,652	3,552	2,524	550	3,074
Legacies	100	-	100	728	-	728
Total donations and legacies	**2,000**	**1,652**	**3,652**	**3,252**	**550**	**3,802**

Substantial support was received from the Garfield Weston Foundation, plus funding from The Steel Charitable Trust, the Constable Education Trust and from the Community Foundation for Surrey to support music therapy. Legacies are low in 2022 as we have provided for a legacy accounted for in 2021 which, with Charity Commission approval, will be partially redistributed.

3a. Income from Government grants

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
NHS England Palliative Care	-	299	299	-	248	248
DFE Capital Grant		21	21	-	-	-
NHS England (via Hospice UK) – Covid Grant	820	-	820	-	-	-
NHSE Capacity Grant	-	-	-	-	2,781	2,781
UK Government Furlough Scheme	18	-	18	358	-	358
Retail Grant	49	-	49	-	-	-
Total Government grants	**887**	**320**	**1,207**	**358**	**3,029**	**3,387**

Notes to the financial statements
For the year ended 31 March 2022

Charity shop gift aid is included in donations.

4. Other trading activities

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Events	257	-	257	132	-	132
Charity shops	2,056	-	2,056	1,319	-	1,319
Lottery	131	-	131	167	-	167
Total other trading activities	**2,444**	**-**	**2,444**	**1,618**	**-**	**1,618**

5. Investment income

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Dividends and interest: UK	100	25	125	107	13	120
Dividends and interest: foreign	44	-	44	41	9	50
Bank interest	-	-	-	-	1	1
Total investment income	**144**	**25**	**169**	**148**	**23**	**171**

6. Other income

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
Lettings – both staff and parents	119	-	119	131	-	131
Catering	96	-	96	65	-	65
Nursery	145	-	145	106	-	106
Other income	283	-	283	180	-	180
Total other income	**643**	**-**	**643**	**482**	**-**	**482**

7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	Endowment £'000	2022 Total £'000
Charitable activities	25,939	1,558	82	27,579
Impairment (note 23)	1,092	-	-	1,092
Total expenditure	**27,031**	**1,558**	**82**	**28,671**

	Unrestricted £'000	Restricted £'000	Endowment £'000	2021 Total £'000
Charitable activities	21,822	3,318	-	25,140
Total expenditure	**21,822**	**3,318**	**-**	**25,140**

Notes to the financial statements
For the year ended 31 March 2022

8. Expenditure on:

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2022 Total £'000
Charitable activities				
Care and rehabilitation services	9,104	4,696	195	13,994
The Children's Trust School	8,639	3,840	159	12,638
Community services	622	311	13	946
	18,365	8,847	367	27,579
Raising funds				
Costs of generating donations and legacies	1,120	648	24	1,793
Investment in future income	40	23	1	64
Events	212	123	5	340
Charity shops	1,442	622	32	2,096
Lottery	81	47	2	130
	2,895	1,464	64	4,423
Total expenditure	**21,260**	**10,311**	**431**	**32,002**

	Direct costs £'000	Support costs £'000	Governance costs £'000	2021 Total £'000
Charitable activities				
Care and rehabilitation services	9,009	4,132	206	13,347
The Children's Trust School	7,365	3,380	168	10,913
Community services	594	273	13	880
	16,968	7,785	387	25,140
Raising funds				
Costs of generating donations and legacies	1,224	559	28	1,811
Investment in future income	132	60	3	195
Events	170	78	4	252
Charity shops	1,331	528	26	1,885
Lottery	96	43	2	141
	2,953	1,268	63	4,284
Total expenditure	**19,921**	**9,053**	**450**	**29,424**

Expenditure on raising funds is unrestricted in both years.

Notes to the financial statements
For the year ended 31 March 2022

Allocation of support costs

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2022 Total £'000
Marketing	130	106	23	19	9	287
Communications	243	199	44	36	16	538
Facilities	1,191	975	213	176	79	2,634
Human resources	719	588	129	107	48	1,591
Finance	413	338	74	61	27	913
IT	502	411	90	74	33	1,110
Chief Executive's Office	93	76	17	14	6	206
Strategy Team	291	238	52	43	19	643
Risk (insurance)	120	98	22	18	8	266
Depreciation: Tadworth	495	403	89	-	33	1,020
Depreciation: Other	353	289	63	52	23	780
Provisions	146	119	26	22	10	323
Total support costs allocated (note 8)	**4,696**	**3,840**	**842**	**622**	**311**	**10,311**

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2021 Total £'000
Marketing	107	88	19	16	7	237
Communications	217	177	39	32	14	479
Facilities	1,056	865	189	157	70	2,337
Human resources	639	523	114	95	42	1,413
Finance	385	313	69	57	25	849
IT	323	265	58	48	21	715
Chief Executive's Office	85	70	15	13	6	189
Strategy Team	208	171	37	31	14	461
Risk(insurance)	90	73	16	13	6	198
Depreciation: Tadworth	580	472	104	-	38	1,194
Depreciation: Other	233	192	42	35	16	518
Provisions	209	171	38	31	14	463
Total support costs allocated (note 8)	**4,132**	**3,380**	**740**	**528**	**273**	**9,053**

Notes to the financial statements
For the year ended 31 March 2022

9. Basis of allocation

Support costs are recharged relative to the proportions of direct costs.

The growth in IT cost has been driven by the investment in equipment to enable staff to work from home during the pandemic, and by investment in new HR, Finance, Procurement and CRM (fundraising) systems which incurred increased ongoing maintenance costs.

The Strategy team includes some utilities costs as they were under the management of the Sustainability Lead.
Risk (insurance) costs relate to insurance. All other Risk and Governance costs are shown in Note 9 (a).

Provisions comprise: Salary Sacrifice (£322k) 2021: (£463k)

9a. Allocation of governance costs

	2022 £'000	2021 £'000
Risk and governance	361	418
External audit	70	32
Total	**431**	**450**

10. Net income/(expenditure) for the year

	2022 £'000	2021 £'000
This is stated after charging:		
Depreciation	1,791	1,712
Impairment	1,092	62
Payments under operating leases:		
Retail properties	422	363
Equipment	9	8
Auditor remuneration:		
Audit of the financial statements	70	32
Other audit services	-	3

11. Gift Aid

For the year ended 31 March 2022, the charity received Gift Aid payments of £333k (2021: £267k). This was all in relation to donations from individuals. The Children's Trust Trading Company Limited did not report a surplus so there was no Gift Aid from this source. Against this, the charity sustained irrecoverable VAT of £903k (2021: £1066k).

Notes to the financial statements
For the year ended 31 March 2022

12. Staff remuneration and pensions

	2022 £'000	2021 £'000
Salaries	19,616	18,405
Social security costs	1,815	1,735
Pension costs	1,373	1,301
Temporary staff costs	762	104
Agency staff costs	636	817
Total	**24,202**	**22,362**

The average head count for the financial year was 712 staff (2021: 713 staff). This figure includes permanent, fixed term and active bank workers and the average monthly number of full-time equivalent employees during the year were as follows:

12a. Average monthly number of full-time employees during the year

	2022 FTEs	2021 FTEs
Charitable activities	380	370
Fundraising	20	30
Charity shops	29	30
Support	110	96
Governance	5	6
Total	**544**	**532**

Key management personnel include the trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £1,073k (2021: £1,046k). (Trustees = £nil). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The number of employees whose emoluments fell within the following ranges are set out below. The number of current employees earning over £60,000 has been split between clinical and executive staff. The Chief Executive's emoluments fall into the £130,001-£150,000 band (2021 £120,001-£130,000).

	2022 clinical	2021 clinical	2022 executive	2021 executive	2022 total	2021 total
£60,001-£70,000	1	2	2	8	3	10
£70,001-£80,000	6	3	4	2	10	5
£80,001-£90,000	2	-	2	2	4	2
£90,001-£100,000	-	1	-	-	-	1
£100,001-£110,000	1	-	1	1	2	1
£110,001-£120,000	-	-	1	-	1	-
£120,001-£130,000	-	-	-	1	-	1
£130,001-£150,000	-	-	1	-	1	-
£170,001-£180,000	-	1	-	-	-	1
£180,001-£200,000	1	-	-	-	1	-
Total	**11**	**7**	**11**	**14**	**22**	**21**

During the year the charity made payments to 5 staff (2021: 11 staff) in respect of redundancy and termination totalling £37k (2021: £70k).

No amounts are included in creditors at the balance sheet date (2021:£nil).

Notes to the financial statements
For the year ended 31 March 2022

Pensions
The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 ("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, is as follows:

	2022 £'000	2021 £'000	2022 Number	2021 Number
TCT Group Pension Plan	858	1,095	531	522
Teachers' Pension Scheme	129	91	13	11
NHS Pension Scheme	376	348	79	70

The Children's Trust Group Pension Plan
The charity's Group Pension Plan is a defined contribution scheme, administered by Aviva, as personal pension plans for the benefit of employees. The scheme is also used to comply with auto-enrolment requirements, which came into effect from 1 November 2013.

Teachers' Pension Scheme
The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to Access.

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

- Employer contribution rates set at 23.68% of pensionable pay (including 0.8% administration levy).
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million.
- The SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the year amounted to £129k (2021: £91k).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

There were no outstanding teacher's pension contributions at year end for either year.

National Health Service Pension Scheme
The NHS operates an unfunded defined benefit scheme for the nursing sector, in which the charity participates. The charity 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. The charity is not liable for past service costs beyond these contributions. Contributions remained at 14.38% in 2022 and in 2021.

Notes to the financial statements
For the year ended 31 March 2022

13. Trustee emoluments and reimbursed expenses

Trustees should be encouraged to claim expenses to avoid this being a barrier to new trustees. If trustees don't wish to claim expenses, then they can make a donation of a similar amount. Gift Aid can then be claimed on such a donation.

During the year £48 (2021: £nil) was paid to 1 trustee (2021: none) in respect of travel and subsistence.

The charity purchased insurance costing £6,652 (2021: £4,480) included in support costs to protect it from loss arising from neglect or default of the trustees and to indemnify the trustees against the consequences of neglect or default on their part.

14. Fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost							
At 1 April 2021	2,697	750	24,343	4,822	433	1,537	34,582
Additions	13	3	14	599	-	1,885	2,514
Transfers	834	-	556	158	-	(1,548)	-
At 31 March 2022	3,544	753	24,913	5,579	433	1,874	37,096
Depreciation and Impairment							
At 1 April 2021	1,231	-	12,510	3,636	297	-	17,674
Impairment	-	-	-	-	-	1,092	1,092
Charge for the year	63	-	953	503	41	-	1,560
At 31 March 2022	1,294	-	13,463	4,139	338	1,092	20,326
Net book value at 31 March 2022	**2,250**	**753**	**11,450**	**1,440**	**95**	**782**	**16,770**
Net book value at 31 March 2021	**1,466**	**750**	**11,833**	**1,186**	**136**	**1,537**	**16,908**

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities.

Parts of the building and grounds are open to the public on several days in the year.

Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property. (See Note 18 in respect of Contingent Liabilities and note 21 in respect of restricted funds).

The £1.092m impairment is the expensing of all costs incurred to date in relation to Project Butterfly which has been postponed for the foreseeable future.

Notes to the financial statements
For the year ended 31 March 2022

14a. Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Total £'000
Cost			
At 1 April 2021	2,109	414	2,523
Additions	165	395	560
Transfers	68	(68)	-
	2,342	741	3,083
Amortisation			
At 1 April 2021	728	-	728
Charge for the year	231	-	231
	959	-	959
Net book value at 31 March 2022	**1,383**	**741**	**2,124**
Net book value at 31 March 2021	**1,380**	**414**	**1,794**

15. Investments

	2022 £'000	2021 £'000
Market value at 1 April 2021	7,986	6,370
Cash transferred	(1,500)	100
Increase in market value	383	1,375
Investec Wealth and Investment dividends re-invested	169	171
Fees/charges	(38)	(30)
Market value at 31 March 2022	**6,999**	**7,986**
Historical cost as at 31 March 2022	**6,058**	**6,175**

	2022 £'000	2021 £'000
Fixed investments	944	1,186
Listed equities	4,977	5,864
Property	444	374
Alternatives	524	442
Cash	110	120
Total	**6,999**	**7,986**

£75,000 received originally from the Victoria Convalescent Fund is currently invested through Investec. The market value at 31 March 2022 was £68k (2021: £72k)

At 31 March 2022 the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2021: £2). The registered office of the subsidiary is Tadworth Court, Tadworth, Surrey, KT20 5RU. The only activity in the year was the sale of stock back to the parent company (the charity) and the company is now dormant.

Notes to the financial statements
For the year ended 31 March 2022

16. Debtors

	2022 £'000	2021 £'000
Trade debtors	1,501	1,136
Other debtors	1,250	1,249
Intercompany debtors	-	31
Prepayments and accrued income	722	665
Total	**3,473**	**3,081**

17. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	1,607	1,032
Accruals	1,190	537
Other creditors	70	32
Intercompany creditors	-	-
Deferred income	743	675
Social security and other taxation	3,011	1,040
Total	**6,621**	**3,316**

Analysis of deferred income

Income is deferred where it relates to future events or services for which monies had been received prior to the year end. During the year, £675k (2021: £380k) was released to income and £743k (2021: £675k) was deferred.

Delayed payments

Due to issues with cash flow Trade Creditors increased as we extended payment beyond the 30 days usual payment terms and Social Security & other taxation increased due to late payment of HMRC and pensions.

18. Financial and capital commitments and contingent liabilities

At 31 March 2022 the Trust had total commitments under non-cancellable leases/agreements as follows:

	2022 £'000	2021 £'000
Leasehold buildings – up to one year	268	290
Leasehold buildings – between one and five years	78	480
Leasehold buildings – more than five years	101	58
Other – up to one year	29	-
Total	**476**	**828**

At 31 March 2022, capital commitments authorised and contracted for (net of payments to date on account) amounted to £98k (2021: £115k). No other capital expenditure was authorised but not contracted for (2021: Nil).

The Department of Health hold a charge for the £2.85 million grant awarded on 22 December 1995 that was towards the acquisition, refurbishment and improvement of the Tadworth site. There are various conditions that would make this grant wholly or partially repayable such as using the premises for purposes outside of our charitable objects or if the premises are sold. There are currently no plans that would breach these conditions and so this amount is not reflected in the financial accounts.

Notes to the financial statements
For the year ended 31 March 2022

19. Government grants

The following government grants were received:

	2022 £'000	2021 £'000
NHS England Children's Palliative Care grant	299	248
DFE Capital Grant	21	-
Hospice UK Grant	820	-
NHSE Capacity Grant	-	2,781
UK Government Furlough Scheme	18	358
Retail Grant	49	-
Total	**1,207**	**3,387**

There are no unfulfilled conditions which would require the repayments of any grants.

20. Related party transactions

During the year, management fees of £nil (2021: £23k) were charged to the charity's subsidiary as no trade occurred within the subsidiary during this time. There was no surplus in either year so no Gift Aid donated to the charity. All stock held by the trading company had been acquired by the Organisation which has eliminated the inter-company creditor. At the balance sheet date, there were no fees owed from the subsidiary (2021: £33k).

21. Capital and reserves

As at 31 March 2022:

a. Movement on funds	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2022 £'000
Unrestricted general funds:						
Unrestricted funds:						
Undesignated	6,966	26,896	(30,362)	369	(1,287)	2,582
	6,966	26,896	(30,362)	369	(1,287)	2,582
Designated funds:						
Tangible fixed assets reserve	17,231	-	(1,092)	-	954	17,093
	17,231	-	(1,092)	-	954	17,093
Total unrestricted	**24,197**	**26,896**	**(31,454)**	**369**	**(333)**	**19,675**
Restricted funds:						
Development and operational	659	1,652	(941)	-	-	1,370
Grants	318	320	(617)	-	-	21
	977	1,972	(1,558)	-	-	1,391
Fixed Asset Restricted fund						
Department of Health	1,467	-	-	-	333	1,800
Endowment funds:						
Gardiner Fund	708	23	(75)	12	-	668
Victoria Convalescent Fund	72	2	(7)	1	-	68
	780	25	(82)	13	-	736
Total funds	**27,421**	**28,893**	**(33,094)**	**382**	**-**	**23,602**

Notes to the financial statements
For the year ended 31 March 2022

Previous year (31 March 2021):

	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted general funds:						
Undesignated funds:						
Undesignated	7,789	24,866	(26,106)	1,293	(876)	6,966
	7,789	24,866	(26,106)	1,293	(876)	6,966
Designated funds:						
Tangible fixed assets reserve	15,867	-	-	-	1,364	17,231
	15,867	-	-	-	1,364	17,231
Total unrestricted	**23,656**	**24,866**	**(26,106)**	**1,293**	**488**	**24,197**
Restricted funds:						
Development and operational	834	3,579	(3,318)	-	(436)	659
Grants	318	-	-	-	-	318
	1,152	3,579	(3,318)	-	(436)	977
Fixed Asset Restricted fund						
Department of Health	1,519	-	-	-	(52)	1,467
Endowment funds:						
Gardiner Fund	612	21	-	75	-	708
Victoria Convalescent Fund	63	2	-	7	-	72
	675	23	-	82	-	780
Total funds	**27,002**	**28,468**	**(29,424)**	**1,375**	**-**	**27,421**

Designated funds
The fixed asset reserve, together with the Department of Health (DoH) restricted fund represents the charity's investment

Restricted funds
These are set out subsequently.

Endowment funds
The Gardiner Fund is an endowed special trust, established as an appeal fund in 1983. Post year end in November 2022 the Charity Commission agreed to remove the endowment restriction on this fund.

The Victoria Convalescent Fund is a permanent endowment and represents a gift of capital to the charity, the income from which is restricted and is used to fund care for children for whom no statutory funding is available.

Notes to the financial statements
For the year ended 31 March 2022

As at 31 March 2022:

b. Analysis of restricted funds	At 1 April 2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2022 £'000
Operational:					
Project Butterfly	0	722	(517)	51	256
Community (Aim 2)	-	445	(12)	-	433
DFE Capital	-	21	-	-	21
Palliative Care	-	299	(299)	-	-
Sub total	**0**	**1,487**	**(828)**	**51**	**710**
Development:					
Community	5	193	(134)	-	64
Walkway	8	-	-	(8)	-
New Build	97	-	-	(97)	-
School	-	-	-	47	47
Electronic Clinical Records System	50	-	(50)	-	-
Cheyne Centre	49	81	(127)	-	2
Sub total	**209**	**274**	**(311)**	**(59)**	**113**
Houses					
Camelia House	5	-	-	(5)	0
Mulberry House	47	-	-	(47)	-
Camelia/ Mulberry House	-	4	(4)	52	52
Maple House	29	-	(2)	-	27
Oak House	43	-	(3)	-	40
Chestnut House	45	-	(1)	-	43
Hawthorn House	26	-	(1)	-	25
Jasmine House	52	-	(4)	-	48
Willow House	3	-	(3)	-	-
Sub total	**249**	**4**	**(18)**	**-**	**236**
Other					
Other	201	207	(83)	8	332
Sub total	**201**	**207**	**(83)**	**8**	**332**
Op/Dev/House/Other total	**659**	**1,972**	**(1,240)**	**-**	**1,392**
Grants:					
School standards fund	318	-	(318)	-	-
DFE Capital grant	-	21	-	-	21
Palliative Care	-	299	(299)	-	-
Sub total	**318**	**-**	**(617)**	**-**	**-**
Restricted total	**977**	**1,972**	**(1,558)**	**-**	**1,392**
Fixed Asset restricted:					
Department of Health	1,467	-	-	333	1,800
Total	**2,444**	**1,972**	**(1,588)**	**333**	**3,191**

Notes to the financial statements
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The transfers between Restricted funds are movements to separate out funds we had previously grouped for reporting purposes (e.g. New Build has been separated back out into School and Project Butterfly) or to move a small fund into the 'Other' grouping (e.g. Walkway). The transfer in the Fixed Asset Restricted section shows the release of the Department of Health grant into unrestricted funds to match the depreciation of Tadworth Court.

Operational and Development funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

Houses represents funds that are restricted donations for each individual house within the organisation and are used for outings for children, leisure activities and other items, depending on the bequest granted by the donor.

Other is a combination of small, restricted funds such as the walkway project, each with their own specific restriction.

The Department of Health made grants in 1995 to the charity in relation to the Grade 1 listed property known as Tadworth Court.

As at 31 March 2021: to make the format of the previously reported figures comparable with 2020/21 we have combined the capital and expenditure columns and have grouped various lines with sub totals. This new presentation gives a better idea of the different types of restriction across our wide range of restricted funds.

Notes to the financial statements
For the year ended 31 March 2022

b. Analysis of restricted funds	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	At 31 March 2021 £'000
Operational:					
NHSE Capacity	-	2,781	(2,781)	-	0
Palliative Care	-	248	(248)	-	-
Sub total	**-**	**3,029**	**(3,029)**	**-**	**0**
Development:					
Community	1	138	(134)	-	5
Walkway	-	100	(92)	-	8
New Build	-	97	-	-	97
Electronic Clinical Records System	331	25	(307)	-	49
Camelia House	9	-	(4)	-	5
Maple House	30	-	(1)	-	29
Mulberry House	48	-	(1)		47
Oak House	45	-	(3)	-	42
Chestnut House	47	-	(3)	-	44
Hawthorn House	25	-	-	-	25
Jasmine House	53	-	(2)	-	51
Willow House	5	-	(3)	-	2
Cheyne Centre	51	7	(10)	-	48
Other	189	183	(165)	-	207
Sub total	**834**	**550**	**(725)**	**-**	**659**
Grants:					
School standards fund	318	-	-	-	318
Palliative care	-	248	(248)	-	-
NHSE Capacity		2,781	(2,781)	-	-
Sub total	**318**	**3,029**	**(3,029)**	**-**	**318**
Restricted total	**1,152**	**3,579**	**(3,754)**	**-**	**977**
Fixed Asset restricted:					
Department of Health	1,519	-	-	(52)	1,467
Total	**2,671**	**3,579**	**(3,754)**	**(52)**	**2,444**

Development and Operational funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

The Department of Health made grants in 1995 to the charity in relation to the Grade 1 listed property known as Tadworth Court. These grants, totalling £2.85m, are only repayable under certain circumstances which, in the opinion of the trustees, are unlikely to arise. Of the total grants, £750,000 was applied to the transfer of the freehold of the site and £2.1m was applied to repairs to the building. The grants are secured by a legal charge over the freehold property.

Notes to the financial statements
For the year ended 31 March 2022

c. Analysis of net assets between funds	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2022 £'000
Fund balances at 31 March 2022 are represented by:				
Fixed assets	17,094	1,800	-	18,894
Investments	6,263	-	736	6,999
Current assets	2,939	1,391	-	4,330
Current liabilities	(6,621)	-	-	(6,621)
Total funds	**19,675**	**3,191**	**736**	**23,602**

c. Analysis of net assets between funds	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2021 £'000
Fund balances at 31 March 2021 are represented by:				
Fixed assets	17,236	1,466	-	18,702
Investments	7,206	-	780	7,986
Current assets	3,071	978	-	4,049
Current liabilities	(3,316)	-	-	-3,316
Total funds	**24,197**	**2,444**	**780**	**27,421**

22. Financial instruments

	2022 £'000	2021 £'000
Financial instruments measured at fair value are as follows:		
Financial assets		
Investec Investment	**6,999**	**7,986**

23. Impairment

The £1.092million impairment is the cost incurred to date on Project Butterfly – the project aimed at facilitating a significant capital asset rebuild of approximately £15m.

Given the organisation's financial situation the trustees decided that the project would have to be postponed for the foreseeable future. The project will need to recommence at some point as it is a business need to upgrade or replace our school building within the next 8 – 10 years. However we are unlikely to be able to invest in a new build project on the scale of the existing designs but will instead be considering a more affordable and sustainable option.

£430k of this total relates to costs incurred in previous years; this was included in the Assets Under Construction column of the Note 14 Fixed Assets in the 2020/21 accounts. The remaining £662k was incurred in 2021/22. Expenditure was predominantly on fees relating to design and securing planning permission, and included some staff cost for the team working on this project. Many of the donors who gave funds restricted to this project agreed that their donations could be used to cover these costs. We are in conversation with a small number of remaining donors regarding their donations in relation to the new timescale for this project.

The Children's Trust
For children with brain injury

The Children's Trust
Tadworth Court
Tadworth
Surrey
KT20 5RU

01737 365000
enquiries@thechildrenstrust.org.uk
thechildrenstrust.org.uk

Charity registration number: 288018
Company registration number: 1757875

Registered with FUNDRAISING REGULATOR

Ofsted Good Provider

The Children's Trust is registered with the Fundraising Regulator, inspected and rated an 'Good Provider' by Ofsted Care (for residential houses).
The Children's Trust School is rated a 'Good Provider' by Ofsted Education. TCT_1400 02/23.

THE CHILDREN'S TRUST

England & Wales - Charity number 288018

Accounts

Children have the right to be children

The Children's Trust
Annual Report and Accounts 2020-2021

The Children's Trust
For children with brain injury

Who we are and what we do

We are working towards a time when all children and young people with brain injury and neurodisability have the opportunity to live the best life possible.

The Children's Trust is the UK's leading charity for children with brain injury and neurodisability. We deliver rehabilitation, education and community services through skilled teams who work with children, young people and their families.

Our services are provided through:

Individually tailored rehabilitation programmes for children who have sustained a brain injury.

The Children's Trust School and Nursery for children with a range of complex education, health, therapy and care needs.

Brain Injury Community Service providing therapeutic support.

Brain Injury Hub providing online evidence-based resources for families, teachers and health professionals.

The Children's Trust was established in 1984 for the following purposes:

'*For the care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life-limiting or life-threatening conditions and neurological damage acquired through accident or other causes; for support of families and other carers involved; and for the prevention of such disabilities and disorders.*'

'*To hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.*'

These objects still guide us today as we enter the second year of our five-year strategy 'Hope and Ambition'.

Our progress against the strategy is presented here as the Trustees' 36th Annual Report and the audited Financial Statements of The Children's Trust ('the charity') for the year ended 31 March 2021.

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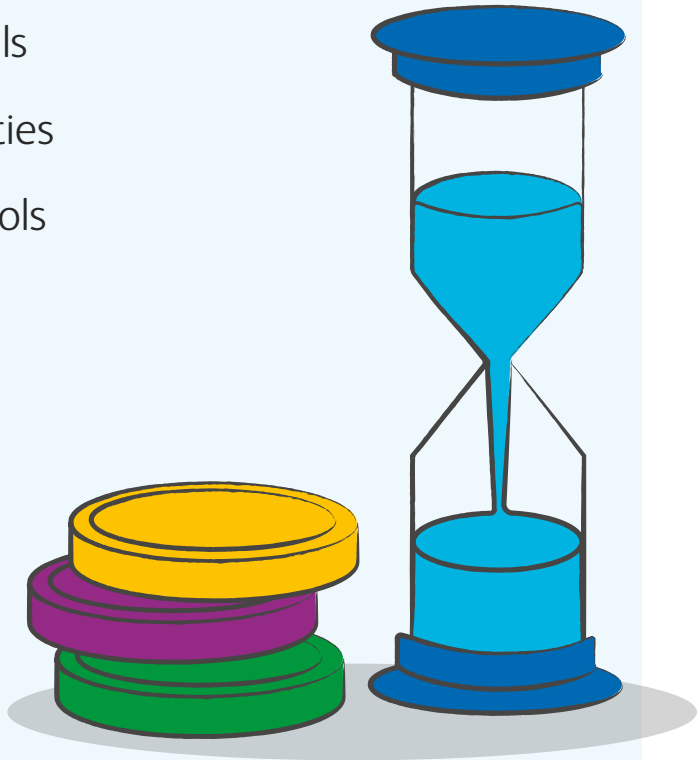


Welcome from our Chair and Chief Executive

Amidst the global COVID-19 pandemic, our collective commitment to supporting more children with brain injury and neurodisability remained steadfast.

The unwavering dedication and loyalty of staff, volunteers and supporters has made this a year of progress for The Children's Trust as we pressed ahead with our five-year strategy, Hope and Ambition.

At the outset of the pandemic, the Senior Leadership Team established a Major Incident Team, which met regularly, and continued to do so throughout the year. There was enhanced co-ordination between the Chair and the Chief Executive, regular updates to Trustees, and a detailed report, including risk assessment, at each Board meeting. This ensured that there was effective oversight of the key risks, challenges and responses throughout the year.

In 2020/21 we tapped into our resilience like never before, modifying our services to ensure that we could continue them without jeopardising the outcomes of children who receive our support.

The impact of COVID-19 and how we adapted

We quickly adapted our admissions process for children coming from hospital to The Children's Trust for rehabilitation following a brain injury.

Allowing for an earlier hospital discharge to start their rehabilitation placement not only lessened the child's risk of contracting COVID-19 at hospital, it also freed up much-needed NHS beds during the height of the pandemic. The earlier admission of children to The Children's Trust from hospital meant that their needs were, in many cases, more complex.

The essential changes to our service delivery, in addition to the purchase of personal protective equipment and IT infrastructure to support remote working for many staff, resulted in significant unbudgeted spend.

Like so many charities we faced huge financial loss; our retail shops closed, income from international referrals stopped, as did our fundraising events and community fundraising programme. However, the tide of generosity that we received from new and existing supporters during this difficult time helped offset much of this gap. We extend a heartfelt 'thank you' to all of our supporters for their role in helping us continue our service delivery.

From the onset of the pandemic, and throughout the year, our staff have been unwavering in ensuring the children's care was their first priority. Staff adapted brilliantly with the changing circumstances and have been extremely flexible and collaborative in carrying out their roles.

They have shown agility, adaptability and innovation to cope with continual challenges and uncertainty and we firmly believe we are better and stronger for the experience. Their response throughout has been admirable and we would like to pay tribute to our dedicated team.

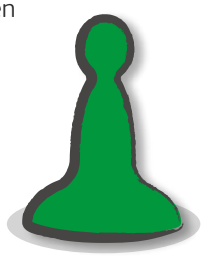
Our commitment to good governance was unshaken throughout the year. We faced many difficult decisions as a result of the pandemic. As Chair and Chief Executive, we met more frequently with increased meeting times. And with consistent communication between the Board of Trustees and the Senior Leadership Team we worked tirelessly to act in the best interests of the children, families and staff.

Future growth

Our strategic ambitions, set out in our Hope & Ambition strategy, launched just before the pandemic, have progressed well despite the temporary and necessary pausing of some projects within our business plan.

While this year has presented challenges, it has set the wheels in motion for further improving our facilities and working more efficiently. We are taking confidence from how effectively we have adapted and the speed with which we were able to change our ways of working.

We feel empowered by the use of technology, which we have all become more proficient with over the year. This rapid adoption of technology extends to the evolution of our service provision too. Our plans for the use of robotics and other assistive technology will help to improve the outcomes for many of the children we support and we will be trialling robotic equipment in our rehabilitation and school settings this coming year.



We are in the process of developing support to children in the community with the creation of new teams. Regardless of where they live or their socio-economic background, we will ensure that all children who need our support following an acquired brain injury will have access to our services. We will be also be expanding our work in schools and raising public awareness of acquired brain injury.

State-of-the-art new build

Project Butterfly, a redevelopment at our Tadworth Court site will be the most significant capital project to be undertaken by The Children's Trust in more than ten years. At the time of writing, we are preparing to submit our proposal to seek planning permission for a new centre to replace our School building. This will be so much more than a new school.

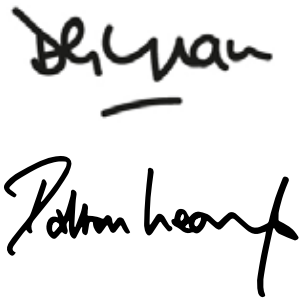
Project Butterfly will become our new National Centre of Excellence, delivering integrated education, health, therapy and care, and with an ever-greater focus on putting children and families at the heart of our work.

There will be opportunities for staff to share best practice, develop new skills and shape how The Children's Trust can influence others, in the UK and overseas. The new centre will be a beacon of commitment by The Children's Trust to consistently drive change in the pursuit of excellence.

In alignment with how we have evolved and grown over recent years we will be working on redefining our culture and values this year. This area of work will play a key role in helping us deliver our strategy. We have also committed to improving our work on equity, diversity and inclusion and have appointed an Equity, Diversity and Inclusion Officer to bring focus to this priority.

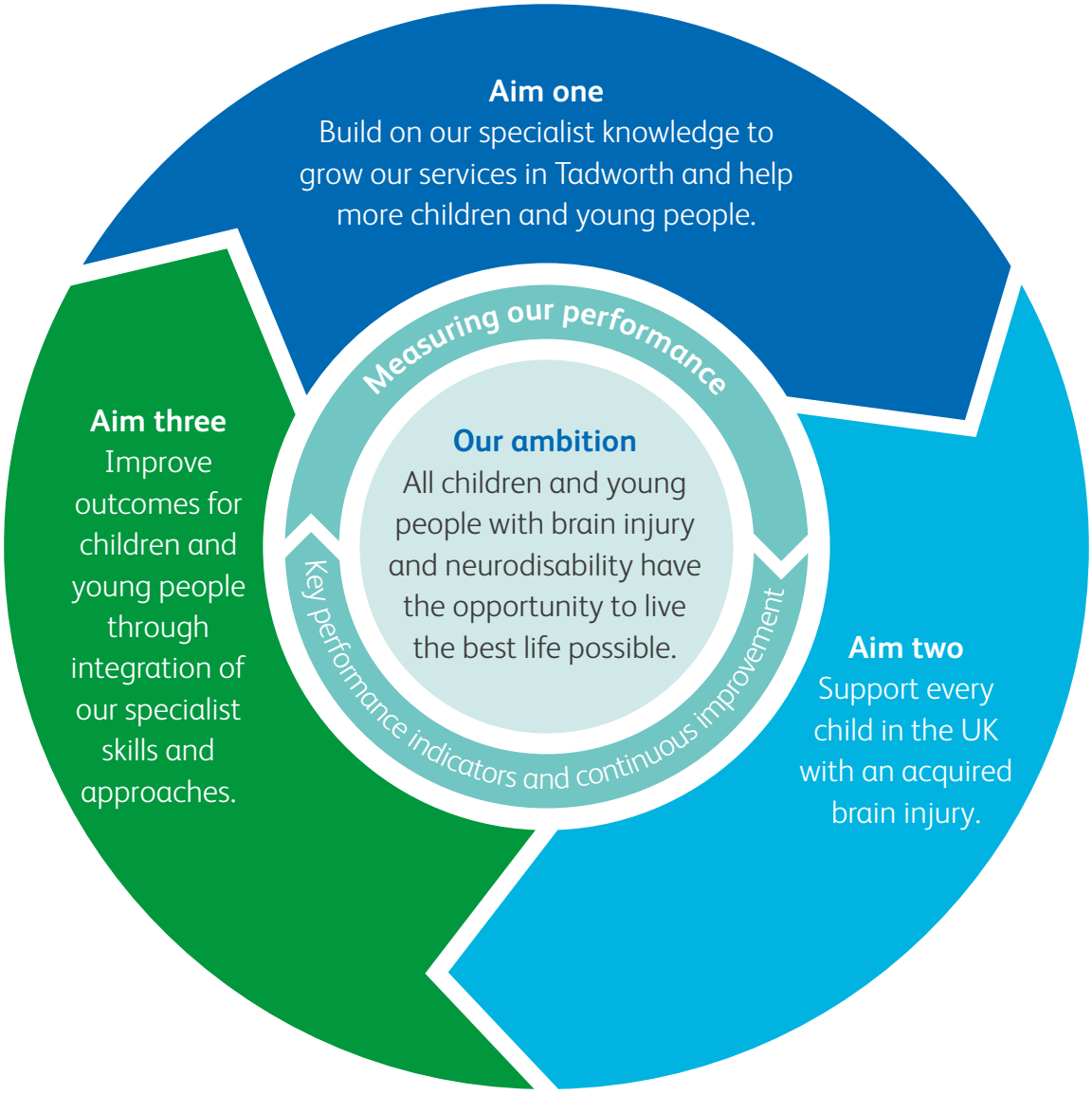
We are an organisation on a mission, focused on reaching and supporting more children with brain injury and neurodisability and striving for excellence in everything we do. We are looking to the future with optimism as we continue to follow our roadmap of growth.

On behalf of the Board of Trustees and Senior Leadership Team, we would like to thank you for your support and interest in our work. If you would like to keep up to date with our programme of work and progress, we would encourage you to sign up for our newsletter. **thechildrenstrust.org.uk/email-sign-up**



Hope and Ambition: Delivering our strategy

Despite the challenges presented this past year, we have made progress with our Hope and Ambition strategy since it was launched in April 2020. We are moving ever closer towards a time when all children and young people with brain injury will have the opportunity to live the best life possible.



How we work

Building excellence – underpinning our aims

- People and culture
- A responsible organisation
- Adding value to our communities
- Systems and processes

During the pandemic we adapted our services to ensure we met the needs of children and families.

Aim one: Build on our specialist knowledge to grow our services at Tadworth Court and help more children and young people

As the only organisation of its kind in the UK, we have a duty to maximise our unique expertise, experience and facilities so that we can offer new services and help even more children with acquired brain injury and neurodisability.

Adapting our delivery of rehabilitation

The pandemic inadvertently gave us the opportunity to modify some areas of our residential rehabilitation service in order to comply with national and local COVID-19 restrictions and ease pressure on the NHS. Firstly, we admitted children from hospital for rehabilitation earlier than normal so that we could support the referring hospitals and help increase NHS capacity.

We moved from a five-day to a six-day model of care for those receiving rehabilitation. Children and young people coped well with this and it enabled us to discharge them more quickly. We temporarily reduced our average length of stay from 12 weeks to 6 weeks.

While we had to make the difficult decision to restrict sibling visits, measures were put in place so that parents could remain and were encouraged to stay at our family accommodation during their child's time with us.

We maintained social distancing where possible and in many cases parents became more hands-on during therapy sessions, with the support of our expert guidance and instruction. This slightly modified delivery of our services proved beneficial, giving parents the opportunity to feel more involved in the rehabilitation process and learn skills which they could implement when they returned home.

Lily and the team at The Children's Trust taking part in a popular dance, which helped her regain strength in her arm.

Lily's story

During the first national lockdown, eight-year-old Lily had a stroke.

"*She had all the typical stroke symptoms; her face had dropped on one side, her arm was affected and she had slurred speech,*" explained mum, Natalie. "*It just never occurred to me that this could happen to a child. I always assumed that it just happened to older people. I was wrong.*" Lily spent four weeks in hospital. The restrictions meant that only one parent was able to be with her throughout this time.

Natalie said: "*We were all excited to get Lily to The Children's Trust. It was exactly what she needed and it also meant that as soon as she got there, I would be allowed to see her as both parents could be on site. I was so thankful to be a part of her rehabilitation.*"

"*Alfie, Lily's brother, wasn't able to visit so it was still challenging for us and the family still felt somewhat separated. Lily felt a bit apprehensive about it all, but the staff were amazing, and they really helped settle her and make her feel welcome.*"

During her time at The Children's Trust, Lily received physiotherapy, speech and language, play and occupational therapy, as well as school lessons. One of her goals was to improve the strength in her right arm for activities such as dressing herself and being able to do arts and crafts.

Specialist Occupational Therapist, Mairi explains: "*It was a joy to work towards this with Lily as she always encouraged us to find lots of ways to make therapy more fun. This included learning lots of dances that were popular on social media and included the use of Lily's right arm, making bracelets and making slime using both hands. By the end of her placement, Lily's right arm was much stronger and we could barely keep up with her dances!*"

In July 2020 Lily rang the special bell to mark the end of her rehabilitation and to celebrate all that she had achieved during her time at The Children's Trust.

She returned to school in September, attending for two hours to begin with and building this up gradually. "*Family life is starting to feel normal again,*" said Natalie.

> *"It just never occurred to me that this could happen to a child. I always assumed that it just happened to older people. I was wrong."*
>
> **Natalie, Lily's mum**

New innovative services to support more children

Our Innovation Programme will enable us to launch five new services over the course of this strategic period. Clinicians identify, discuss and design potential new services and the programme provides effective and robust governance, ensuring that these interventions will improve outcomes for children and young people.

The pilot of our first new service, Functional Neurological Disorder (FND) packages, has proved successful. FND is the name given for symptoms in the body which appear to be caused by problems in the nervous system, but which are not caused by a physical neurological disease or disorder. While we have previously not supported children with this condition, many of the symptoms and effects such as fatigue, seizures and movement disorders mirror those experienced by children with brain injury.

Significant progress was made by the young person we supported during this first phase of the pilot, which is underway at the time of writing. The interdisciplinary therapeutic support for this package is initially offered virtually followed by a week of on-site support. We will be taking more referrals throughout 2021/22.

We are now on course to launch the pilot of our second new service, Outpatient Movement Disorders which will be a significant expansion to what we already offer. In many cases, early treatment options are crucial to prevent decline in children with movement disorders but there are often long waiting lists for medical and therapy intervention. Our hope is that by developing our service we will create additional options for local commissioners so more children are able to benefit.

Frankie, a pupil at The Children's Trust School being supported in using robotics equipment.

Investing in robotics

Evidence regarding the benefit of robotics is growing. We know that therapy is supported by repetitive, meaningful and rewarding practice of movement and by practising motor skills, both of which robotic devices enable.

In 2021/22 we will invest in upper limb robotics equipment as a trial within our rehabilitation services to address some of the greatest clinical challenges. This equipment offers effective rehabilitation to children with no or very little arm and hand movement following their brain injury for whom other evidence-based interventions for children are less effective.

The device eliminates gravity, enabling movement. Movement is initiated by the children and not a therapist as per conventional therapy. It allows children to carry out tasks such as brushing their teeth or making a sandwich unassisted. This is an important element of nurturing children's independence after a brain injury.

For children with neurodisability we are also initiating a trial of the Innowalk Pro. This is a robotic device intended for people with moderate to severe disabilities. It is a supportive piece of equipment that starts with the user in a sitting position. It brings them up into a standing position and then passively moves their legs to facilitate a stepping motion.

We have assessed children residing at The Children's Trust School and we hope that it will provide an opportunity for an alternative type of movement and physical activity, where a lot of these young people do not regularly access these opportunities. Physical benefits have been reported including improving muscle tone, respiratory and digestive function.

The data we collect from testing robotic equipment will help inform us of its impact on outcomes for children with brain injuries or complex neurodisabilities. This will form part of our longer term innovation investment plan.

Millie's story

Millie came to The Children's Trust School with a history of repeated respiratory infections, often requiring prolonged hospital admissions.

She has a severe spinal scoliosis which significantly impacts on her abilities to breathe and cough effectively.

The Children's Trust has supported Millie in accessing specialist respiratory services, assessments and in developing a daily airway clearance routine. Since the introduction of this daily routine and the skilled team around Millie, she has not had any respiratory infections or subsequent hospital admissions for the last three years.

Because of the complexity of Millie's spinal shape and the restrictions this imposes on her breathing, ensuring that Millie is supported in her positioning is essential. Millie makes use of specialist equipment in sitting, standing and lying to ensure that her breathing is always the best it can be.

Long-term ventilation skills

In the past year we have developed training programmes which include support for respiratory care. We want to develop this specialism and have factored tracheostomy and ventilation skill sets in our recruitment of nurses.

This drive in expanding our long-term ventilation expertise means we can offer support to more children, reduce hospital stays for many and in some cases offer a 'step-down' service between hospital and returning home.

A **tracheostomy** is an opening created at the front of the neck so a tube can be inserted into the windpipe to support breathing. Tracheostomies are a potentially life-saving procedure that can be temporary or permanent. But it can be very invasive and take some time for a child to adjust. Tracheostomy care is an essential skill to lower the risk of the infection and to ensure that a child is comfortable.

The family experience

Family accommodation is an important element of our services at Tadworth Court. It means parents of children receiving rehabilitation following a brain injury can stay with them during their rehabilitation placement and allows them to learn how to deliver their child's care and therapy requirements when they return home. Family accommodation also provides visiting opportunities for families of our residential school pupils.

This coming year we will enhance the family experience for those staying with us including the social experience, support for siblings and how we can better improve the weekends and school holidays experience as this is when family visits are most common.

The children we support come from across the UK as well as internationally so we believe this work will also support the increase in referrals from a wider geography.

Our research culture

In spite of the limitations of travel and in-person conferences this year, the clinical, educational and research teams have continued to represent The Children's Trust at virtual national and international events. We have had four articles published in peer reviewed journals.

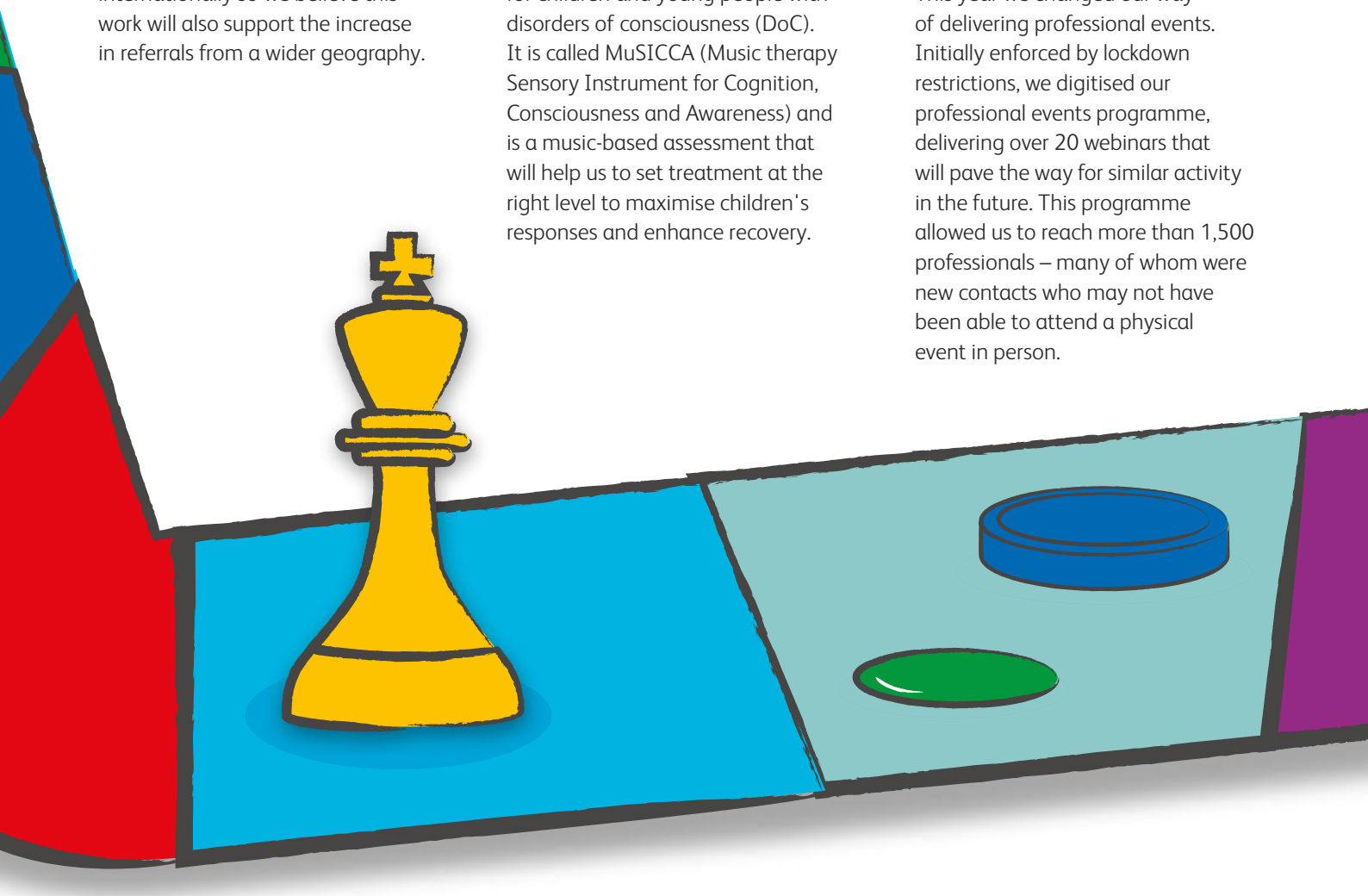
We have carried out several projects with a focus on COVID-19. These include a service evaluation of child rehabilitation data, a research study of professional roles/boundaries and a blog on a human rights-based approach to helping children with complex needs during a pandemic.

The Children's Trust's Research Music Therapist is leading an international research project to develop one of the first assessments for children and young people with disorders of consciousness (DoC). It is called MuSICCA (Music therapy Sensory Instrument for Cognition, Consciousness and Awareness) and is a music-based assessment that will help us to set treatment at the right level to maximise children's responses and enhance recovery.

Increasing referrals

Throughout 2020/21, we have focused on building relationships with both existing and new referrers and funders, to increase the profile of our work and grow the number of referrals across our services. Whilst the pandemic presented some challenges, referral numbers suggest it also resulted in a short-term reduction of children sustaining brain injuries through accidents. As a result, there was less need for our services. Despite this we maintained contact with our key referrers and major trauma centres across the UK and continued to provide vital support to the NHS's pandemic response. We did this by moving to virtual assessments which allowed us to admit children more quickly (within 10 days in some cases), helping to free up vital NHS beds.

This year we changed our way of delivering professional events. Initially enforced by lockdown restrictions, we digitised our professional events programme, delivering over 20 webinars that will pave the way for similar activity in the future. This programme allowed us to reach more than 1,500 professionals – many of whom were new contacts who may not have been able to attend a physical event in person.



Aim two: Support every child in the UK with an acquired brain injury

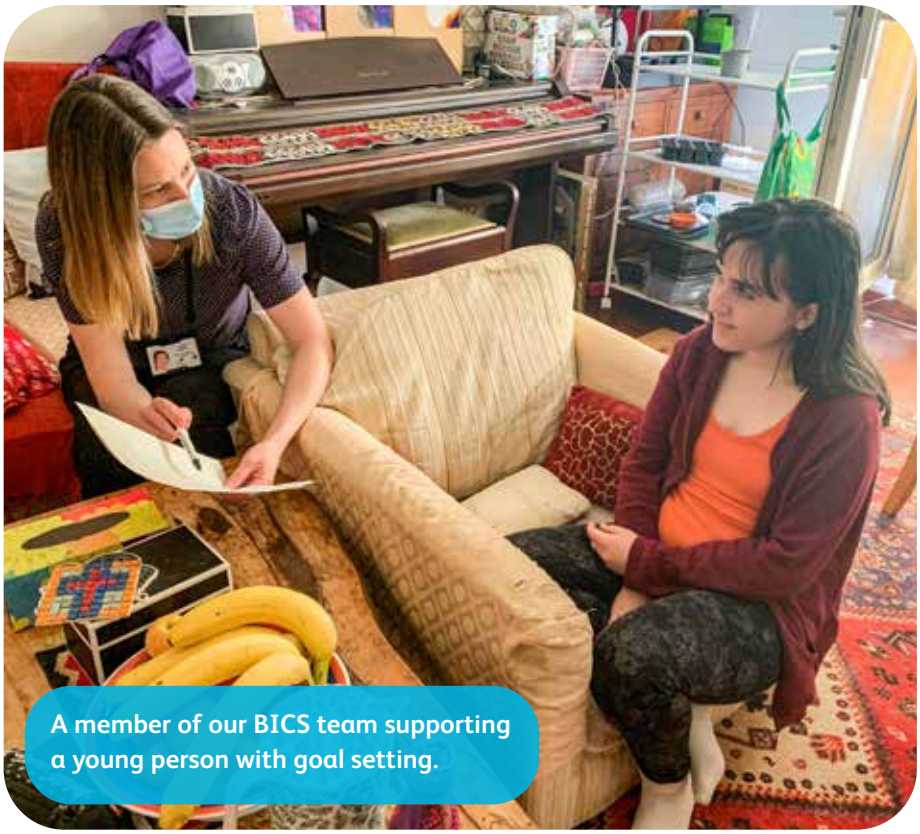
Sadly, there is a startling lack of support for too many children with acquired brain injuries.

While there are a range of clinical services and non-clinical assistance for children with brain injury and their families, the scope and availability varies widely across the UK and there is no obvious place for families to go for information and guidance. The required support for children with severe brain injury is patchy throughout the country and in many cases unavailable.

We know from our research that some children, particularly those who have sustained a concussion or 'mild' brain injury, receive no follow up care. Yet many children will suffer long-term effects which may impact them for the rest of their lives.

Our bold mission is to ensure that every child and family affected by an acquired brain injury receives information, advice and support at their time of need.

"We work closely with the support network around the young person, such as their teachers, carers, parents and other professionals. These people will have a big influence over the success of these goals and the aim is to work within these networks to achieve the best possible outcomes for the young person."
Brain Injury Specialist



A member of our BICS team supporting a young person with goal setting.

Supporting children in the community

Reaching children who needed our support in the community remained a top priority for us during the pandemic and various lockdowns.

Our Brain Injury Community Service (BICS) provides a range of support centred around the child or young person. We offer clinical screening, advice and onward referral, as well as community-based multidisciplinary neurorehabilitation. This input is delivered at home, in school or a combination of both settings by our multidisciplinary team.

A long-term register is also in place to ensure we make further contact with families at key stages of development and offer support if new needs arise.

The team have continued to deliver support through virtual clinics and liaised closely with colleagues from our four partnering hospitals to ensure that NHS redeployment did not affect the support we could offer children and families.

BICS	Number of children and young people supported
Leeds	**442**
Nottingham	**400**
Sheffield	**311**
St George's, London	**404**
Tadworth (including funded)	**163 (of which 15 were funded)**
Total SERVICES	**1720***

**Some children receive more than one service from BICS.*

Henry and his family are learning to manage the effects of his brain injury.

"The BICS team described our son's behaviours exactly. I cried with relief when I got off the phone!"

Andrea, Henry's mum

Henry's story

Henry was four when an infection led to encephalitis – an inflammation of the brain.

After a week in hospital, he was discharged and returned to school within a month.

"*We were told Henry would recover completely and were given no further information,*" explained mum, Andrea. "*It was a big mistake for him to return to school. He became aggressive and could not cope with noise, smells, and sensation.*"

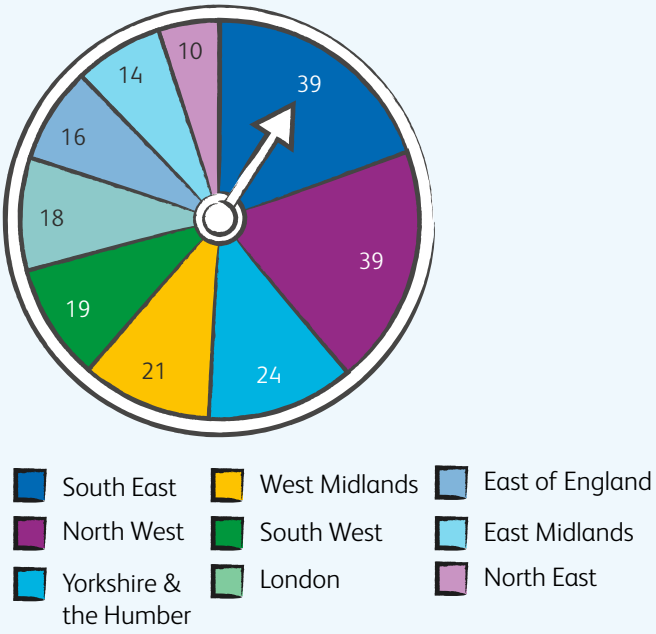
"*He experienced awful headaches and the feeling of 'ants crawling' in his head. He refused to participate in PE as jumping hurt his head and he ended up being restrained a few times.*"

Over the next five years the family were advised that Henry's behaviour would improve. After reaching out to The Children's Trust's Brain Injury Community Service (BICS), Andrea said they finally started to understand Henry's difficulties.

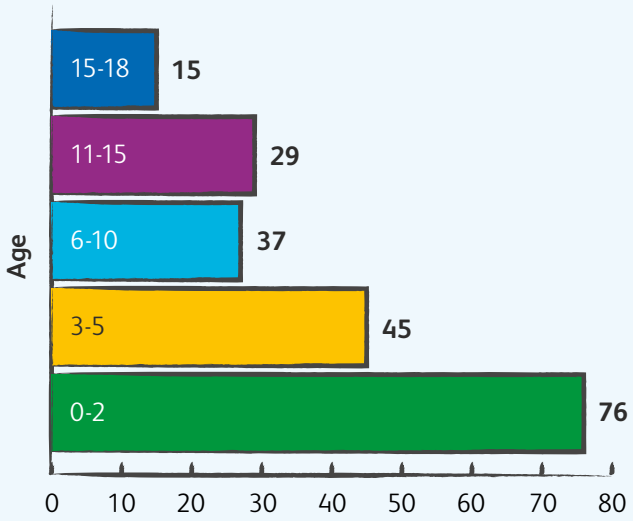
"*It was such a relief to speak with someone who could tell us why our son struggled so much,*" she said. "*The BICS team described our son's behaviours exactly. I cried with relief when I got off the phone!*"

Henry and his family have continued to receive support from BICS who have been able to help them manage the effects of his brain injury through strategies and information.

Head injury by region (per thousand)



Head injury by age (per thousand)



National picture of need

Our National Picture of Need research, carried out in 2020, has given us an important insight into the unmet needs that exist for many children with brain injuries.

200,000
children attend A&E with a head injury each year

30,000
had an acquired brain injury requiring admission to a hospital ward

350
children each year have severe ABI requiring prolonged admission

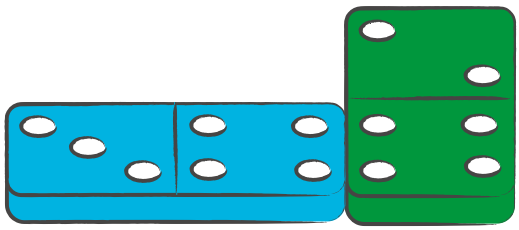
The report highlights the range of support children and their families need following a brain injury and it gives us an indication of where we can address gaps in the level of support.

Our findings reveal the reality of unmet needs:

- access to services for children with brain injury is inconsistent throughout the UK
- lack of a support pathway; services are not joined up
- waiting lists are lengthy (ranging from weeks to months) and service offer is limited
- limited access to support for specific needs: medical and social needs and communication, emotional, social and overall wellbeing
- psychosocial needs are frequently unmet (e.g. helping a child and their families understand a brain injury and adjust to the changes this brings)
- needs of the family are frequently missed
- lack of knowledge and awareness of brain injury, with limited support for schools
- little long-term follow up and support.

It also shines a light on the importance of public awareness and understanding of brain injury and the significant role this plays in supporting children. An educated public and workforce helps to ensure hidden needs are more likely to be recognised and support becomes the role of everyone, enabling the child to participate and live the best life possible.

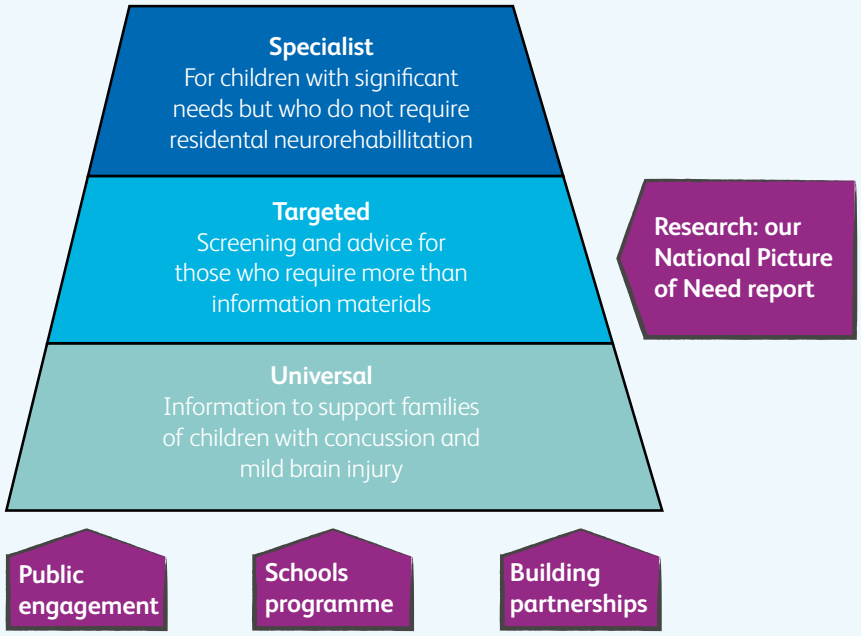
As part of our strategy, we are on a mission to support every child in the UK with an acquired brain injury by 2030. This support will either be provided directly to the child or young person following a brain injury, or to their family, teacher or healthcare professional to empower them with the knowledge and information they need.



Pathways of support

We have created a model which will help us develop pathways of support for all children with brain injury. It is a three-tier model comprising of child and family focused support, based on a recognised model of support.

It is underpinned by other programmes of work such as public engagement through our concussion campaign, our schools programme and building partnerships for all the strands of work.



Leading the way in specialist community neurorehabilitation

We are currently developing a new rehabilitation service in the form of community Interdisciplinary Teams (IDTs), the first of which is due to launch in 2022. Over the duration of our strategy we plan to set up and pilot three teams in three locations in England.

These teams will sit within the top tier of our pathways of support model. Providing support for the early and long-term effects of acquired brain injury, the teams will work with the child and those around them at home, in school and in their everyday activities.

The IDTs will work with existing services in a given area to pro-actively support children from the point of hospital discharge. Each team may look different according to what is already available from existing services, the needs and gaps.

We will evaluate the teams and process as we go along and use the learnings to shape the subsequent teams. Our goal is to demonstrate models that are examples of best practice and replicable across the country. We are confident that our new IDTs will show positive outcomes for children and their families and will deliver social and economic benefit for the public sector.

Our long-term ambition is that the new IDTs will help bring about a system change in the provision of community rehabilitation for children with acquired brain injury and ensure that pathways are sustainable and secure. We hope that our model becomes the blueprint for best practice and is rolled out across the country.

Achieving this requires ongoing partnership and collaboration working across multiple sectors. An important part of this coming year's work will be formalising partnerships with hospitals, local authorities and commissioners necessary to co-create this much needed service, the infrastructure and governance ready for launch.

Together we will create IDTs that will fill a gap and serve even more children and families throughout the country.

Concussion awareness

In early 2021 we launched our pilot public concussion campaign on the concept of helping people understand that concussion is a brain injury and can have serious long-term consequences. Its success has helped us finalise our approach to the wider campaign we propose to launch in 2021/22.

While we already have a booklet on concussion available for parents, families, teachers and sports coaches to order, we knew we had a further responsibility to share this information more widely. We needed to share information with even more parents and caregivers, regardless of whether their children had suffered a concussion or not.

Our new campaign does that. By investing in social media advertising through Facebook, we targeted parents in specific locations with concussion information and an opportunity to order further resources. The pilot demonstrated a strong appetite from parents for this information and we received 2,491 requests for either a digital or hard copy of our booklet and pocket card, *Concussion in children and young people: a guide for families, teachers and sports coaches*. This far exceeded our expectations.

The pilot results are informing our public engagement strategy and over the coming year we are working to secure support from corporate partners, create media engagement and provide this important information to even more parents and professionals caring for children.

Our campaign will help us:

- educate families and caregivers on the signs of concussion
- empower them to seek further advice if symptoms persist
- raise important awareness of brain injury
- raise awareness of The Children's Trust and the services we offer so that more children have the chance of benefiting from our support.

Pilot concussion campaign.

Raising awareness of brain injury in schools

Teachers and other school staff can be hugely influential in a child's successful transition back to school and ongoing journey after a brain injury.

The majority of children who sustain a mild to moderate brain injury will return to mainstream school. And given the rate of brain injury among school-aged children, many teachers will encounter working with a child who has a brain injury.

However, often the effects of acquired brain injury can be misinterpreted for something else, such as bad behaviour or lack of motivation. And this reflects the need for more awareness of brain injury among school staff and in the classroom.

In the past year we have developed an online Schools Programme to provide an introduction to acquired brain injury to school staff. Education professionals will be able to access and complete the introductory session at their own pace and will have an opportunity to take their learning to a more advanced level.

We will be rolling out this online provision to schools and developing the programme by offering further in-depth support which will equip schools with strategies and techniques that they can implement.

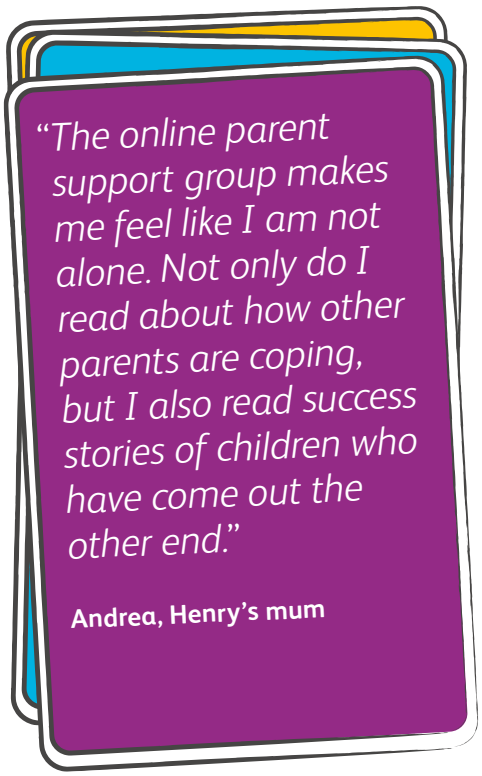
In phase one, we aim to support 1,000 teachers and school staff through our online programme in 2021/22.

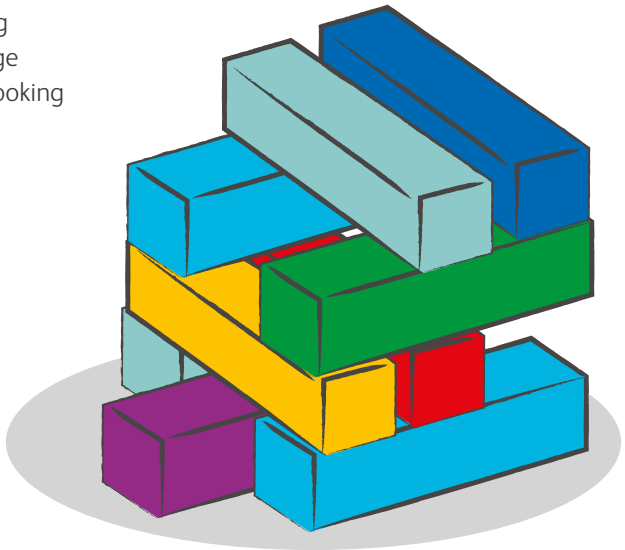
Online support and publications

This year we improved the functionality and user journey for those accessing the Brain Injury Hub, our online resource that provides evidence-based information, support and advice to families and professionals on childhood brain injury and disability.

We migrated the Brain Injury Hub into The Children's Trust main website creating a section so that families and professionals alike find it easier to access all the information they need while discovering more about the services offered at The Children's Trust, all on one platform. Signposting has been used throughout so that users can easily find advice, peer-to-peer support, real stories and referral process.

Our latest publication, The Step-by-Step Cookbook, was published in 2020 with 187 books distributed. The recipe book was created for children and young people who have had a brain injury or those who have additional needs. Developed by our rehabilitation therapists, children and young people, the book offers a range of recipes and tips to make cooking and baking more accessible.





Aim three: Improve outcomes for children and young people through integration of our specialist skills and approaches

The Children's Trust School has established a reputation for educational excellence for young people with the most complex needs. It provides education, therapy and care exclusively for children and young people with profound and multiple learning difficulties and complex health needs.

We offer a diverse range of educational opportunities across the School and Tadworth Tots Nursery and for children and young people with us due to neurodisability and brain injury.

During our five-year strategy we are working towards further integrating education, health therapy and care across our services, leveraging the specialist skills of our staff to create innovative ways for children and young people to achieve their potential.

This strand of our strategy will involve developing flexible pathways between our rehabilitation and educational services. We are committed to exploring how we can transform our service provision to be more family-centred, research-based and to increase the numbers we support.

An integrated approach to learning during the pandemic

The vulnerability of the children and young people that we support at the School meant the need for extreme vigilance in how we delivered learning, care and therapy during the year, minimising their risk to COVID-19.

Our day-to-day structure of learning in class groups was no longer possible and 14 of the children and young people were required to shield either at home or on their residential houses at The Children's Trust. Our education, therapy and care teams continued to work collaboratively during this challenging year, delivering high quality support to the children and young people in changing circumstances and placing their quality of life at the centre of how we worked.

The first step was for us was to identify each child's priority needs and plan to deliver their identified provision (outlined in their Education Health and Care Plans) through a blended approach of both virtual and face-to-face sessions.

All children and young people were supported by a team of consistent and specified staff working holistically across education, health and therapy. Staff adapted to working in either the School (for day pupils) or in School residential houses (in children's bedrooms or house lounges) by using technology to offer education and therapy sessions remotely or in face-to-face small groups.

Our progress data evidenced that our approaches during this period have not adversely affected outcomes for the children and young people, which is detailed in p30-31.

Hearing and responding to the children's needs

To ensure that children were kept safe some activities requiring close contact were restricted during the pandemic and during lockdowns such as use of the aquatic therapy pool.

However, we recognised the potential impact of the restrictions on social, emotional and mental health and implemented regular monitoring of their engagement, responses and 'happiness'. In some cases we sought specialist support from psychosocial professionals to address emotional and mental health needs and sought ways to work that facilitated their emotional needs.

To support the establishment of new and changed routines, the team formulated sensory stories which pair spoken word with sensory stimuli such as items to smell and touch.

These introduced the children and young people to new COVID-19 practices such as hand washing, the use of personal protective equipment (PPE), remaining in their residential houses and different feelings that they may have been experiencing.

Helping them to understand.

Kenny enjoying sensory sessions at school.

Kenny's story

Sensory activities helped Kenny adjust to a new kind of learning during the COVID-19 pandemic.

Kenny has epilepsy, autism and complex education, health, therapy and care needs. He has been a pupil at The Children's Trust School since 2019.

During the past year Kenny's school day routine and class groups changed due to social distancing rules. While he initially found the changes unsettling, he quickly adapted.

During lockdown Kenny continued to have planned opportunities to continue skill acquisition and development against his intended learning targets.

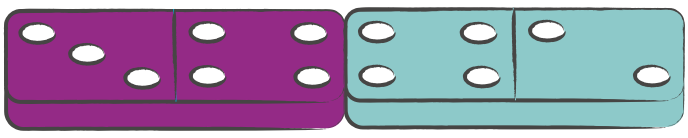
Kenny participated in many creative sessions both virtually and face to face wherever possible both indoor and outdoor to provide variety in approach.

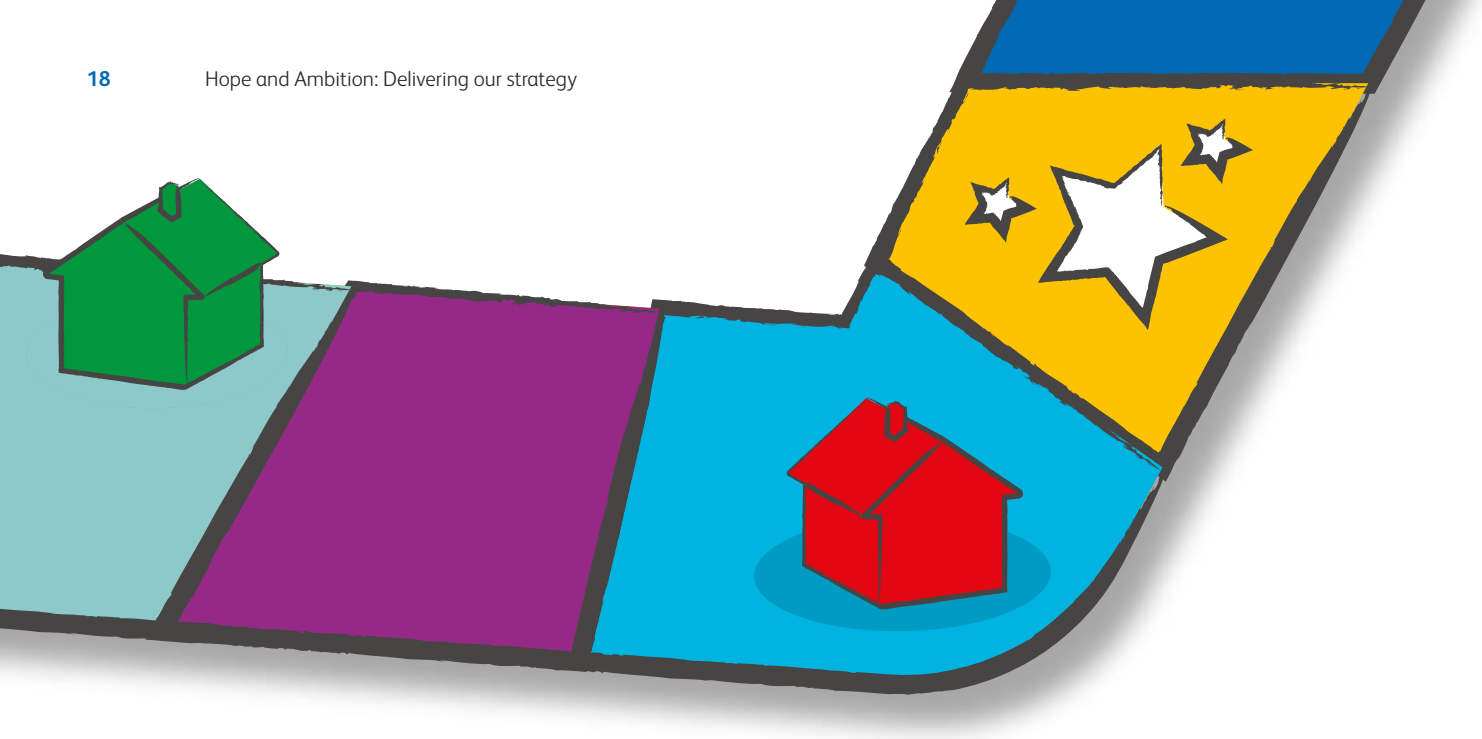
There was a real effort by staff to ensure that routines were maintained to support the children's understanding of what was happening and to make them feel secure during a time where change was huge for them.

Kenny's mum, Jenny said: *"The Children's Trust School has really brought out Kenny's confidence. Previously he was quite shy and would become uneasy meeting new people. Now, he is more confident and will show excitement with a big smile."*

She added: *"As The Children's Trust has continued to operate during the pandemic, I have been really blessed with the opportunity to continue working, knowing that Kenny is well taken care of and can continue to access full educational activities. I am very grateful to the staff."*

> *"I have been really blessed with the opportunity to continue working, knowing that Kenny is well taken care of."*
>
> **Jenny, Kenny's mum**





Integrating our services

The children and young people that we support come to us for different types of support including:

- school education as day pupils
- school education as residential pupils
- school education in The Children's Trust School whilst in rehab stepdown
- residential brain injury rehabilitation
- step down care from hospital to home
- respite care/short breaks.

Regardless of what services for which children and young people are admitted, each child requires access to high quality education, health, therapy and care across a large range of internal and external professionals.

This coming year we will explore how we can better integrate core service areas, utilising existing skills on site, across teams and services. We want to develop 'flexible pathways' where skill sets from across the organisation are available to all service users, which can be drawn upon as and when needed.

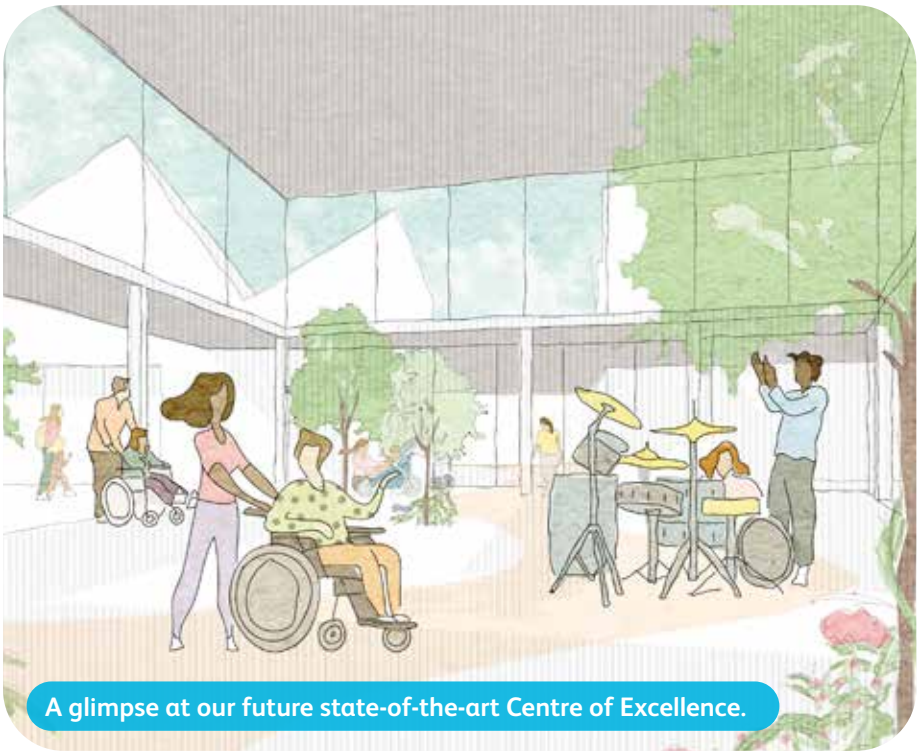
We have created an Integrated Services Lead role to develop this work by reviewing current service models across education and neurorehabilitation and to identify overlaps, differences across services, current challenges and where there are particular gaps to fill. As part of this work we will also seek the views of children and families in regards to what they need.

We have begun to explore the existing models of working that we have on site (multidisciplinary and interdisciplinary) and have appointed a project lead to scope the model of transdisciplinary team working and define what this could look like for The Children's Trust. The aim is to increase the sharing, teaching and learning across different professional groups and boundaries. Through greater sharing of roles we hope to enhance the team's experience and knowledge to form highly skilled teams that can work across our services.

As part of the transdisciplinary scope we will also be identifying a project lead to explore the 'waking day curriculum' and during 24-hour rehabilitation programmes.

Following this initial piece of work we will develop a system map and action plan later in the year to progress this area of the strategy so that we can start working with a more blended approach and provide even better outcomes for children and young people.

We want to develop 'flexible pathways' where skill sets from across the organisation are available to all service users, which can be drawn upon as and when needed.



A glimpse at our future state-of-the-art Centre of Excellence.

New build plans: Project Butterfly

Plans for a new state-of-the-art facility are well underway, with Project Butterfly being the most significant capital project to be undertaken by The Children's Trust in more than ten years.

Our vision is to improve the life opportunities for all children and young people with brain injury and neurodisability by reshaping how education, therapy and care is delivered.

We want to become the exemplar of best practice; to share our integrated, holistic approach with families, carers and professionals in our field; and to influence service delivery for children with complex education, health, therapy and care needs across the UK.

This National Centre of Excellence will cover the footprint of the existing school building. However, it will not be 'a school for a school.'

With a campus feel, the new build will enable a 'journey' across the site joining existing buildings. Its design has had stakeholder input from across all teams within the organisation and is designed to provide flexible spaces that can meet the needs of all children. It will also provide the ability to support the vision to provide an integrated education, health, therapy and care offer focused around the child and their family.

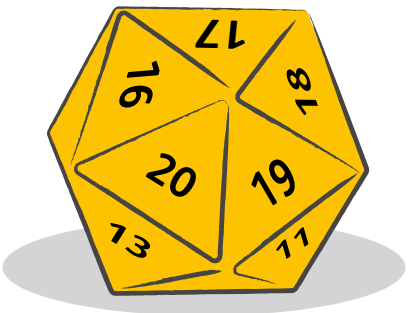
The facility will provide increased opportunities for learning and skill acquisition in all locations. It will be a hub for professional sharing, research and meeting spaces for the organisation and the local community.

It will deliver a physical environment to work in new and innovative ways that will also increase our capacity to meet the growing demand from children and families needing specialist care and support.

Project Butterfly will become our new National Centre of Excellence, with an ever-greater focus on putting children and families at the heart of our work. It will give us the opportunity to share best practice, develop new skills and shape how The Children's Trust can influence others, in the UK and overseas.

We are looking forward to working with the local community and our partners and submitted our planning application in the summer of 2021.

Our vision is to improve the life opportunities for all children and young people with brain injury and neurodisability.



Our current values have helped shape our organisation.

How we work: Building excellence

We know that the key to delivering our strategy and maintaining our 'Outstanding' Care Quality Commission (CQC) and Ofsted Care rating, will be the way in which we work together. We are striving for excellence in everything we do at The Children's Trust.

We've already come a long way, and our 'building excellence' focus is about how we can continue to improve and excel. We want to attract excellent people, improve our systems and approach, and create an environment where we can all thrive; a place that inspires us to do our best work.

In the past year we've created the foundations and have instigated the key programmes laid out in the following pages.

Evolving our culture and values

Our current values have served us well and have helped shape an organisation that we are immensely proud of.

Now, in alignment with how we have evolved and grown, it is time to revisit and redefine our culture and values. Our strategy requires us to think bigger, work in more collaborative ways, embrace innovation and inspire others to work with us. Our Culture and Values programme is a significant driver of this positive change.

The voices and views of staff, children and families will be essential in developing values and behaviours that start with their needs and that will ultimately elevate us to become an employer of choice.

We have started to capture their thoughts, together with those of our employees and volunteers, by holding focus groups. And we have developed surveys for external audiences so that anyone who uses our services, supports us or interacts in any way can contribute to this important work. We look forward to launching and rolling out our new culture and values framework later in 2021.

Investing in our people

Our employees are the most integral component in delivering our strategy. We want them to feel supported and to provide them with a range of development and training opportunities. We want to build our learning culture, working collaboratively to share experiences, outcomes and knowledge in order to continually improve and develop.

We have reviewed learning opportunities across the organisation and will develop a new structure for learning and development to ensure opportunities are accessible to all. Our priority now is to complete a training needs analysis and agree learning and development priorities over the next 24 months.

We have also launched a Leadership Development programme to motivate and equip our managers with the skills and confidence to lead and inspire their teams. This will enable us to achieve our vision and aims as laid out in our strategy and to embed the behaviour and values that will shape our culture.

We will invite all eligible managers to complete the programme within the next two years.

Electronic Records

Our Electronic Records System is our latest investment to improve our processes and operational efficiency and to ensure personal data is stored securely and always available at the point of need. These systems will provide a single point of entry for all of our nursing and care, therapy, medical and psychosocial evaluations, notes and assessments – all centred around the children and young people we support. It will also help us with rostering, invoicing and relationship management for our Brain Injury Community Service and Placements team.

The Electronic Records System is an important element of enhancing our documentation process, in maintaining children and young peoples' records. It will mean each child or young person will have one record, accessible by all those working with the child or young person. This will support joined up working across our teams and will provide a better service for the children and families we support.

Due to COVID-19 the project did slow down due to staffing concerns and availability. However, business analysis of existing documents and forms was undertaken as well as planning. Midway through the financial year as restrictions started to ease, we were able to move forward with commencing the build, training, communication and configuration.

We hope that this system will be fully implemented by 2022, and any existing manual and paper-based care, medical, psychosocial, school and therapy processes will be replaced with Electronic Records. Training, communication and support to staff in using the various Electronic Record Systems is now underway.

Equity, diversity and inclusion

The coverage of, and public response to, the killing of George Floyd in May 2020, made many organisations question whether there was more they could be doing to promote equity, diversity and inclusion (EDI). The Chief Executive committed the charity to the ACEVO's (Association of Chief Executives of Voluntary Organisations) 'Eight principles to address the diversity deficit in charity leadership'. We decided that action was needed to solidify our stance as an organisation that promotes equitable practices, inclusive environments and diverse participation at all levels. We decided to start this work by looking at how we can identify and directly address racism within our organisation.

Our EDI progress this year:

EDI Working Groups:
An EDI officer was appointed and working groups of staff from across the organisation established to influence our EDI agenda. Members of the Senior Leadership Team and the Board of Trustees are directly involved in this work.

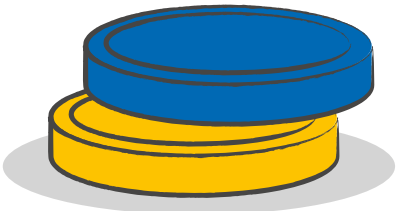
Updating the 'Equity, Diversity and Inclusion' policy:
The revised policy is reflective of our proactive stance against discrimination and our ambitions for building a more equitable, diverse and inclusive environment.

EDI Race & Ethnicity Survey:
During the year we surveyed our employees on race and ethnicity-related issues and forms of discrimination that they have experienced. The survey results will support our EDI plans.

EDI Data Collection Initiative:
We have asked all staff to provide information in order to gain a deeper understanding of our staff and provide a benchmark for the organisation. Over the course of the coming year, we will build upon what has been achieved so far, and will:

- develop a longer-term strategy for EDI
- introduce EDI training for staff
- deliver a micro-aggressions awareness campaign
- improve our discrimination reporting processes.

Our beneficiaries and our staff will be at the heart of this work, as we strive to create a more equitable, diverse and inclusive environment.



A vision for wellbeing

Every person at The Children's Trust matters. Our wellbeing vision is for everyone to be able to give their best and be their best.

In 2020/21 the importance of protecting the wellbeing of our staff was never more important. We implemented measures to make everyone aware of existing wellbeing resources we had in place and instigated new ways in which to provide additional support.

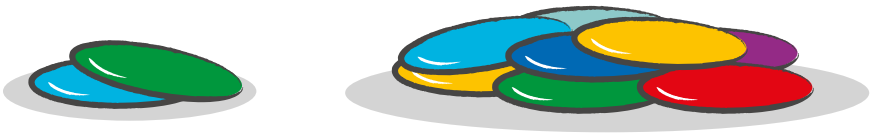
An NHS-approved mental health app was introduced for clinical staff, providing advice, guidance, exercises to support mental health and access to cognitive behavioural therapy sessions. Stress training, introduced in March 2021, provided managers with tools on how to spot and address signs of stress within their teams.

We introduced many ways to engage with staff and to encourage communication with colleagues during the year. This is detailed in p34.

We refreshed our Wellbeing Strategy in 2020/21 to better align with the organisation's strategy, Hope and Ambition, and to move forwards from our current tactical approach, building more depth and embedding wellbeing throughout the whole organisation.

Key performance indicators for our Wellbeing Strategy include:

- a 10% decrease in sickness statistics relating to workplace stress and anxiety
- all line managers will receive training on mental health in the workplace
- education of staff in mental health, with 100 members of staff taking part in e-learning on the impacts of stress and coping mechanisms in 2021
- a mental health app offered to staff, with 60% of those offered the app signed up by December 2021.



Our wellbeing ambition is:

- that everyone can find and access support when they need it
- that everyone is equipped to adapt and overcome challenges
- to empower staff to take care of their wellbeing by using the range of strategies, initiatives and resources we have in place.

Wendy leads the way in clinical auditing.

National award: Leading the way in clinical auditing

In November 2020 our Audit & Research Administrator, Wendy Houweling was awarded the national prize in the Clinical Audit Professional of the Year category in the Audit Heroes Awards. The awards are run by the Healthcare Quality Improvement Partnership (HQIP) which promotes quality in healthcare.

Judges commended Wendy's work in championing clinical auditing, raising good practice among nursing, care and therapy teams and working with senior clinical staff to ensure that changes in practice are implemented for the benefit and safety of the children.

They praised Wendy for bringing new learning to a specific area of auditing. Having gained inspiration from external training, Wendy worked with the Head of Clinical Education to update and improve the pain audit that we were using.

This work helped refine the data that was being captured to improve the child's experience of their care.

Embedding a culture of quality through assessment and accreditation

Demonstrating that we operate at the highest standards is essential to building confidence and trust in our beneficiaries and stakeholders.

Our ratings from Care Quality Commission (CQC), Ofsted Care and Ofsted Education and the achievement of our ISO9001 Quality Standard (awarded by CHKS) allow us to demonstrate that we provide high-quality care.

Undergoing rigorous external assessments helps us maintain compliance. It drives us to work in more efficient and effective ways and it enables us to review and challenge our working practices. And while our clinical services are routinely assessed, we know that our corporate services would equally benefit from this same level of rigour. We want to develop and embed a culture of quality throughout all services.

This coming year we will be agreeing assessments, awards and accreditations to pursue and will develop an implementation plan.

Business performance and management information

The information and data that we collect from across the organisation is essential to our decision making and strategic performance.

In 2020 we agreed the structure and resource of a new Business Performance team to improve and formalise our management information.

This new area of work will not only streamline our process of management information collection but it will also help us develop strong analytic and presentational techniques to generate significantly improved insights which help us deliver improved and proactive performance management.

Our aim is to develop a reporting environment which allows us to capture the relevant information that evidences the true impact of our services and monitors outcomes for children and young people. We aim to further develop our leading performance and risk indicators so that we gain foresight of potential future issues and can take action.

In the coming year the team will work closely with stakeholders to develop key performance indicators to help inform decision-making and we will be implementing analytic software to support this work.

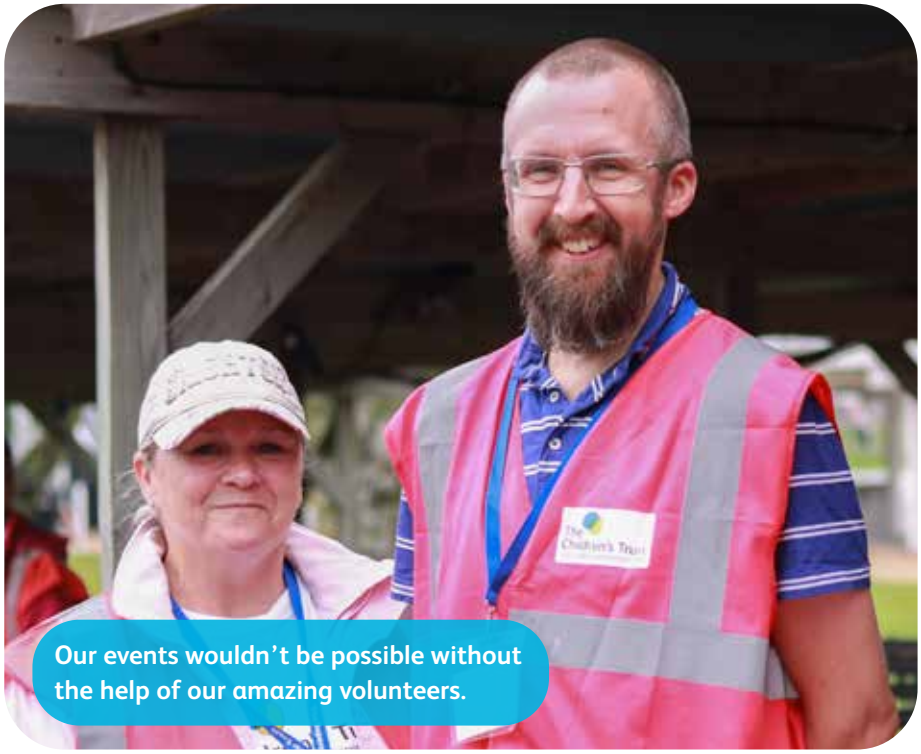
You can read more about our impact reporting on p28-33.

The volunteer journey and Trustee governance

We have a long and proud history of voluntary support and the impact of volunteers on the culture and financial health of the charity cannot be over estimated.

We conservatively calculate, our circa 1,200 volunteers contribute over £750,000 in added value by giving time alone. That figure quickly rises when we consider that most of our volunteers are engaged in income generating activities.

A new volunteering strategy was approved in March 2021.



Our events wouldn't be possible without the help of our amazing volunteers.

Our new volunteering strategic framework

Internal		External	
Recruit 500 additional volunteers	Volunteer management training for staff	Achieve investors in volunteering	Volunteer best practice
Volunteer delivery We will continue to recruit and support the core groups of volunteers that are essential to our service delivery and charitable operational activities: • volunteer drivers • retail volunteers • child-facing volunteers • on-site volunteers • events volunteers	**Strategic alignment** We will create volunteer opportunities that enable us to deliver our strategy 'Hope & Ambition'.	**Early career programme** We will deliver a programme of opportunities to enable early career development. We will work with schools to encourage young people to volunteer as part of continuing to diversify our volunteering pool and provide opportunities in the voluntary sector. In addition, we will scope and research a work experience programme for young people who have experienced an acquired brain injury.	**Governance support** We will create and implement a compliance plan for Trustees & Governors. This will include mandatory training and Trustee training requirements. And we will also ensure access to development opportunities.

The four themes are underpinned by: A Great Volunteer Journey

- recruit additional volunteers
- volunteer management training for staff
- investing in volunteering
- volunteer best practice

Supporting our employees for the future

Providing a competitive employee pension scheme and educating employees on planning for future retirement is an important strand of our Building Excellence aim.

In 2020/21 an independent and full review was undertaken to compare our current scheme against other pension suppliers in the workplace pension market. And as a result we changed our pension supplier from June 2021 to ensure that we are providing employees with the best options in saving for their future. Employees have been urged to attend pension workshops as a way of understanding the change and the importance of investing in a pension.

*Many of our clinical and teaching staff are members of the NHS Pension Scheme or Teachers' Pension Scheme.

Estate of the future

We are committed to the restoration, conservation and maintenance of Tadworth Court estate, which houses our residential services, our School and most of our staff. Our new Estate Strategy has been created to help us reach our organisation's ambitions, while ensuring sustainability and meeting our obligations as described in the Memorandum of Association of The Children's Trust.

The new strategy covers 2021-2025 and will promote a structured and transparent process for estate management. It will support our sustainability work and ensure we meet the needs of children, families and staff without compromising the needs of the future. Preventative maintenance will be prioritised enabling less reliance on reactive maintenance.

Commitment to sustainability

As part of our Hope and Ambition Strategy we have committed to being a more responsible organisation. For this to happen we need to make sure our practices are sustainable, from the top of our supply chain, through to our impact on our people, the environment, and the communities in which we operate. We have developed a Responsible Organisation Strategy which sets out how we intend to make progress in this area. This is a project in which we have involved the children and young people we work with who, like us, are extremely passionate about this topic. You can read more about this on p44-48.

Joining forces with the sector

Throughout this year we continued to work alongside our sector colleagues, united in our common goal to advocate for disabled children. We attended government roundtables and maintained contact with sector bodies in Surrey and at a national level.

Over the course of the pandemic the Disabled Children's Partnership (DCP), of which we are a founding member, carried out research which showed the devastating and disproportionate impact that the pandemic has had on disabled children and their families.

Our pre-pandemic call to government to transform support for disabled children and their families matters more than ever. Our coalition, which is made up of more than 90 organisations, has engaged with government officials throughout the year to make them aware of our research and to influence their decision making. We will continue to campaign for improved health and social care for disabled children, young people and their families.

Our call to government is to:

- prioritise disabled children
- review and reform the complex and opaque system
- and invest in services.

Summary of progress

Our business plan 2020/21

Red, Amber, Green (RAG) ratings:

Red	Progress delayed
Amber	Progressing with minor delays
Green	Complete/on track

Aim one: Build on our specialist knowledge to grow our services at Tadworth Court and help more children and young people		
Identify, design and launch one new service a year for each of the next five years.		We piloted our first new service, Functional Neurological Disorder (FND) packages. We are on course to launch the pilot of our second new service, Outpatient Movement Disorders.
Develop a comprehensive offer for resident families and carers.		Some initial work was undertaken, with early recommendations made to improve family accommodation. The pandemic has slowed progress of this programme.
Build the competencies and skills to provide more long-term ventilation and step-down places.		A Respiratory Standard Operating Procedure has been written, and work continues with the education team in reviewing competencies and training.
Increase clinical staffing to budget in all services.		We have now closed the clinical establishment gap and continue to work on our required staffing levels and recruit to need.
Increase residential referrals for rehabilitation, education and neurodisability care at Tadworth Court.		Marketing for referrals continues, with contact being extended to more hospitals. There is now a good pipeline of school referrals. The international private marketing is underway. This includes a substantive review of our offer.
Aim two: Support every child in the UK with an acquired brain injury		
Optimise our existing operations through the Brain Injury Community Service and achieve greater integration of our clinical and information offers. Develop and launch interdisciplinary teams in three new locations across the country.		We have created a draft strategy to digitally deliver ABI content to families and have developed an initial case for an IT solution to help streamline data capture and triage of referral information from hospitals. We are drawing on our National Picture of Need report and adding more detail around our first potential site to inform the service design for our first Interdisciplinary team.
Develop an integrated schools programme.		In the past year we have developed and launched an online schools programme to provide an introduction to acquired brain injury to primary schools.
Public engagement: increase public awareness of concussion, concept development and testing.		We launched a pilot concussion campaign on social media, which demonstrated a strong public appetite for information on concussion. The strategy for delivering the campaign is now part of our corporate and volunteer programmes.

Aim three: Improve outcomes for children and young people through integration of our specialist skills and approaches		
Transform service provision for all children from a multidisciplinary /interdisciplinary to a transdisciplinary approach.		We ran a workshop with education, health, therapy and care teams to discuss the transdisciplinary approach and what it means for the organisation. We have developed a job description for an Integrated Services Lead secondment role to oversee the development of this work.
Transform our delivery model to enable flexible personalised pathways for all children and young people.		We placed this work on hold until our transdisciplinary work is underway, as the two aspects will work in alignment.
Explore an integrated approach to governance across Education, Health, Therapy & Care (EHTC).		Whilst some initial discussions have taken place this project is now on hold for 2021/22. We will re-assess the suitability to proceed next year.
Design a new, state-of-the-art building that empowers excellence by facilitating transdisciplinary working to meet the needs of young people and their families.		We submitted for planning permission in summer 2021.
How we work: Building excellence		
Culture and values		We finalised our brief for the culture and values work and we are now embarking on a process of extensive stakeholder engagement to help us determine desired values and behaviours. This will help us to create a cultural framework which we expect to launch and embed from August 2021.
Learning & Development Framework		We developed a scope for the Leadership Development programme and launched the programme in April.
Develop performance & management information work		A Business Performance team was established and work is underway to build a data hub to improve our reporting processes and operational performance.
Assessment and accreditation		Scoping exercise in progress but work slowed as this project was placed on pause for 2021/22.
Sustainability		Delay in appointing to post due to the pandemic but strategy complete by end of 2020/21.
Digital		Digital content: We created a content strategy for our digital communications. Digital efficiency: Initial scoping work complete. Information Strategy will be developed in 2021/22 and is included in the business plan. Digitisation of services: The pandemic has had a significant impact on how we deliver our services and in many instances has transformed our approaches.
Systems audit		Audit complete.
Electronic records/people planner		The plan to go live with Electronic Records System was pushed back from 2020/21 to 2021/22 due to COVID-19 pressures on teams who need to be involved in system development and training.
Pension review		Agreed our new pension advice provider.

Improving children's lives: Our impact

As a charity our mission is to help children with brain injury and neurodisability live the best life possible. Partners and funders believe in this mission and support us to deliver our services. In return it is vital that we can robustly demonstrate the impact we have on the children we support and the wider world.

Rehabilitation impact

At the start of their placement and with the support of their family and our team, children are asked to set five goals that they would like to achieve during their time at The Children's Trust.

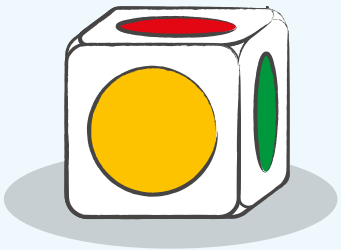
The rehabilitation team plans therapy to help the child or young person achieve these goals.

Examples of the types of goals:

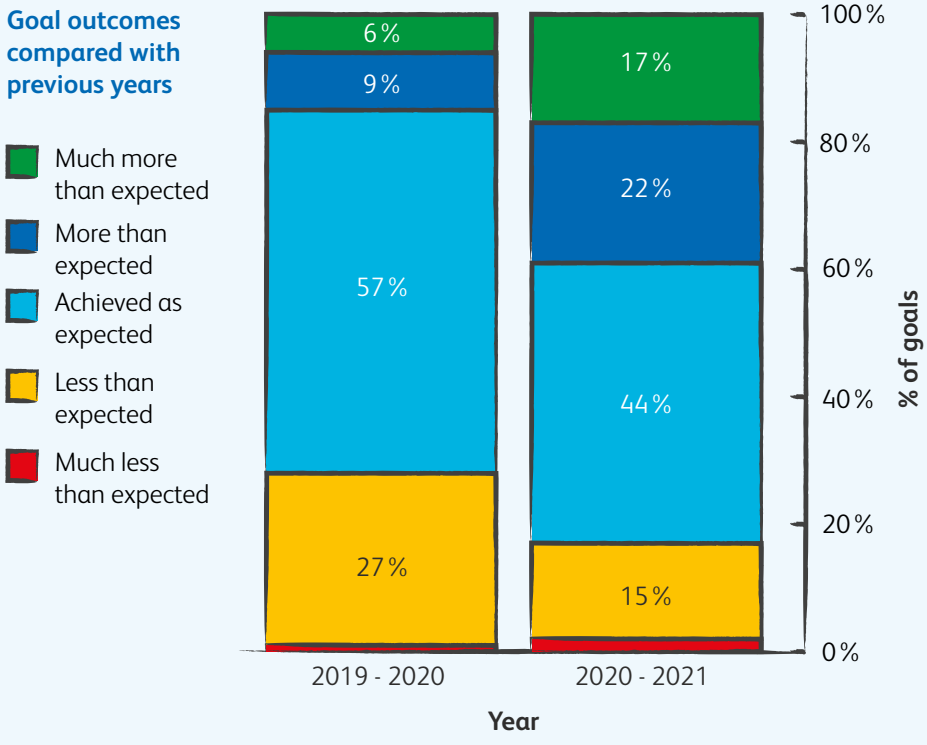
Child's goal		Associated therapy goal
To stand		The young person will be able to transfer using an assistive device.
To see my friends		The young person's friends will have some understanding of brain injury and its effects.
To write		For the young person to hold a pen using a two finger grasp.
Increase independence in self care		For the young person to be able to wash their upper body with a flannel, apply deodorant and lip balm.
Sing along to music		For the young person to consistently vocalise at certain points during a song, such as a keyword or the chorus.

We use Goal Attainment Scaling (GAS) to score the extent to which the child or young person's goals are achieved. GAS is used worldwide and we benchmark our goals and outcomes against worldwide data.

43 children were discharged during 2020/21 with their GAS goals documented by the therapy team in their discharge reports.



Goal outcomes compared with previous years



This year 83% of the goals set were achieved as 'expected', 'more than expected' or 'much more than expected'.

Research suggests that for standard clinical practice, goals should be met 'as expected' 50% of the time (Kelly et al, 2019*), to indicate that the goals set are both appropriately challenging and realistic. These results indicate that we are cautious when setting goals, meaning that we often achieve 'as expected' or above in a higher number of cases.

This was particularly the case last year when, during the pandemic, we admitted children sooner than normal. As a result, goals were being set much sooner after a brain injury than we would usually set them. The goal setting requires the rehabilitation team to predict the possible outcomes for the young person, while ensuring the goals are balanced between achievable and challenging. Getting this balance was more difficult this year given that the team do not usually set goals at this more acute stage of a brain injury recovery.

Encouragingly the young people exceeded our expectations with more children achieving above the 'expected' level than in the previous year. This has helped the team learn about goal setting at an earlier stage after a child sustains a brain injury.

It is encouraging to see that from the 246 individualised goals, jointly set by children, families and the teams supporting the children, so many are met as expected and above. This demonstrates that our rehabilitation service is helping children meet therapy goals and achieve their personal targets, giving them better quality of life after a brain injury.

In the community

The Brain Injury Community Service supported 1,711 young people across the UK during 2020/21. Depending on a child's needs, this comprehensive and specialist support includes clinical screening, advice about acquired brain injury and rehabilitation, onward referrals and liaison with a child's professional network and school.

During 2020/21, 16 children received a community-based neurorehabilitation skills package delivered by the Brain Injury Community Services. It was identified that these children had on-going needs which could not be supported through local services, and our team secured funding from local health bodies to provide this vital support.

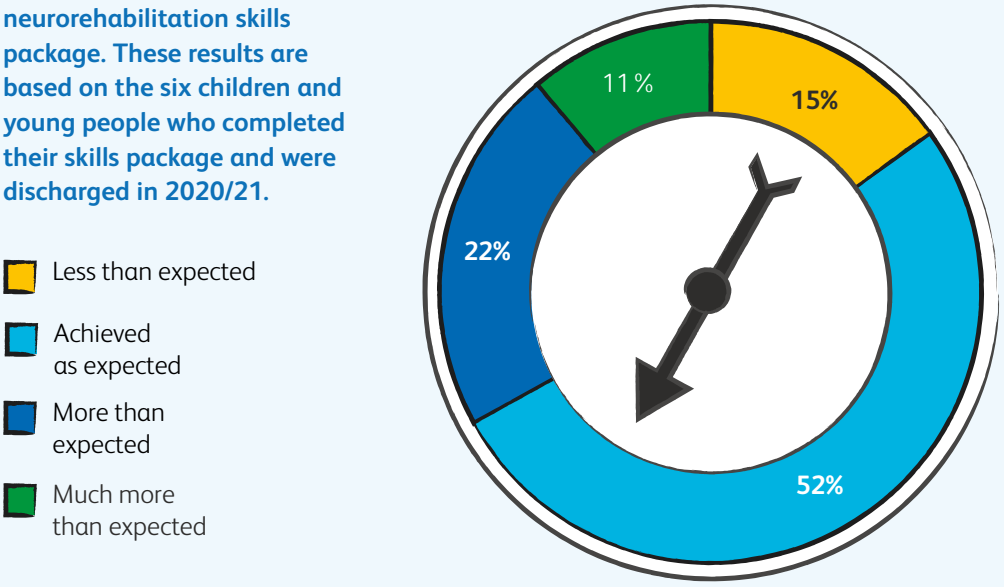
The team work with each young person to set goals at the outset of the support. We can then measure their progress against these goals at discharge.

Some examples of goals from 2020/21:

- to be able to walk home from school
- to prepare my lunch without supervision
- I want my teachers to understand the challenges I have due to my brain injury
- I would like to feel more comfortable talking about my brain injury
- to participate in homework tasks.

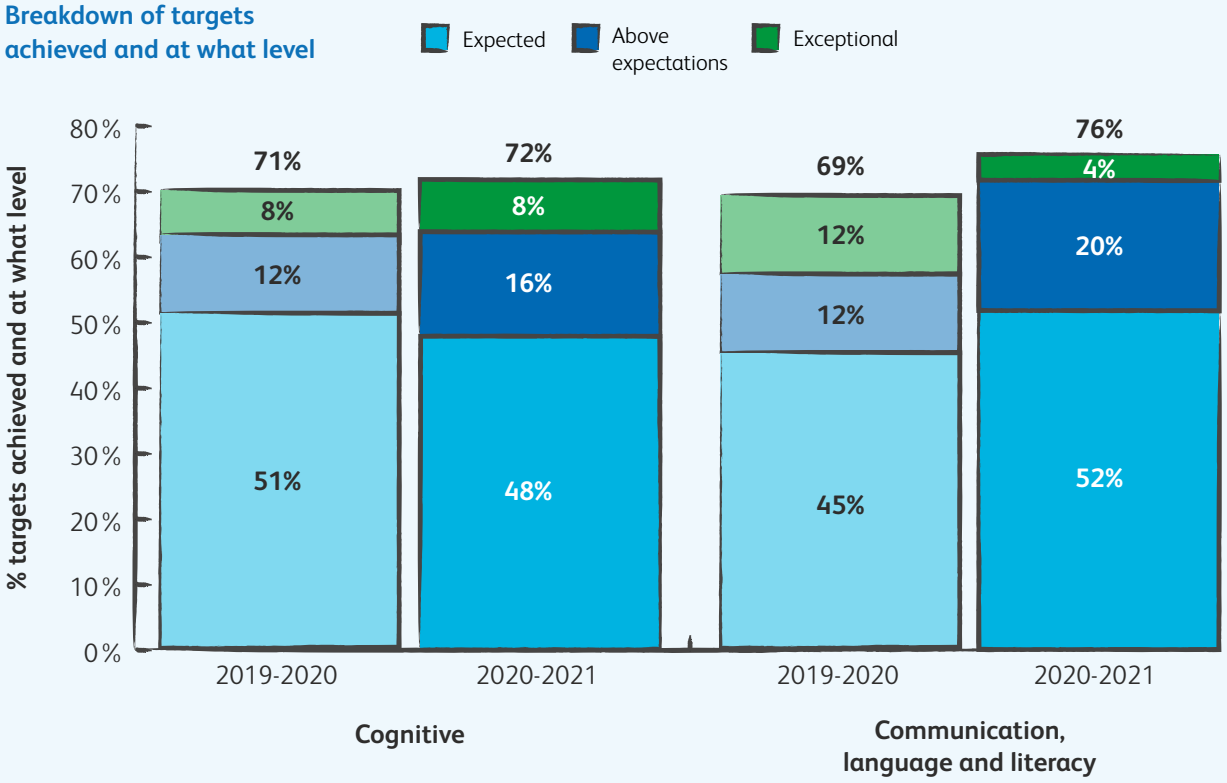
The children and young people who accessed our community-based neurorehabilitation skills packages set 26 goals in total between them. 85% of these were achieved as 'expected or above.'

16 children received a community-based neurorehabilitation skills package. These results are based on the six children and young people who completed their skills package and were discharged in 2020/21.



*Kelly, G., Dunford, C., Forsyth, R., & Kavčič, A. (2019). Using child and family centred goal setting as an outcome measure in residential rehabilitation for children and youth with acquired brain injuries: The challenge of predicting expected levels of achievement. Child: Care, Health and Development, 45, 286–291.

Breakdown of targets achieved and at what level



Achieving goals in school

The Children's Trust School uses the ImPACTS Curriculum to set annual goals for each child and young person. ImPACTS is an assessment tool and curriculum that has been developed to ensure the pupils are at the centre of the assessment and planning process. It is used widely by schools that support children with profound and multiple learning difficulties and our goal setting and scoring is externally moderated with partner schools.

Some goal examples set for the pupils:

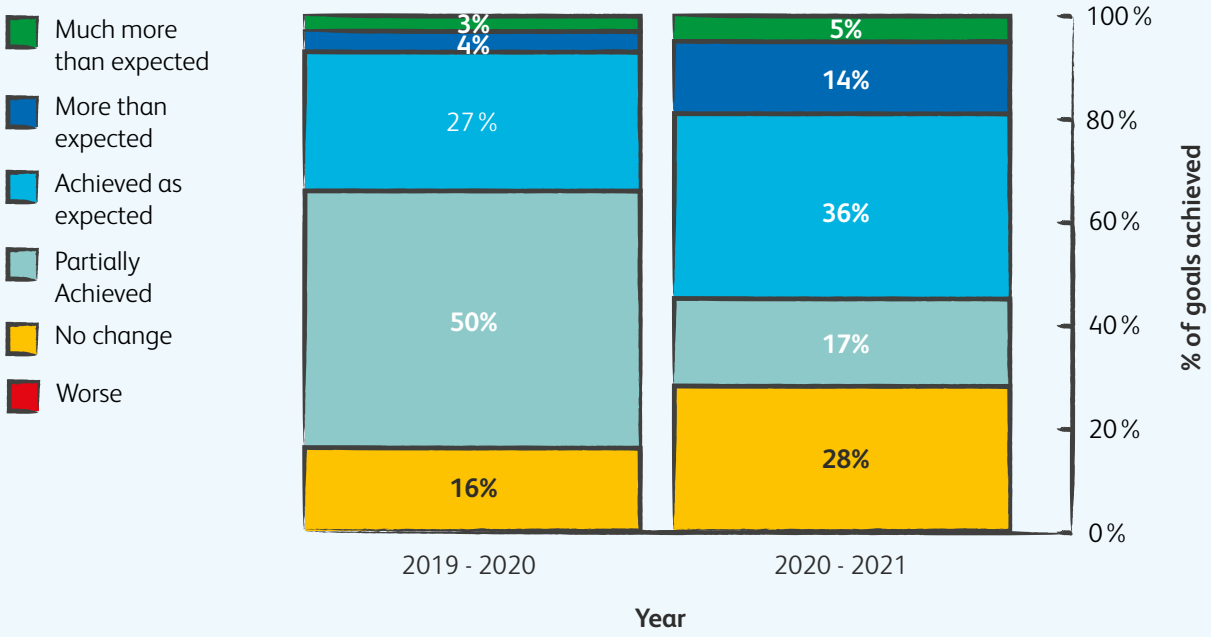
- respond to a known adult voice
- track sound-making objects
- show clear responses to a small range of stimuli
- attempt to repeat a movement again for desired effect, such as banging a drum
- vocalise in response to a favourite activity.

At the end of the school year the education, care and therapy team will make an assessment of each young person against their goals. The assessment requires evidence, internal and external validation, before it is summarised and collated.

Our 2020/21 impact

The graph above shows that this year the young people in the School have achieved a greater number of targets as 'expected' and above than the previous year. More targets were achieved at 'above expectations' and 'exceptional' than in the previous year, so not only have these targets been achieved but the young people have gone above what was expected of them for these goals.

School Goals Attainment Scale (Light)



In addition to using the ImPACTS Curriculum to set goals, The Children's Trust School also uses the Goal Attainment Scale-Light model. This is a more developmental goal-scaling approach for use across disciplines with any students where individual goals are set as part of the therapy process.

Throughout the academic year the students and their families are asked to set goals that they want to achieve. These goals are integrated into sessions in the students' individual house and class sessions. Some goals are set within very specific and measurable timeframes, whereas others may represent aspirations of the child and family, such as supporting quality of life or reducing pain.

Here are some examples of these goals:

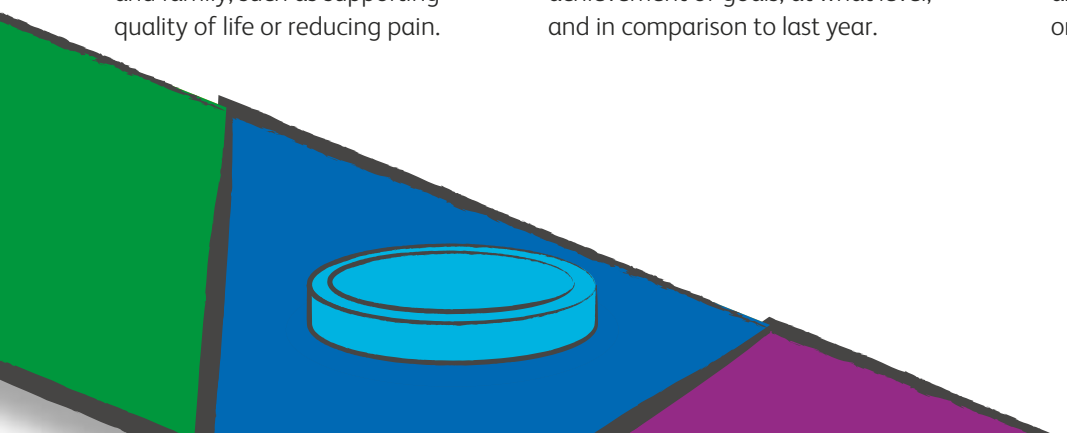
- engage with sensory and leisure games using eye gaze technology by intermittently keeping my eyes open and moving them on occasion
- ride my trike to School on a weekly basis to experience movement outdoors
- use my switch to change the direction of movement when driving during powered mobility
- use my chewing skills to manage textured foods
- consistently use my voice within a musical context to turn-take and express my musical preferences.

And the end of each goal's timeframe the therapists will review the goal and determine what level the child has achieved. This graph shows the achievement of goals, at what level, and in comparison to last year.

Last year 66% of goals were not achieved fully and we were concerned that goals were perhaps too challenging for the young people and set over too long a period.

This year we have been setting and measuring goals much more frequently so that we can capture incremental changes and progress that happens throughout the year.

We're pleased with the outcomes this year as they demonstrate that the goals were both challenging and realistic, with an increase of goals achieved as expected or above.

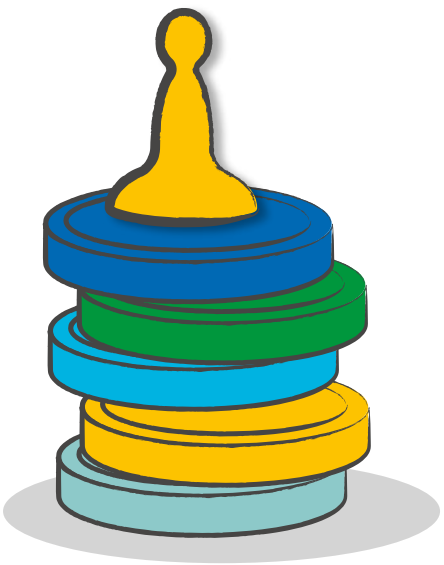


Family centred care achieves better outcomes for children

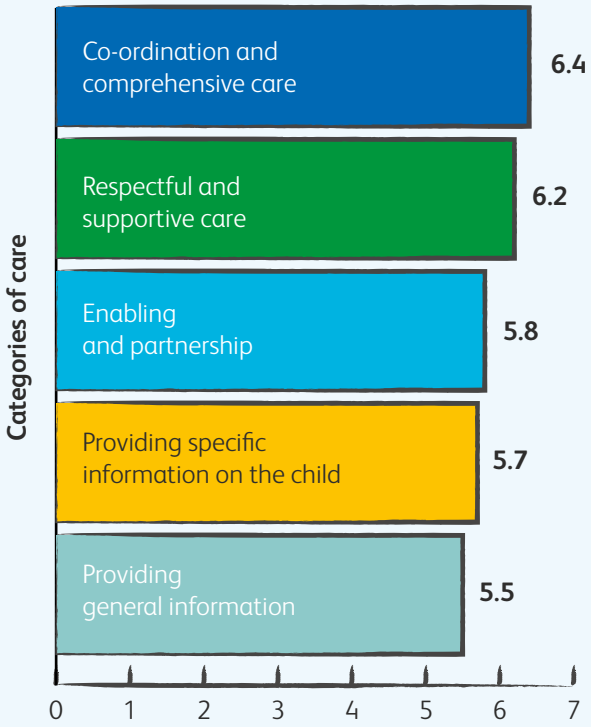
We know that organisations that are family-centred achieve better outcomes for the children they support. We fully appreciate the impact that a family can have on the children we support through our services and we strive to put the entire family at the heart of our work.

We now use the Measure of Processes of Care (MPOC) to get an insight and to assess parents' perceptions of whether the care they and their child receive from us is family-centred. MPOC is used internationally and assesses family-centred behaviours of healthcare providers.

Since November 2020, 23 families of children receiving rehabilitation, attending short breaks or pupils at The Children's Trust School responded to the MPOC survey. They were asked about the different aspects of support we provided and to what extent they felt we had considered the whole family as we supported the child.



How family centred is our care?



1= not centred at all
7= centred to a very great extent

**We started collecting this data in November 2020 and are currently working to find a suitable organisation against which to benchmark our scores.*

1. **Coordination and comprehensive care** example question: To what extent did we treat you as an individual rather than as a 'typical' parent of a child with a disability?
2. **Respectful and supportive care** example question: To what extent did we look at the needs of the 'whole' child (e.g. at mental, emotional and social needs) instead of just physical?
3. **Enabling and partnership** example question: To what extent did we provide opportunities for you to make decisions about treatment?
4. **Specific information on the child** example question: To what extent did we provide you with written information about your child's progress?
5. **Providing general information** example question: To what extent did we give you information about your child's disability (e.g. its causes, how it progresses, future outlook?

Respondents can rank between one (not at all) and seven (to a very great extent).

Friends and Family Test

How likely are you to recommend the service to friends, family and other parents if they needed similar careor treatment?

2020/21:
72 families responded with 100% of results being 'likely' or 'extremely likely'

Compared with previous results of:
2019/20: 98.7%
2018/19: 100%

The NHS last benchmark of February 2020 was 92.7% 'likely' or 'extremely likely' to recommend the service.

Public benefit and activities

In assessing the charity's impact on our beneficiaries the Trustees follow the Charity Commission guidance and are confident that the services provided by the charity meet those requirements. The Trustees and the Senior Leadership Team measure the achievement of the objectives and performance of the charity by regularly reviewing key performance indicators and outcome measures. This is done through monthly business meetings, a detailed quarterly review process led by the Chief Executive and through regular reports to Trustees.

As is expected, the pandemic has had an impact on some of our key performance indicators. For instance, it is likely that less children sustained brain injuries from accidents during the lockdown period which has resulted in less referrals for rehabilitation. And our change in service delivery, (rehabilitation programmes ran over six days instead of five) has resulted in a decreased average length of stay.

Performance against our principal (non-financial) key performance indicators was as follows:		
	2019/20	**2018/19**
1,863 direct services were delivered to children with brain injury and neurodisability	**1,951**	**1,243**
72 children and young people received intensive rehabilitation for brain injury or other support from our child and family services at our national specialist centre	**96**	**89**
22 was the average number of children in rehab per night (Children and family services)	**23.5**	**23.4**
78.4 nights was the average length of stay for children in rehab (mean average)	**93**	**118**
57 children attended The Children's Trust School and nursery.	**73**	**71**[1]
27.2 was the average number of residential school pupils and **12.3** the average number of children as day pupils[2]	**24.9** and **8.6**	**25.5** and **7.7**
Operational metrics:		
Sickness absence was **3.0%**[3]	**5.9%**	**3.3%**
Our 12 month rolling turnover (staff attrition) is **16.2%**[3]	**19%**	**26.8%**
Mandatory training compliance was **91.9%**[3]	**93.7%**	**90.6%**

[1]These previous years' numbers include those attending our parent and toddler group, Taddies which did not run in 2020/21 due to the pandemic. [2]These figures do not include children who attend our nursery. [3]As at March 2021.

Staying connected

Our staff and volunteers are our most valued asset. Their dedication and commitment has remained unwavering in an uncertain year.

Staff have adapted brilliantly with the changing circumstances and been extremely willing, flexible and collaborative in carrying out their roles. This has ensured that the care and support that we provide to children and young people has remained consistent.

We used the Coronavirus Job Retention Scheme from March 2020, when the first lockdown commenced. The number of staff on furlough varied each month.

Throughout March 2020–June 2020 we had the highest number of employees furloughed, which was 50. September was the month in which we had the least number of furloughed staff at two.

Furloughed employees included staff from retail, facilities and fundraising. In some instances, we made use of the flexible furlough scheme, where employees could do some work where available.

Our aim was to ensure that staff were not impacted financially as a result of COVID-19 lockdowns.

Prioritising staff morale

With a mix of remote working and social distancing, we have strived to ensure that staff did not feel isolated and we've created new ways to engage, interact and update on organisational news. In particular, we focused on ensuring we systematically provided information on matters we knew would be of particular concern to them.

Our Chief Executive sent video messages to staff throughout the year, sharing news from all departments and encouraged anyone who needed support to get in touch. We ensured that staff were provided with guidance on safe homeworking and provided workstation assessments to help prevent issues like back injury and eye strain.

Strategy Spotlight sessions have been delivered during year. These live virtual sessions have kept staff up-to-date with our strategy progress and presented an opportunity for the voice of employees to be heard, so that their views could be taken into account in making decisions likely to affect their interests. The virtual nature of the Strategy Spotlights enabled us to encourage every member of staff to participate either live or by tuning into the recording.

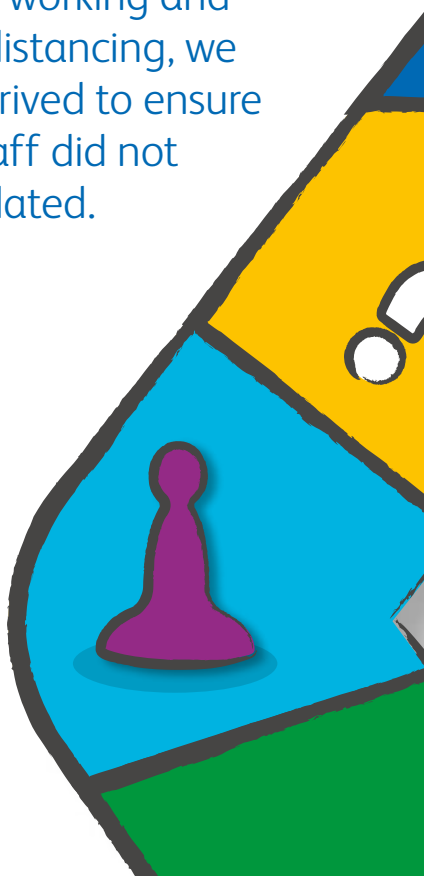
Staying Connected was launched as a weekly email update featuring organisational news and signposting to sources of wellbeing support. This included emotional and wellbeing support, bereavement support, financial wellbeing, staying active and home-schooling advice.

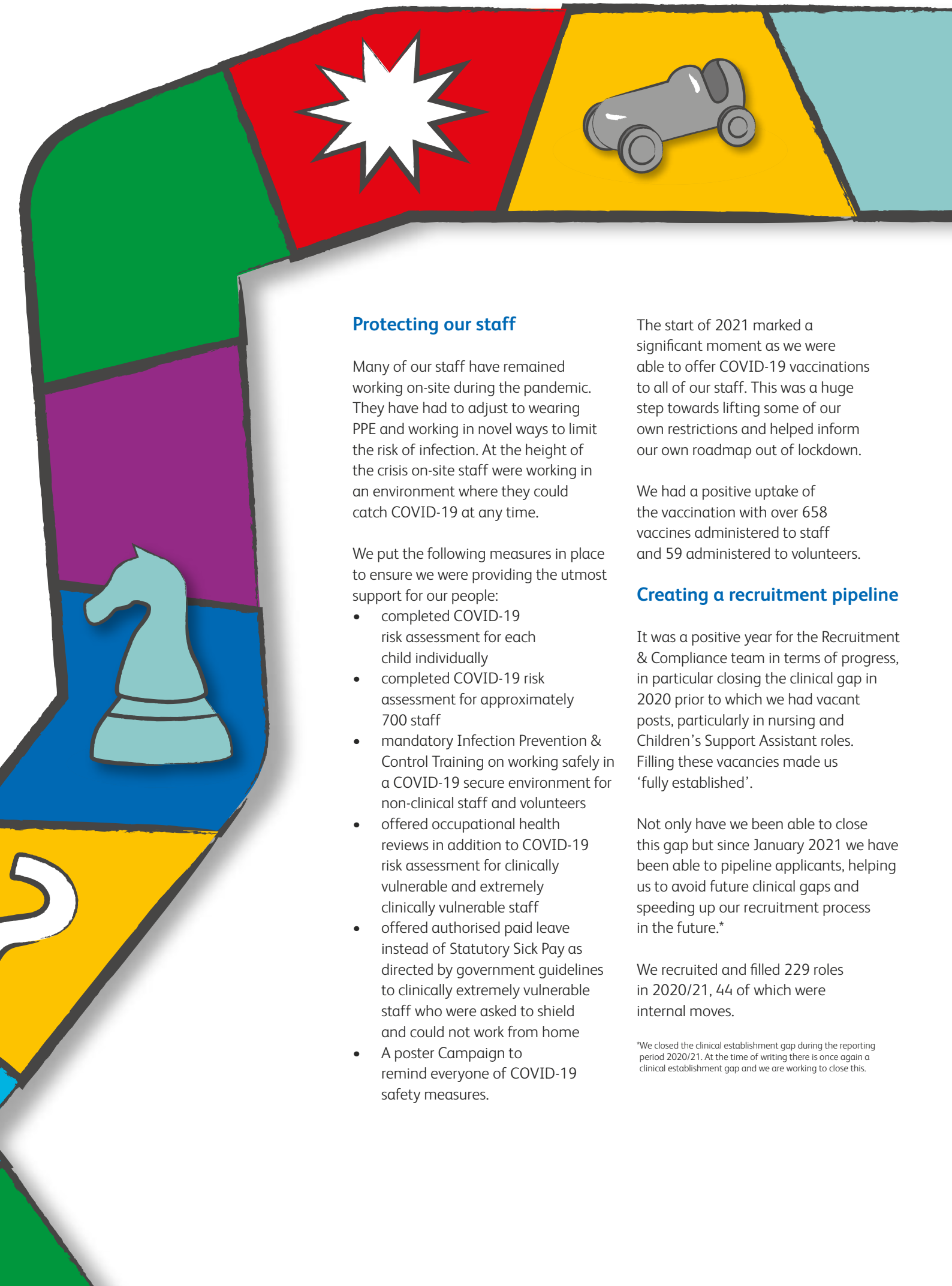
We also publish a monthly newsletter distributed to the Operational Leadership Team (OLT), entitled 'Need to Know'. Each team head was responsible for giving an update for their area of the organisation, which was then discussed in monthly meetings. The information contained within this update was then cascaded to the individual teams thereafter. The 'Need to Know' newsletter included a financial summary section, that reported on both the financial and economic factors affecting the performance of the organisation.

Virtual tea breaks were held regularly for staff as an opportunity for people to have some interaction and talk to colleagues across site.

The Employee Assistance Programme (EAP) has been promoted consistently throughout this challenging year. The programme is an external confidential support service to support all aspect of wellbeing.

With a mix of remote working and social distancing, we have strived to ensure that staff did not feel isolated.





Protecting our staff

Many of our staff have remained working on-site during the pandemic. They have had to adjust to wearing PPE and working in novel ways to limit the risk of infection. At the height of the crisis on-site staff were working in an environment where they could catch COVID-19 at any time.

We put the following measures in place to ensure we were providing the utmost support for our people:

- completed COVID-19 risk assessment for each child individually
- completed COVID-19 risk assessment for approximately 700 staff
- mandatory Infection Prevention & Control Training on working safely in a COVID-19 secure environment for non-clinical staff and volunteers
- offered occupational health reviews in addition to COVID-19 risk assessment for clinically vulnerable and extremely clinically vulnerable staff
- offered authorised paid leave instead of Statutory Sick Pay as directed by government guidelines to clinically extremely vulnerable staff who were asked to shield and could not work from home
- A poster Campaign to remind everyone of COVID-19 safety measures.

The start of 2021 marked a significant moment as we were able to offer COVID-19 vaccinations to all of our staff. This was a huge step towards lifting some of our own restrictions and helped inform our own roadmap out of lockdown.

We had a positive uptake of the vaccination with over 658 vaccines administered to staff and 59 administered to volunteers.

Creating a recruitment pipeline

It was a positive year for the Recruitment & Compliance team in terms of progress, in particular closing the clinical gap in 2020 prior to which we had vacant posts, particularly in nursing and Children's Support Assistant roles. Filling these vacancies made us 'fully established'.

Not only have we been able to close this gap but since January 2021 we have been able to pipeline applicants, helping us to avoid future clinical gaps and speeding up our recruitment process in the future.*

We recruited and filled 229 roles in 2020/21, 44 of which were internal moves.

*We closed the clinical establishment gap during the reporting period 2020/21. At the time of writing there is once again a clinical establishment gap and we are working to close this.

Gender pay gap

This is now the fourth year of our Gender Pay Gap Report and the mean and median pay gaps we reported in 2019/20 remain almost unchanged. Relating to data collected in 2020, our Gender Pay Gap Report highlighted that on average men at The Children's Trust earn 20.4% more than women. And at the midpoint of salaries, men are paid 21.3% more than women. This data was extracted from the April 2020 payroll and was accurate, as of the 5 April 2020.

We continue to take steps towards narrowing the gap. We have developed a Gender Pay Gap Action Plan based on recommendations made by the Government Equalities Office and our Equity, Diversity and Inclusion working groups, and will review our recruitment and candidate selection process.

For further information on our findings and how we're working to address our pay gap, you can read the report by visiting **www.thechildrenstrust.org.uk/about/regulations-policies.**

Monumental support of volunteers

This past year has seen a shift in how our volunteers have been able to support us but they have risen to the challenge and we are eternally grateful for their loyalty and support.

Some volunteering activity temporarily ceased due to COVID-19 restrictions such as supporting children and young people in our school classrooms, helping maintaining our grounds or volunteering in our shops.

However, it gave us the opportunity to explore different avenues of remote volunteering, engaging volunteers to help support our essential recruitment and compliance processes and our fundraising efforts remotely. We intend to expand this exciting new branch of volunteering for The Children's Trust.

And while the pandemic has prevented many of our volunteers from engaging with their roles over the past year, we have been pleased to remain connected to them through our monthly e-newsletter and by inviting them to virtual 'catch-ups'.

We are so proud of the monumental efforts of volunteers who have been able to support us during this time, and we eagerly anticipate welcoming our wider volunteering cohort back in the coming year.

This past year has seen a shift in how our volunteers have been able to support us but they have risen to the challenge and we are eternally grateful for their loyalty and support.

At The Children's Trust we recognise how important it is to have leadership that reflects the children, young people and families that we support.

We also recognise that staff, comprised of a range of backgrounds and experiences will help us to better understand the needs of those we support, and how we can best represent their interests. We particularly welcome applications from disabled people, individuals from diverse ethnic backgrounds and those from other under-represented groups.

The Children's Trust is committed to achieving equity, diversity and inclusion (EDI) across all levels of the organisation. We are currently collecting staff diversity data including information on ethnicity and disability and we are actively encouraging staff to provide this data to inform our forthcoming EDI strategy.

As a volunteer driver Emilia takes children to medical appointments and on other outings.

Volunteer drivers drove more than 31,000 miles in 2020/21

"There are many reasons to volunteer for The Children's Trust. For me, the best thing about it is how rewarding it feels being able to help children and staff taking them to various medical appointments. Although being a volunteer driver comes with quite a bit of responsibility, the induction process was really reassuring."
Emilia, volunteer driver

With over **1,200** volunteers, this is what our volunteer activity looks like:

58.7%
event volunteers.

27%
working in our charity shops.

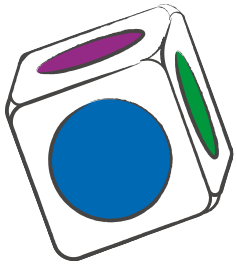
4.4%
onsite, child-facing (e.g. drivers/camps and clubs volunteers/school volunteers).

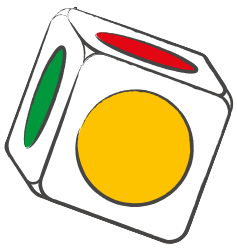
4%
on-site non child-facing (e.g. e-records/money box counters/admin in various teams).

3.4%
staff volunteers (e.g. staff who give up their time at weekends to volunteer at events).

1.2%
onsite non child-facing (e.g. e-records/money box counters/admin in various teams).

1%
Governors and Trustees.





Financial performance: Raising money and how we spend it

Clare, The Children's Trust School nurse.

We achieved a modest operating surplus of £0.4m (our original target), with income increased to £28.4m, up 10% on the prior year.

We also strengthened our cash position and delivered a strong capital programme of just over £3m of investments.

Behind these figures lies a year of profound financial challenge. The first lockdown had an instant effect: our retail shops closed (£1.8m of planned revenue), our international referrals (£1.3m) stopped, as did our fundraising events programme (£0.8m) and a significant element of our community and corporate fundraising programme (£0.5m). With non-frontline staff working from home, we needed to spend £0.4m on IT to facilitate these new arrangements.

The earlier than usual discharges from hospitals to our rehabilitation facilities in that period brought its own challenges. The needs of children and young people were significantly more complex, bringing financial pressures on staffing, medication and PPE. These admissions were on a fixed-price contract and at a time when staffing levels were under considerable strain.

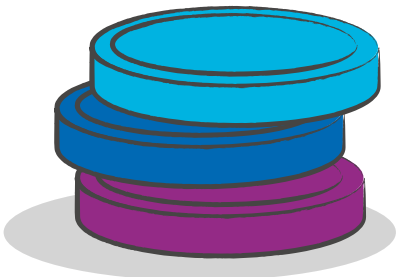
Retail shops were closed for most of the year.

The following factors contributed significantly to achieving our budgeted operating surplus:

- £2.7m of capacity grant was received from the NHS to support the continued operations of our rehabilitation services (and thereby, to enable continued/accelerated discharges from paediatric trauma units). This largely offset the income and cost pressures in that area
- retail shops were closed for most of the year. The receipt of furlough grant of £0.35m covered the majority of the net losses in that area.
- the pressures on fundraising and corporate costs were offset largely by a gain of £1.4m on our investment portfolio (offsetting the loss of £1.3m sustained in the final quarter of 2019/20)
- our working capital challenges were addressed by tackling the high levels of debt owed by NHS, CCGs and by Local Authorities. From a peak of £4.4m in July 2019, trade debtors stood at £0.5m by March 2021. Over 90 days debtor balance as at 31.03.20 was £0.9m
- working capital was also eased by slippage on non-critical elements of the capital programme. Notwithstanding, the refurbishment of the external fabric of the Mansion House at Tadworth Court was completed, £0.4m was spent on initial design fees for the new build and a further £0.4m on the first phase of our final major IT systems investment: the £1.3m Electronic Clinical Records project. The capital budget spend on infrastructure was £3.1m in 2020/21, with budget spent at 102%. (The capital budget spend in 2019/20 was £2.48m with budget spent at 120%, and the capital budget spend in 2018/19 was £2.2m with budget spent at 92.5%).

Looking ahead, 2021/22 will be a year of transition. With no further grant funding, the view of the Trustees is that the organisation should be capable of returning to pre-pandemic levels of activity and income by the second half of the new year. Strategically, we have lost at least a year: the challenge will be for the charity to return to target strategic performance levels (including specifically fundraising and international work) in order to be in a position to commit contractually to the construction phase of our new build, Project Butterfly.

The view of the Trustees is that the organisation should be capable of returning to pre-pandemic levels of activity and income by the second half of 2021/22.



During 2020/21 The Children's Trust supporters raised a total of £4.3m from fundraising activities and its shops raised £1.3m.

Our approach to raising voluntary income

During 2020/21 The Children's Trust supporters raised a total of £4.3m from fundraising activities and its shops raised £1.319m (minus Retail Grants of £590K and gift aid at £39K the income was £690K). Our fundraising and retail income is made possible by the very generous contributions from donors, organisations and volunteers who help make our work possible. We are very grateful for all of their support.

The charity's approach to fundraising focuses on seven main areas:

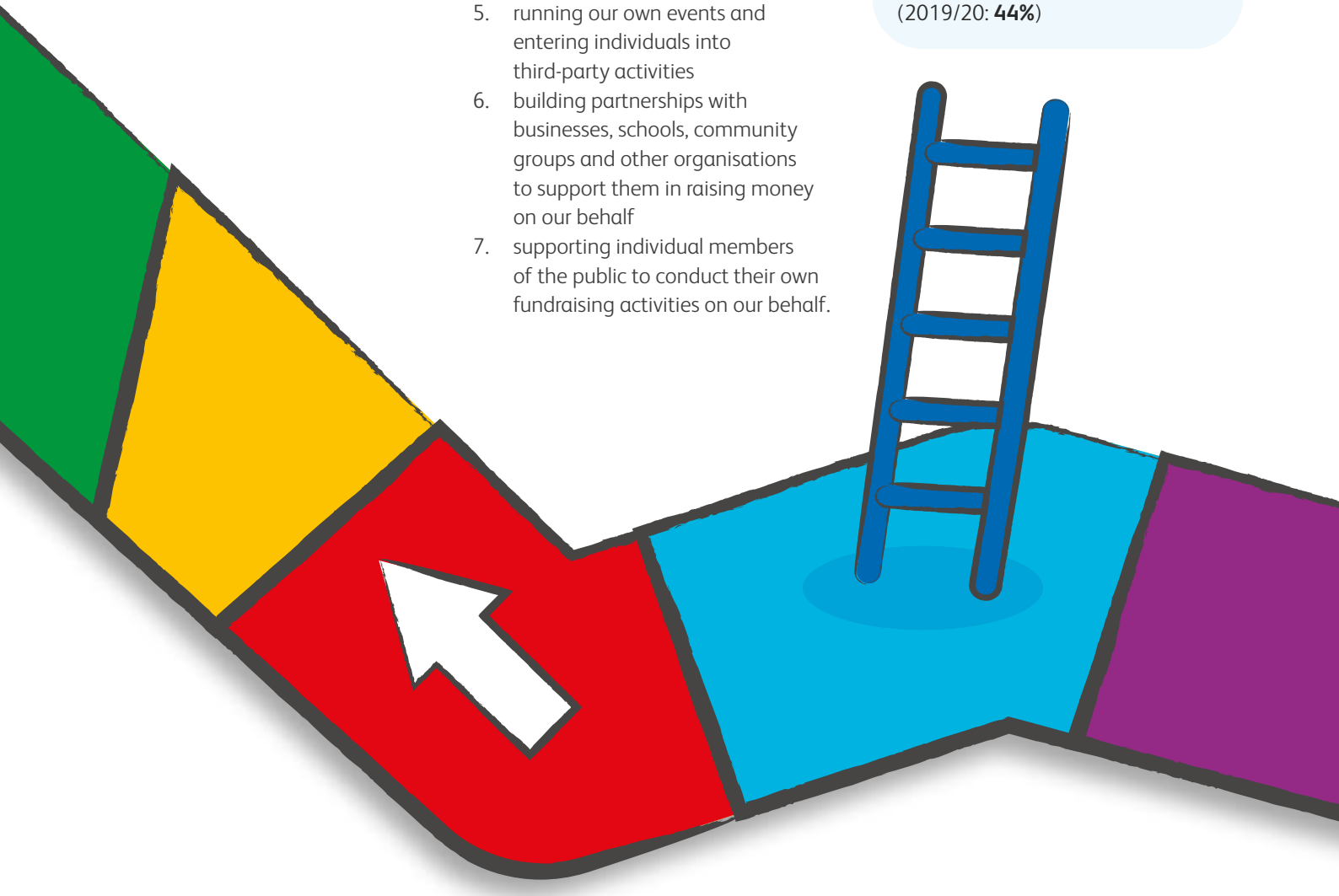
1. a chain of shops and online retail selling new and donated goods
2. soliciting gifts from trusts, foundations and statutory partners;
3. the solicitation and stewardship of donations or entries to a lottery being paid either by direct debit, or as cash gifts
4. gifts in Wills from supporters
5. running our own events and entering individuals into third-party activities
6. building partnerships with businesses, schools, community groups and other organisations to support them in raising money on our behalf
7. supporting individual members of the public to conduct their own fundraising activities on our behalf.

We also receive Gift Aid on monetary donations, events sponsorship and donations to our shops and in 2020/21 the payments received totalled £267k (2019/20: £346k). The decline was due to a lower level of fundraising income activity as events and other activities were cancelled or postponed as well as the closure of our shops during the three national lockdowns.

We have a programme to increase the level of Gift Aid take-up among our supporters and now report on our success in Gift Aid penetration. We expect this number to increase again in 2021/22 as our retail chain returns to full operation and fundraising activities start again. Against this, the charity sustained irrecoverable VAT of £1,066k (2019/20: £858k).

Gift Aid

Gift Aid penetration: **46.96%** (2019/20: **44%**)



We take responsibility for our actions

The charity is a member of the Fundraising Regulator scheme and is thereby entitled to use the Regulator's logo on its fundraising materials; it operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising.

The charity's fundraising programmes are compliant with the Institute and our own Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes. The charity also operates a whistleblowing policy and a complaints policy and process, as required by the Code of Fundraising Practice. It is also registered with the Gambling Commission for the purposes of running a lottery, conducting a supporter raffle and to hold draws at local events.

The charity continues to review its Supporter Promise, which is available on our website. This confirms our commitment to abiding by the Fundraising Preference Service, and the Mail and Telephone Preference Services.

During the course of 2020/21 we engaged only one commercial participator; Sterling, who manage The Children's Trust Lottery. The participator operates within the same policy framework as staff and we monitor their compliance. There were no incidents to report in 2020/21.

Voluntary income complaints

We take a robust approach to handling complaints and welcome feedback from supporters and the public. During the financial year 2020/21, 100% of complaints were investigated and almost 100% have been resolved (three are pending/being actioned).

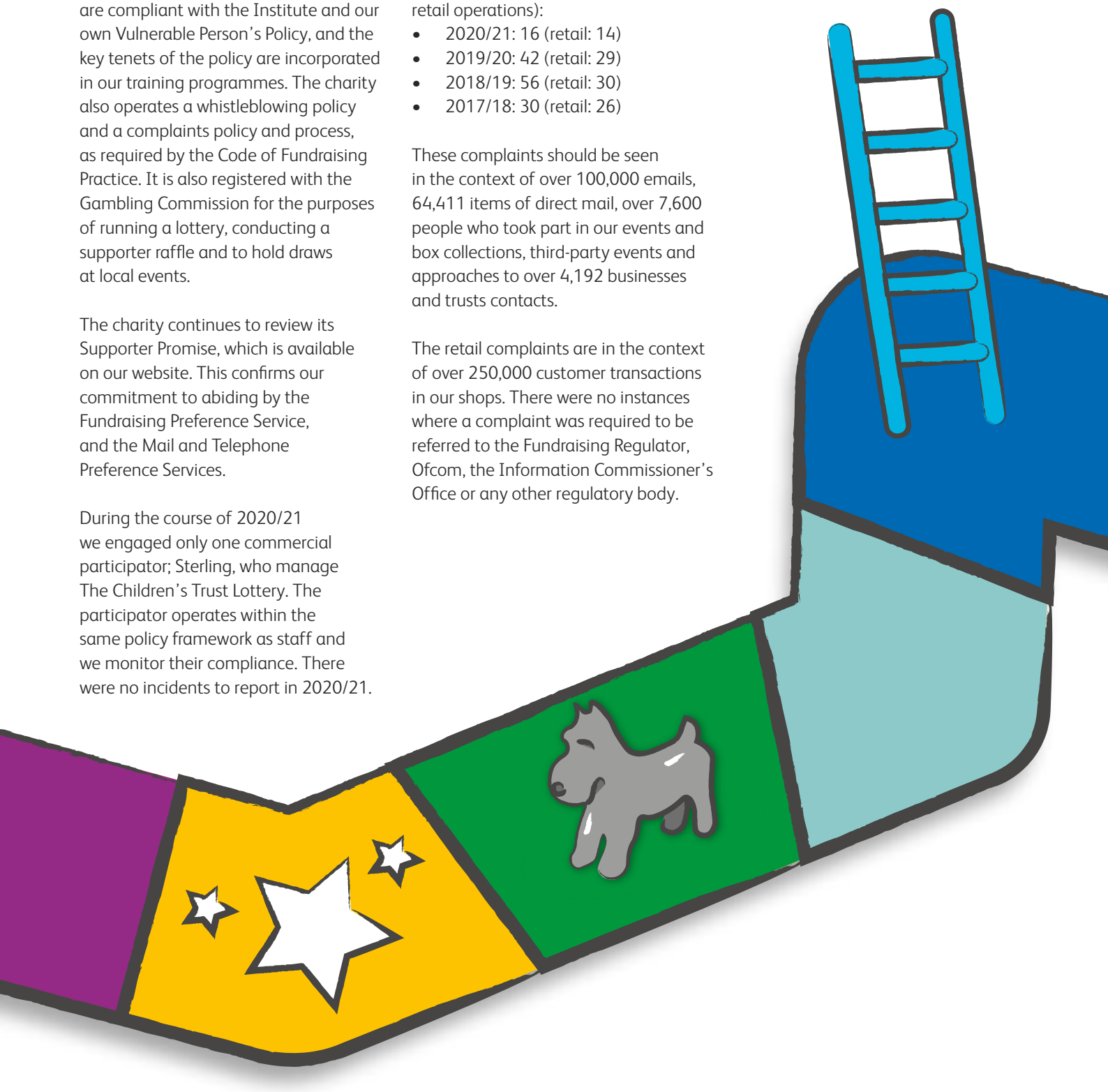
Complaints in relation to fundraising activity (those in connection with retail operations):

- 2020/21: 16 (retail: 14)
- 2019/20: 42 (retail: 29)
- 2018/19: 56 (retail: 30)
- 2017/18: 30 (retail: 26)

These complaints should be seen in the context of over 100,000 emails, 64,411 items of direct mail, over 7,600 people who took part in our events and box collections, third-party events and approaches to over 4,192 businesses and trusts contacts.

The retail complaints are in the context of over 250,000 customer transactions in our shops. There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office or any other regulatory body.

Income is made possible by generous donors, organisations and volunteers who help. We are very grateful for all of their support.

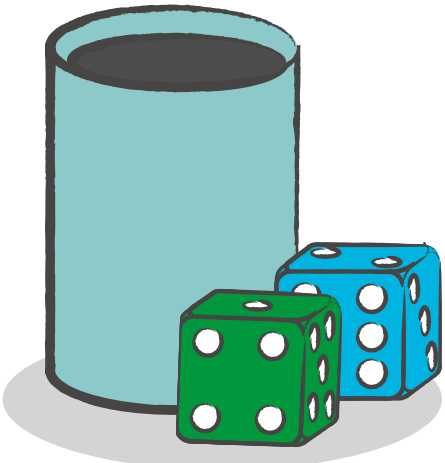


Fundraising and supporter highlights

The generosity of new and existing supporters in 2020/21 was truly humbling.

Individuals, companies, schools, community and sports groups throughout the country continued to organise and participate in virtual events to support our charity, at a time when everyone's lives were impacted by the pandemic. And for that, we would like to express a heartfelt thanks.

The various lockdowns and restrictions shut our shops for over half of the year and led to the cancellation of many events run by the charity and its supporters. However, when our shops were opened our customers were very generous and many people adapted their fundraising to work online.



Highlights from the year

- In response to the first lockdown announcement the charity launched its Special Appeal. Over the first quarter of the year, individual supporters, major donors, trusts, groups and companies very generously donated over £675k, with many giving the largest donations they had ever made. We are very grateful to everyone who supported the Appeal as this made a massive difference to our financial performance over the year and increased our confidence in maintaining our services through the pandemic.
- Many local people generously gave their support for the Appeal through a variety of gifts-in-kind, with large amounts of PPE, hand sanitiser and other practical items that were in short supply, but also treats for the children and the staff to help them all through a very challenging time.
- One of the first major events cancelled due to lockdown was the Virgin Money London Marathon. To support charities in making up for the shortfall, a 2.6 Challenge took place in April last year. The idea was simple: to pick any activity with the theme of 26 or 2.6. Our supporters got behind this and helped raise more than £40k by running for 26 minutes, being sponsored to eat as many pieces of sweetcorn using a cocktail stick in 26 seconds, through to running 26 miles over the course of the weekend!
- Our community of golf supporters attended two golf days and one supporter, forced to cancel his annual golf day held a 'no-golf, golf day' raising more than they would at their typical day. Overall, the golf days raised £35k for us.
- With so many running events cancelled, our half marathon and marathon running 'Squads' went it alone, pivoting their mass participation run into solo runs, running in their neighbourhoods across the UK. The Local Landmarks and Virtual London Marathon saw teams of 30 runners donning their Children's Trust vests and making their training miles count. Our Step Forward virtual step challenge grew for the third year in a row with 152 people 'stepping forward' for children with brain injury.
- Our Christmas Concert went online for the first-time ever. Hosted by Nicholas Owen, the virtual audience enjoyed performances from West End star Grace Mouat, St Catherine's Preparatory School and the University of Surrey String Orchestra. There was a special première of 'Are you Ready for Christmas', a song by The Children's Trust School's very own band, Cedar Super Sounds.

2020/21	2019/20	2018/19	2017/18
183,600 visitors to The Children's Trust website	163,312	153,391	182,665
2.52% average monthly engagement rate on The Children's Trust social media (FB, TW, LI)	4.61%	2.66%	2.49%
14,344 active supporters	14,187	17,389	17,905

- The Children's Trust were part of a ten-charity consortium who created and presented The Massive Get Together, an online streamed variety show featuring Basil Brush, Alex Brooker, Sophie Ellis-Bextor and The Children's Trust Ambassador, Adam Hills. The event raised over £52k for the charities involved and streamed to over 1,500 households.
- Despite having a heavily disrupted year, the support from our community of school supporters was fantastic. Students took part in sponsored runs, walks and held virtual concerts to raise much-needed funds for The Children's Trust.
- The Children's Trust were featured on the BBC One Lifeline Appeal in November. The nine-minute programme was presented by singer and broadcaster Martin Kemp, who himself has suffered a brain injury, and shared the stories of three young people supported by us. Generous viewers donated over £38k to the Appeal.
- Where events were cancelled or postponed, a number of kind supporters donated their ticket fees to us in lieu of refunds and for that, we are enormously grateful.
- We are also very grateful to those individuals who left us gifts in their Wills during the year, contributing £728k to our work.

Fundraising underpins our strategic activities and our ambition to help support every child in the UK with a brain injury. It allows us to invest in equipment, facilities, information and advice services and therapy staff to help give children with brain injury and neurodisability the opportunity to live the best life possible.

Ambassador, Elaine Paige OBE, recorded a special cover of 'Sing a Rainbow,' to raise money for The Children's Trust during lockdown.

Harry Judd, drummer of McFly, and his wife Izzy, became Ambassadors for The Children's Trust in 2020

Commitment to sustainability and environmental impact

As part of our Hope and Ambition Strategy we have committed to being a more responsible organisation.

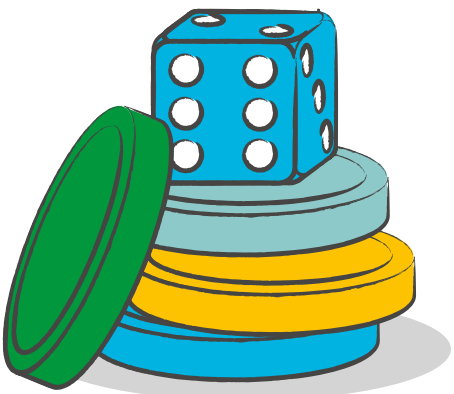
And for this to happen we need to make sure our practices are sustainable, from the top of our supply chain, through to our impact on our people, the environment, and the communities in which we operate.

We have developed a Responsible Organisation Strategy which sets out how we intend to make progress in this area.

We will take responsibility for our impact, working to improve it across five themes with action plans and targets.

Chris maintains our grounds here at The Children's Trust.

Olive makes a mud pie in the rose garden.



Community

- Build on our existing relationships and awareness in the community of who we are and what we do.
- Be an employer of choice.
- Explore ways to open our site for the benefit of the local community, businesses and residents.

Ethics

- Hold ourselves to the highest standards of ethical practice and transparency.
- Base investment decisions on long-term economic, social and environmental sustainability.
- Ensure our supply chain protects human rights and fair practices.

Environment

- Create a plan to achieve net carbon zero, in line with or ahead of the Government's UK wide commitment.
- Reduce the waste we produce by focusing on resource efficiency and circularity.
- Nurture and protect our natural environment.

People

- Provide an equitable and inclusive environment where diversity can thrive.
- Support the wellbeing of our people.
- Provide jobs offering security, rights, fair income, personal development, and progression.
- Support the local communities through work and volunteer opportunities.
- Ensure our supply chain also provides good jobs and fair pay.
- Develop a generation of responsible future leaders.

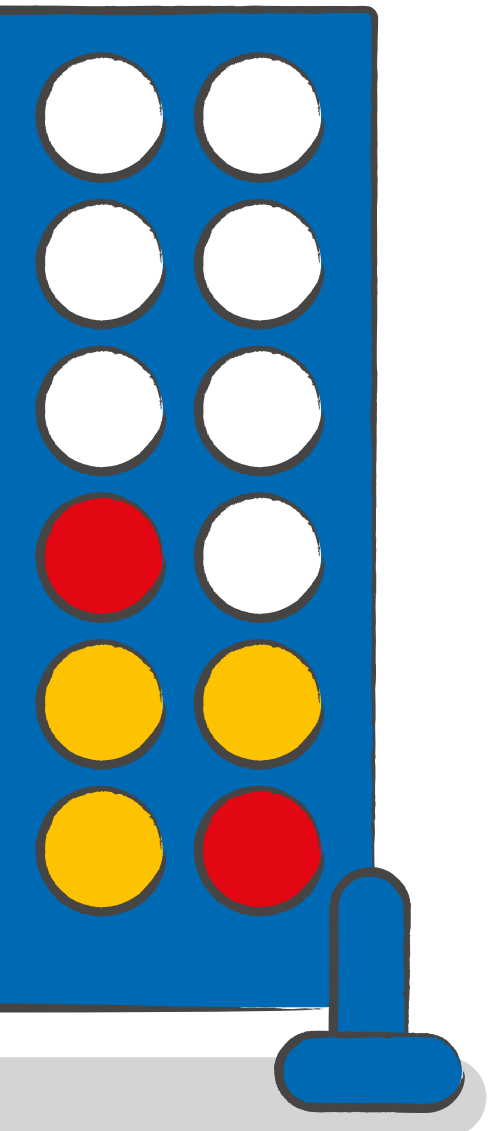
Leadership at all levels

- Commit to positive change of the organisation's social, economic and environmental impact.
- Understand the impact of our work across our beneficiaries and communities.
- Engage stakeholders.

Lydia is passionate about sustainability

"It is important to do something about this crisis now. The Children's Trust is about children, and our future. It's important that The Children's Trust focuses on the problems that will impact the future of children, including protecting the world they will live in."
Lydia, who received rehabilitation at The Children's Trust.

Lydia in front of the Mansion at The Children's Trust.



Impact this year

In launching the strategy this year we wanted to report some initial impacts and in future years we will provide comparisons, showing change over time.

Community

- We spent £1million (£1,007,777) within the local economy through businesses who are based within 10 miles of The Children's Trust in Tadworth.
- We employ 619 employees at The Children's Trust, Tadworth. 70% live within 10 miles of Tadworth.

Ethics

- We have reported on the Environmental Social and Governance (ESG) impacts of our investment portfolio on p54. We also responded to the Charity Commission's consultation on responsible investments for charities, advocating that charities should make investments in line with not only their charitable purpose and values but also with wider ESG impacts taken into consideration.

Environment

- We produced 396.8 tonnes of carbon dioxide (scope 1 & 2).
- We generated 142 tonnes of waste. 20 tonnes of this was recycling, a further 53 tonnes was clinical, infectious and sharps waste and the remaining 68 tonnes of refuse went into energy from waste, this is where non-recyclable waste is diverted from landfill and is used to generate energy in the form of electricity and/or heat.
- Our vehicles travelled 67,292 miles this year, transporting children and young people as well as supporting retail, fundraising and other staff activity. This resulted in 19.25 tonnes of carbon emissions.
- Heating and electricity at Tadworth Court resulted in 369.8 tonnes of carbon emissions.

Streamlined Energy and Carbon Report (SECR)

- Start date for SECR period: 1 April 2020
- End date for SECR period: 31 March 2021

Methodology

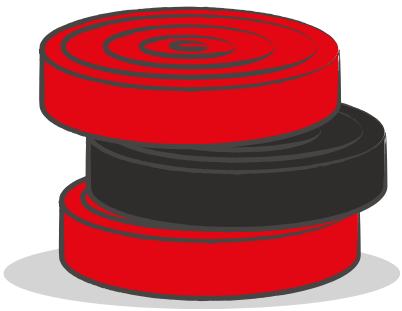
All the SECR data requirements for large companies have been met and the energy consumption and emissions are reported below. This includes UK consumption of electricity, gas and transport fuels where the company is responsible for the fuels.

The methodology used to calculate emissions is the GHG Reporting Protocol Corporate Accounting and Reporting Standard. UK Government greenhouse gas emissions conversion factors for 2020 have been applied.

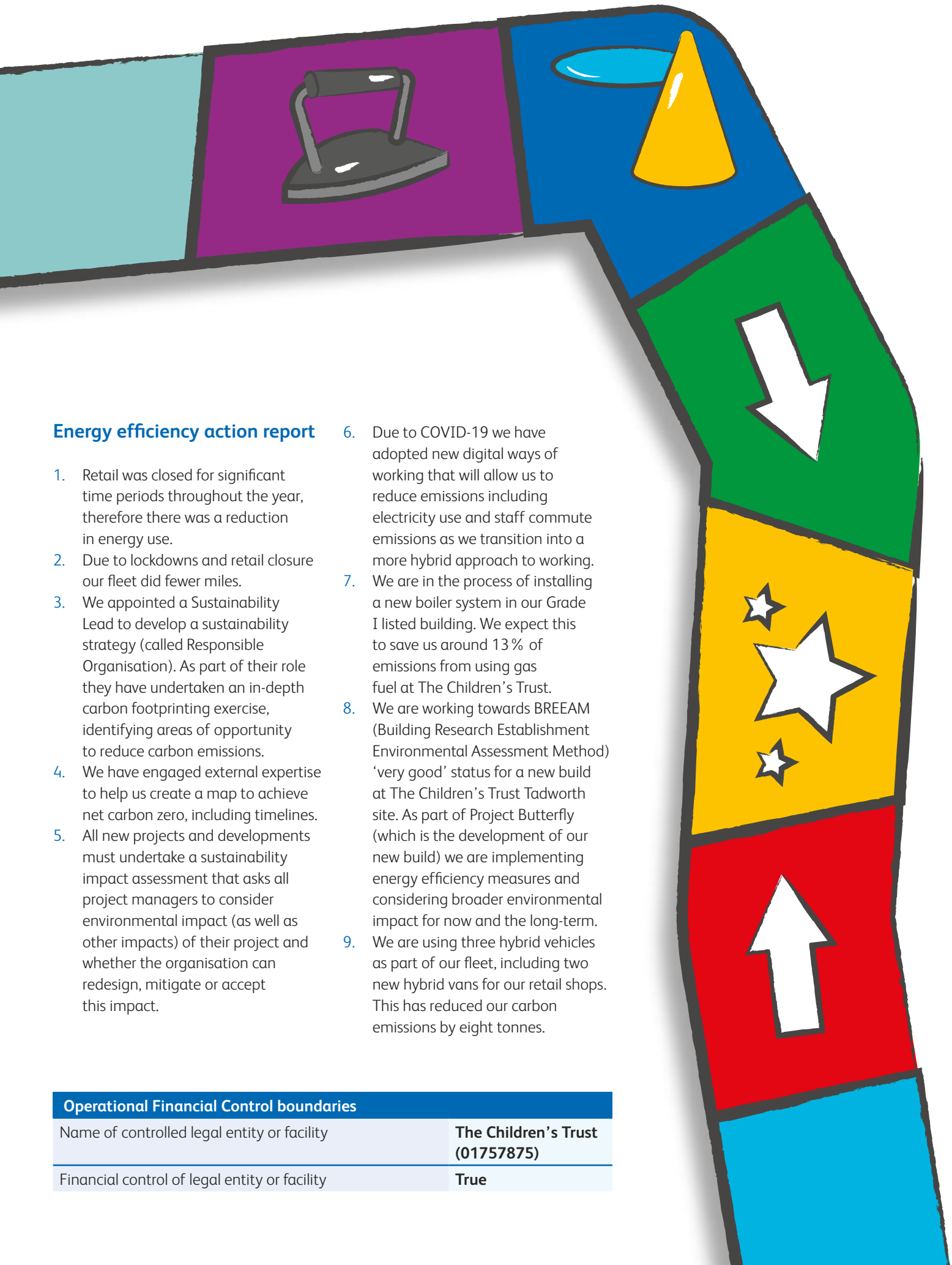
Scope 2 emissions from purchased electricity have been calculated using the location-based approach only.

Base year recalculation

We are following advice given in the government's guidance on how to measure and report greenhouse gas emissions. Should we discover errors in the energy and fuel consumption data that we used to calculate our yearly emissions, we will recalculate our base year emissions using revised/amended data in order to correct the errors. This is the case for the baseline year 2019/20 in this report.



Third party verification		
No third party data verification of the emissions data has been carried out		
Reported emissions (and carbon offsets)		**tonnes CO2e**
	2020/21	**2019/20**
Total gross emissions (scope 1, 2 and 3)	**396.8**	**612.0**
Total direct and indirect emissions (scope 1 and 2)	**389.0**	**595.8**
Total direct (scope 1) emissions	**139.1**	**289.7**
Direct emissions (scope 1) stationary combustion	**119.8**	**238.4**
Direct emissions (scope 1) mobile combustion	**19.3**	**51.4**
Direct emissions (scope 1) from transport mobile combustion	**19.3**	**51.4**
Direct emissions (scope 1) from other mobile combustion	**0.0**	**0.0**
Direct emissions (scope 1) from agricultural sources	**0.0**	**0.0**
Total indirect emissions (scope 2)	**250.0**	**306.0**
Indirect emissions (scope 2) from electricity	**250.0**	**306.0**
Total other indirect emissions (scope 3)	**7.7**	**16.3**
Other indirect (scope 3) emissions from business travel	**7.7**	**16.3**
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	**7.7**	**16.3**
Energy Consumption	**kWh**	**kWh**
Total energy consumption used to calculate emissions	**1,831,198**	**2,767,184**
Energy consumption, combustion of gas	**651,561**	**1,296,512**
Energy consumption, electricity	**1,065,586**	**1,190,750**
Energy consumption, combustion of transport fuel	**114,051**	**279,922**
Energy consumption, other	**0**	**0**
Intensity ratio	**tCO2e/FTE**	**tCO2e/FTE**
Intensity ratio	**0.6**	**1.2**
The reported emissions intensity ratio is the total gross emissions (scope 1, 2 and 3) per full-time employee (FTE).		
Intensity ratio based solely on mandatory data	**True**	
Operational control of legal entity or facility	**True**	



Energy efficiency action report

1. Retail was closed for significant time periods throughout the year, therefore there was a reduction in energy use.
2. Due to lockdowns and retail closure our fleet did fewer miles.
3. We appointed a Sustainability Lead to develop a sustainability strategy (called Responsible Organisation). As part of their role they have undertaken an in-depth carbon footprinting exercise, identifying areas of opportunity to reduce carbon emissions.
4. We have engaged external expertise to help us create a map to achieve net carbon zero, including timelines.
5. All new projects and developments must undertake a sustainability impact assessment that asks all project managers to consider environmental impact (as well as other impacts) of their project and whether the organisation can redesign, mitigate or accept this impact.
6. Due to COVID-19 we have adopted new digital ways of working that will allow us to reduce emissions including electricity use and staff commute emissions as we transition into a more hybrid approach to working.
7. We are in the process of installing a new boiler system in our Grade I listed building. We expect this to save us around 13% of emissions from using gas fuel at The Children's Trust.
8. We are working towards BREEAM (Building Research Establishment Environmental Assessment Method) 'very good' status for a new build at The Children's Trust Tadworth site. As part of Project Butterfly (which is the development of our new build) we are implementing energy efficiency measures and considering broader environmental impact for now and the long-term.
9. We are using three hybrid vehicles as part of our fleet, including two new hybrid vans for our retail shops. This has reduced our carbon emissions by eight tonnes.

Operational Financial Control boundaries	
Name of controlled legal entity or facility	**The Children's Trust (01757875)**
Financial control of legal entity or facility	**True**

Statement on Section 172 of the Companies Act 2006

Section 172 (Statement of Director's Duties to Stakeholders)

Trustees have a duty to act in good faith to promote the success of the charity for the benefit of its members and in doing so are required by section 172 of the Companies Act 2006 to have regard for various specific factors including:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company.

We have regard for these factors taking them into consideration when decisions are made. We behave responsibly, ethically and fairly at all times.

During the pandemic and particularly in the early weeks, the management team were required to make important decisions quickly, in a way that could be seen as 'fair and balanced'.

Examples of this include

1. Interests of our employees
When the government announced that the Coronavirus Job Retention Scheme (furlough scheme) would provide grants to support 80% of furloughed employees' wages we made the decision to pay the remaining 20%. Our main aim was to ensure that staff were not impacted financially as a result of COVID-19 lockdowns. The Trustees value the dedication and hard work of employees and recognised that any alternative decision would have resulted in a false economy.

2. Business decisions
A consequence of the pandemic was an escalation in unpaid bills, with debtor balances rising sharply, as commissioners' finance teams relocated to their homes. At some financial risk we agreed to recruit a team of freelance credit controllers to address this issue. Over a six-month period, debtor balances were reduced by 75%, generating working capital at a critical time.

3. Unbudgeted investment
In the first half of 2020/21 two immediate financial priorities emerged, where expenditure was unnegotiable in order to protect staff and continue our business in supporting children and families.

Firstly, we had to source PPE for front line staff, amidst stiff market competition: to this end, we refocussed our small procurement team almost solely on this priority and sourced over £100k of PPE, of which about one third remains in inventory. As a consequence, our service provision was uninterrupted and we were able to ensure utmost protection for staff and children.

Secondly, with the need for many employees to work remotely, we invested £400K to equip staff with the necessary IT equipment to continue their work.

4. Managing clinical risk during COVID-19
A Major Incident Team was formed at the start of the pandemic and met daily. The meetings were chaired by the Director of Clinical Services (Chief Nurse) and attended by all relevant Directors and managers. Minutes were taken and an action log recorded in line with major incident management.

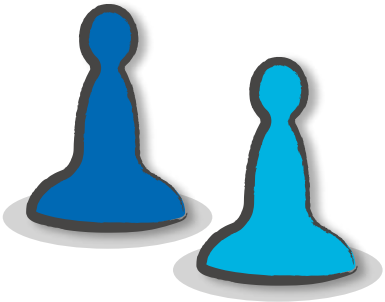
The agenda covered areas such as infection control measures, supplies, management of the estate, staff requirements such as shielding guidance and vaccinations. We also made decisions on clinical issues, processes for admitting children and young people onto site and the shielding requirements for our most vulnerable children. All staff communications were agreed at this meeting.

The Directors also wrote a three phased approach on the process of lockdown and prepared possible communications.

5. Reducing rehabilitation placements durations
Following the announcement of the first national lockdown, we felt duty-bound to support the NHS by taking referrals much earlier than usual to free up NHS beds for COVID-19 patients. We also recognised that we needed to keep children and young people as safe as possible so as to prevent them contracting COVID-19. Therefore, placement durations were reduced from 12- to six-week stays. As well as reducing the risk of contracting COVID-19, this placement reduction also reduced the anxiety for many families who wished to be at home during this time.

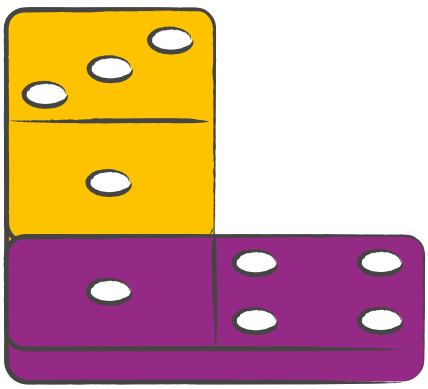
The Children's Trust research team have reviewed the outcomes for these children and young people and found that they were not disadvantaged in any way and their goals and outcomes were consistent to that had they been on-site for 12 weeks.

To ensure that the children and young people were not disadvantaged in their progress, rehabilitation programmes ran over six days instead of five.



Strategic report:
Managing our organisation

The financial performance of the organisation is reviewed on p38-39. The aspects on the right, however, require further disclosure.



Going concern

A year ago, this area was critically important for the charity, as it was for the wider sector. With the loss of international income, key elements of fundraising income and potentially the long-term closure of retail shops, coupled with working capital challenges, there was much to consider. Moreover, the charity's investment portfolio was not a realistic reserve, as liquidating elements of that portfolio at the bottom of the market would not have been appropriate.

A year on, the UK has seen the successful roll-out of the vaccination programme and the nation is on course to resume something close to normality in the summer of 2021. The charity's retail units are now open and are trading successfully. Occupancy levels in rehabilitation and in the school are on target.

Some practical problems remain. While the payment of the NHS Capacity Grants of £0.45m have now been received, after some delay, legal processes remain much slower than normal: one consequence is that we still have a significant 'tail' of legacies which are due, but unpaid. The reopening of one of our residential houses has been delayed due to challenges on recruitment and if unresolved, this will begin to impact income.

The 2021/22 budget document identified three key areas of financial risk:

- The need to stabilise the levels of rehabilitation referrals, which had been volatile. At the time of writing, those numbers are stable.
- The settlement of a very high pay increase for NHS nursing staff would add a significant cost pressure, with uncertainty on whether our contracts with the NHS would be inflated to cover the increase. At the time of writing, a modest national offer has been proposed, but this is not finalised. For each additional 1 % the full year cost would be £200k per annum.
- The charity needs to rebuild its private international work. With international travel due to open up in 21/2022, albeit with graded restrictions, our international work is uncertain. This is a fundamental strategic target. The net income risk on international work is circa £1m. Growth in international referrals is a fundamental element of the charity's five-year strategy.

With regards to the risks above, there are three levels of contingency in place:

- Approximately £0.7m is being carried as in-year contingencies.
- Of the £1.8m capital programme, approximately £0.8m relates to elements that can be deferred if necessary.
- The investment portfolio (£8m) is now back at a stable market valuation and as such can be utilised as a final level of contingency.

Consequently, given the strength of the balance sheet, we cannot envisage any scenarios which would compromise our ability to continue in business through to September 2022 (a period of at least 12 months from approval of these financial statements) and beyond.

Reserves

As at March 2021, reserves totalled £27.4m (2020: £27.0m), of which £2.4m (2020: £2.6m) relates to Restricted Funds and £0.7m (2020: £0.6m) relates to Endowment Funds.

Of the balance of £24.1m, £17.2m (2020: £15.8m) has been Designated to represent that element of the reserves which is represented by fixed assets and is therefore not available as working capital.

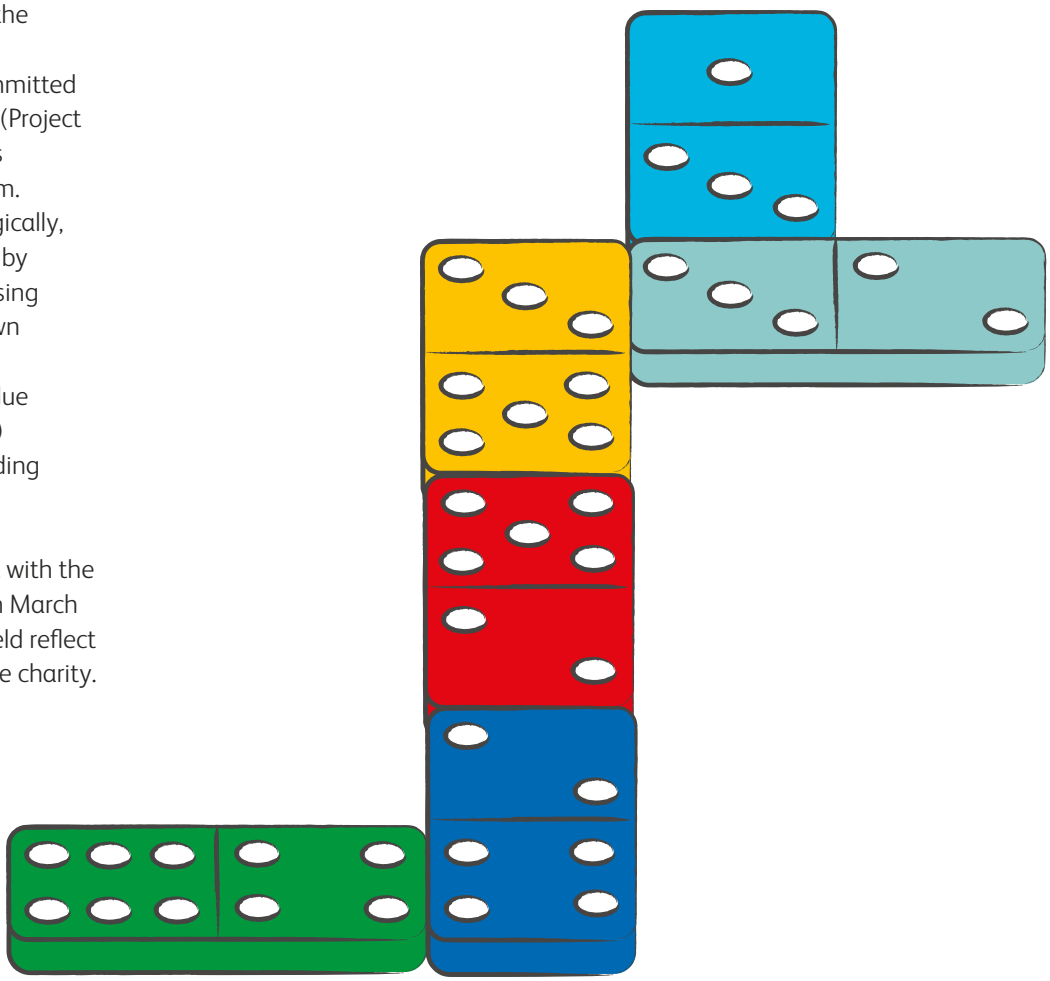
With regard to the balance of £6.9m (2020: £7.7m) of 'free reserves', the view of the Trustees is that this balance is required for two purposes:

- Firstly, as set out previously, there is still an element of financial risk being carried as the charity transitions back to its pre COVID-19 levels of activity. That is in the range £1-2m.
- Secondly, the charity is committed strategically to a new build (Project Butterfly), with capital costs estimated currently at £15m. Whilst it is intended, strategically, that construction is funded by a combination of a fundraising appeal and the charity's own capital programme, these reserves (essentially, the value of the investment portfolio) will act as the charity's funding reserve for this project.

These allocations are consistent with the basis adopted by the Trustees in March 2020. Consequently, reserves held reflect the strategic requirements of the charity.

Trading subsidiary

The subsidiary (The Children's Trust Trading Company Ltd.) re-commenced trading during the year 2020, after an interregnum of 18 years. This has been re-established because of increased business and levels of commercial activity. However, with the cancellation of virtually all public activities during the pandemic, revenues and costs were not material. The results of the trading subsidiary were not consolidated, on the grounds of immateriality.



Our organisation's governance
Structure, Constitution & Objects

The Children's Trust is a charitable company not having a share capital. The charity's objects as set out in the Articles of Association describe the charity's core purpose which is: "*for the care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life limiting or life threatening conditions and neurological damage acquired through accident or other causes; for the support of families and other carers involved; and for the prevention of such disabilities and disorders.*"

In addition, our objects define a further duty to: 'hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all the buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.'

The Children's Trust Trading Company Limited is a wholly owned trading subsidiary of The Children's Trust, trading from 1 April 2020.

Board of Trustees

The Children's Trust is governed by the Board of Trustees ("the Board") who are also the charity's directors under company law. Our Trustees may serve in total for a period of nine years with the option to stand for re-election annually thereafter, for a maximum of three further 12-month terms.

When recruiting and appointing Trustees, we look for individuals who can provide leadership and expertise across our key services and disciplines of nursing, care, education, therapy and fundraising and who can support and bring effective challenge to the senior leadership team on business strategy, finance, operations, governance, risk and regulatory compliance. Each Trustee will be assigned as a lead for a particular business area or professional discipline.

Like many charities we recognise the importance of board diversity and are committed more broadly to the principles of equity, diversity and inclusion from 'board to floor'. Aside from ensuring the Board collectively has the necessary professional skills and sector-specific experience to govern the charity effectively, we are actively reviewing our approach to recruitment to ensure that our Board and wider workforce are more representative of the beneficiaries and communities we serve.

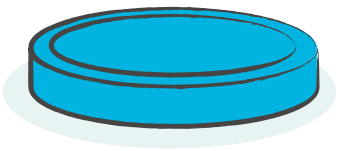
The Board of Trustees meets six times a year, with the Chief Executive and other members of the senior leadership in attendance. Each meeting follows a core set of agenda items, allowing Trustees to hear from and challenge management on business performance and to have oversight of governance, risk and compliance matters. In addition, a rolling forward agenda builds in strategic check-points, governance reviews, risk deep dives and operational spotlights at key points throughout the year.

All Trustees follow a dedicated induction programme and complete mandatory refresher training across key areas of risk and compliance, such as safeguarding and health and safety, annually. We set high standards of professional conduct and integrity for our Trustees and conflicts of interest are regularly reviewed by the Board.

The effectiveness of the Board has been internally assessed twice in recent years and in 2021 we plan to conduct an externally facilitated evaluation of Board performance which will provide insight and benchmarking from the wider charity sector.

Board Committees

Given the breadth of sectors we operate across, the Board delegates some of its key functions and responsibilities to a number of specialist committees as follows.



Governance

The Governance Working Group which comprises three Trustees, Director of People & Culture, Director of Education and the Company Secretary meets on a quarterly basis and sets an annual programme of work focussed on reviewing and improving compliance with the Charity Governance Code, adopted by the charity through our 'Principles of Governance'.

In 2020, the working group has reviewed and updated the charity's Articles of Association, Matters Reserved for the Board, Delegation of Financial Authority and the terms of reference for each of the Board's committees. In 2021 the working group will be looking again at Board effectiveness and undertaking a Trustee skills audit and training needs analysis. The Board has also recently reviewed the findings and recommendations from high-profile safeguarding investigations such as the Saville and Elizabeth Dixon enquiries. These reports and recommendations will inform the work and priorities of the Governance Working Group in the forthcoming financial period.

Committees

Clinical Governance & Safeguarding Committee
This committee provides a structured, systematic oversight of the organisation's clinical governance, risk management and safeguarding policies and procedures. It holds management to account for compliance with key regulations and statutory guidance, including the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014; Care Quality Commission (Registration) Regulations 2009 and The Care Standards Act 2000 and provides assurance to the Board over the same. The committee meets at least five times per annum.

Educational Governance Committee
This committee has delegated authority to act as the de facto 'governing body' of The Children's Trust School. The scope and objectives of the committee are informed by UK legislation and statutory guidance from Department for Education. The committee's role is to hold the Director of Education and senior leadership team to account for the educational performance, internal organisation and management and control of the School, including the performance management of staff. The Committee meets four times per annum.

Finance, Fundraising and General Purposes Committee
The primary purpose of this committee is to support the Board in ensuring the charity manages its finances, income, human resources, estates and facilities and IT responsibly and ethically in pursuit of its charitable purposes, and that its fundraising practices are compliant, efficient and effective. The committee meets five times per annum.

Audit & Risk Committee
This committee's primary purpose is to provide assurance to the Board on the adequacy of risk management, internal control and governance arrangements and that public and charitable funds are used efficiently and effectively.

Investments Committee
The primary purpose of the committee is to establish and monitor the charity's investment policy.

Appointments Committee
The Appointments Committee's primary purpose is to review Board composition and approve trustee, honorary officer and senior leadership team appointments.

Remuneration Committee
The primary purpose of the Remuneration Committee is to determine employment and remuneration policies and to approve the annual pay review.

Research Governance Committee
This committee was established to ensure that the charity undertakes good quality research to further its reputation with leading clinicians and healthcare institutions.

New Build Committee (Project Butterfly)
This committee was established to govern all aspects of a major construction project at Tadworth Court. A new £15m facility will replace the existing school building and provide shared spaces for our multi-disciplinary teams, children and young people and their families to come together.

Investment policy & objectives

In the final quarter of 2019/20, our portfolio lost £1.4m of its value due to impact of COVID-19 . This had to be reflected as a cost in 2019/20 accounts.

With the worldwide recovery on financial markets, a gain of £1.4m was achieved in 2020/21, thereby bringing the portfolio back to its pre COVID-19 position by March 2021. The portfolio has continued to gain in value in the first quarter of 2021/22.

The yield on investment income was down significantly in absolute terms, at £149k (2019/20: £220k), reflecting the very gradual recovery in investment performance worldwide over the course of the pandemic. Given the very large corrections in portfolio value over the period of the pandemic, % yield data is not shown this year, as being of limited value. Income levels in 2021/22 are already up 24 % on the prior year levels.

Results continue to be monitored by the Investment Committee, which meets with representatives from Investec at each meeting.

Environmental, Social and Governance (ESG) impact of our investment portfolio

The current investment policy precludes any direct investment in tobacco companies and other companies that may harm or exploit children or young people.

As part of our responsible organisation work, we report on the Environmental, Social and Governance (ESG) impact of our investment portfolio in the annual report and accounts.

The ESG performance of our investment portfolio is measured and benchmarked by two separate third party analytics solutions providers (Sustainalytics and Institutional Shareholder Services) that give us a score against sustainability factors and alignment with the UN Sustainable Development Goals.

Our direct investments scored an average of +1.7, when scored against the UN Sustainable Development Goals with a range of +10 to -10. The MSCI UK IMI index benchmark is +1.1.

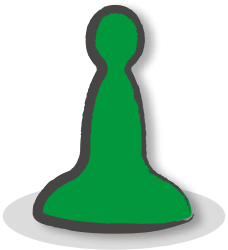
Sustainalytics measured our average score as 23.1 (range is 0-100 with low scores good and high scores bad). The MSCI UK index average score is 23.3. In conclusion our investment portfolio ESG scores are better than the average and benchmark scores for UK wide investments. In the next year we will continue to review how we approach and report on responsible investments.

Key risks and handling strategies

The senior leadership team and board formally review and assess the principal risks to the charity's strategic and objectives bi-annually. At the end of the financial year 2020-21 the principal risks were identified as below.

Principal Risk	Mitigation
COVID-19 COVID-19 continues to pose a direct and immediate threat to the health and well-being of our clinically extremely vulnerable children and young people and our staff, and to our ability to continue with business as usual.	We have continued to operate a COVID-secure site, with stringent infection prevention and control measures and regular testing of staff and beneficiaries, throughout the pandemic. We have also had a high uptake of the COVID-19 vaccines amongst staff. These measures have ensured and continue to ensure the safety and wellbeing of our vulnerable children and young people and colleagues.
Health & Safety The health and safety of the children and young people we care for, staff, volunteers, visitors, contractors and anyone who may be affected by our undertaking, are paramount. Failure to put in place appropriate policies, procedures and training could put our beneficiaries, colleagues, supporters or others at risk and result in regulatory enforcement action, litigation and prosecution.	We have a robust health and safety management system in place comprising policies, procedures, mandatory training, risk assessments, KPIs and incident management and reporting, all of which help manage this risk to an acceptable level.
Financial Sustainability A failure to generate operating surpluses in our core business or the loss of or scaling back of key contracts could create financial instability and uncertainty. Furthermore a failure to grow new business (private and international) and/or a decline in voluntary income could adversely affect our ability to deliver our strategic objectives.	Business performance against budget is closely monitored by the senior leadership team and reported regularly to the Board. At The Children's Trust School, residential occupancy has increased by 30% over the last three years and referrals to our brain injury rehabilitation service are now strengthening after a volatile year during the COVID-19 pandemic.
Strategic Projects Our strategy for 2020-25 aims to help the charity reach and support more children, young people and their families and deliver improved outcomes. In doing so we will demonstrate to our funders that we are trusted, offer value for money, are an essential partner and service provider.	The execution of our strategic projects and initiatives is closely monitored on a monthly basis by the senior leadership team with regular updates reported to the Board. We are also developing a suite of KPIs to measure benefits realisation as strategic initiatives are delivered.

Principal Risk	Mitigation
People Our people are instrumental to achieving our strategy and objectives and to delivering the high standards of health, care and education we aspire to for the children, young people and families we support. A failure to attract, retain and develop colleagues with the right skills and experience, or to establish the right culture values and standards of behaviour that we expect, could impact the quality and delivery of our services and achievement of our objectives.	Our staff handbook, corporate policies and procedures, mandatory training and comprehensive induction programme ensure that our culture, values and expected standards of conduct are clearly articulated to all new joiners. On staffing, management has processes in place to monitor critical staffing levels (such as nurses) and to promptly identify gaps against forecast requirements. On physical and mental health and wellbeing, we have an on-site occupational health service operated by Epsom and St Helier Hospital, as well as comprehensive range of other wellbeing resources and initiatives accessible to staff and volunteers.
Information Technology During the year we continued the roll-out of our new cloud-based IT systems following a number of years of under-investment in our IT infrastructure. This change in our IT operating model brings about significant operational benefits but also introduces key supplier dependency risks which, unless managed effectively, could lead to significant business interruption.	The outsourced hosting arrangements provide for a high level of operational resilience and business continuity and management meets regularly with senior supplier representatives to ensure operational performance continues to meet expectations.
Quality and compliance Including health and care, education and fundraising. Delivering a high quality and safe service is our primary objective. A failure to comply with regulatory requirements could compromise the health and safety of our children and young people and colleagues and/or lead to significant fines and negative publicity.	We have robust policies, procedures and controls in place to ensure compliance with applicable regulations and have recently been re-accredited to CHKS healthcare and ISO9001 quality standards. Following a dual inspection in April 2020, The Children's Trust maintained its 'Outstanding' rating with CQC and Ofsted Care. Our last inspection from Ofsted Education in May 2017 rated our school 'Good' with outstanding effectiveness of leadership and management.
Safeguarding The Children's Trust supports some of the most vulnerable children and young people in our society. A failure in our internal control system or governance arrangements to prevent or adequately respond to safeguarding incidents and near misses could put our children and young people at risk of harm and adversely impact our CQC and Ofsted Care ratings.	Safeguarding is one of the charity's top priorities and Trustees dedicate significant time and attention to checking and challenging the effectiveness of governance arrangements and systems of risk management and control in this area. Our rigorous recruitment procedures, policies, staff training and open and transparent culture help us reduce the likelihood of a safeguarding incident taking place and ensure that risks and issues are identified and addressed at the earliest possible opportunity.



2020/21	2019/20	2018/19	2017/18
Subject access requests: **24**	45	53	26
Safeguarding incidents: **19**	46	19	17
Complaints (Children/ families, business operations): **14**	25	25	23

Best practice and compliance

The Children's Trust Financial Statements for 2021 and the 2020 comparative figures are constructed in line with best practice. Compliance with best practice extends to the need to address the 'public benefit' provided by the charity, in line with Charity Commission guidelines.

The Financial Statements comply with the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Auditor

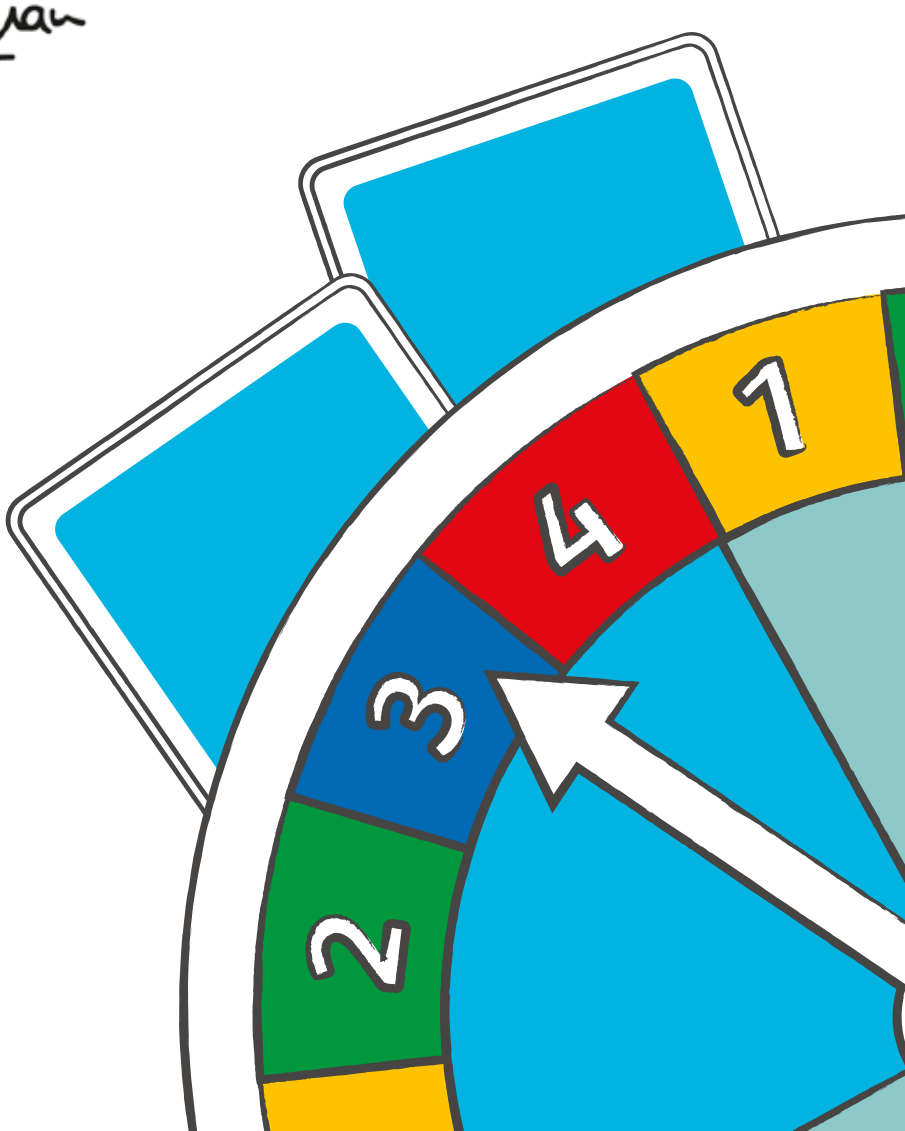
Our external auditor RSM UK Audit LLP has indicated its willingness to continue in office. In so far as the Trustees are aware:

- there is no relevant audit information of which the charity'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.

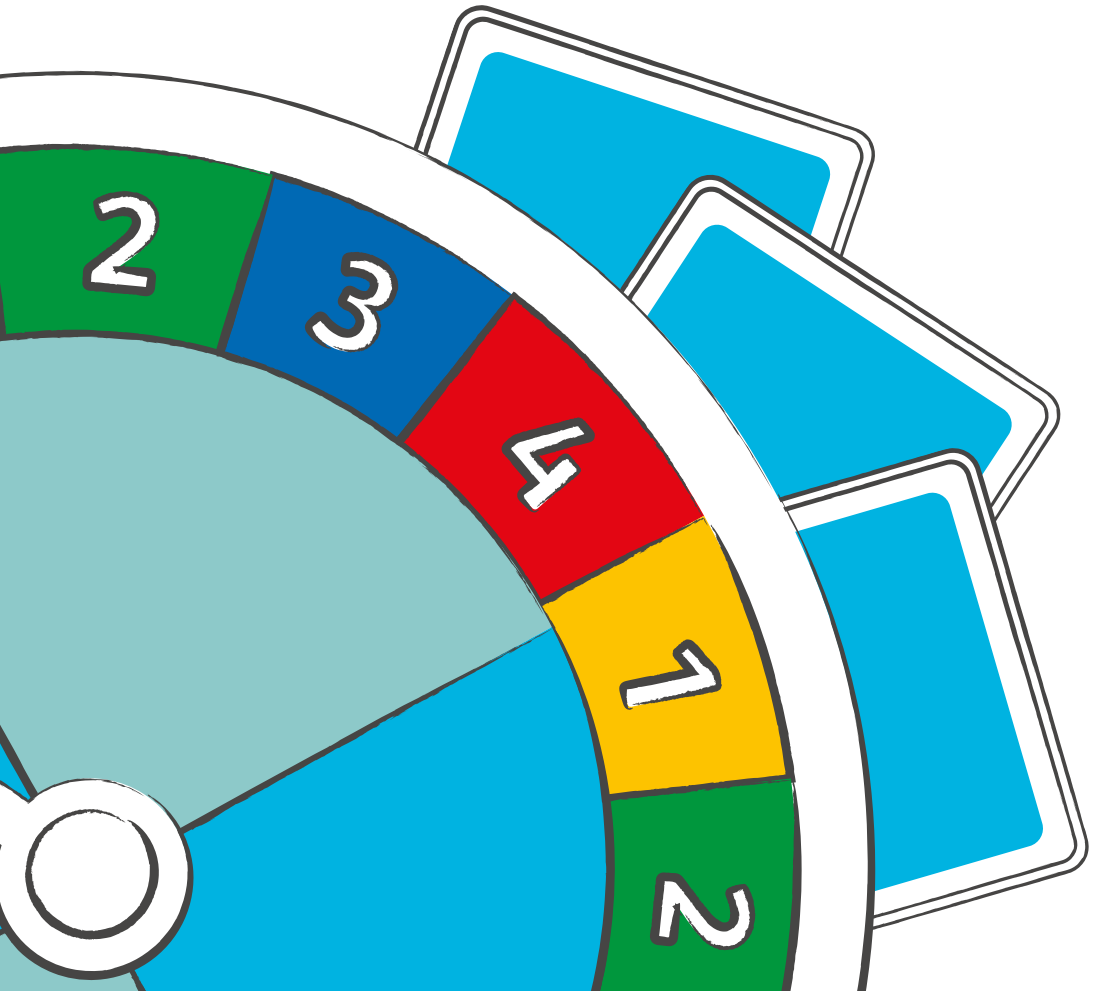
This Report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 10 September 2021 and signed on behalf of the Trustees by:

Duncan Ingram
(Chair of Trustees)

Date: 10 September 2021



Annual Report KPIs 2020/21	31/03/21	31/03/20
Year end trade debtors (£'000)	1,136	4,267
Turnover (£'000)	28,468	25,667
Year end debtors (months)	0	2
Year end debtors (days)	15	61
Year end trade creditors (£'000)	1,032	1,268
Total expenditure (£'000)	29,424	26,371
Year end creditors (months)	0	1
Year end creditors (days)	13	18
Inventory (months)	0.60	0.57
(total non-pay actual less insurance and depreciation over inventory)		
% Completion of capital programme	102%	83%
Agency spend (£'000)	817	1,179
% of payroll	4%	6%
Bank spend (£'000)	389	389
% of payroll	1.74%	1.94%
Fundraising margin (%)	32%	36%
Retail margin (%)	-1%	18%
Corporate fixed costs (%)	23%	22%
(as defined at budget setting and excluding depreciation) as % of income		
Average yield on investments (%)	25%	-13%
(dividend income plus change in portfolio value over average amount invested over the year)		



Reference and administrative details

Trustees

Duncan Ingram
Chair of Trustees and Remuneration Committee (Chair) and Appointments (Chair)

Sarah Baker
Clinical Governance & Safeguarding Committee, Whistleblowing & Safeguarding Lead

Viv Berkeley *(appointed Trustee 29 January 2021)*
Educational Governance Committee (Chair)

Timothy Davies
Finance, Fundraising & General Purposes, Audit & Risk, Investments, Educational Governance and New Build Committees

Denise Matthams
Clinical Governance & Safeguarding (Chair), Educational Governance, Remuneration and New Build Committees

Toby Mullins
Educational Governance, New Build and Research Governance Committees

Nigel Scott
Finance, Fundraising & General Purposes, Audit & Risk (Chair), Investments (Chair) and New Build Committees (Chair)

Fiona Sheridan
Finance, Fundraising & General Purposes (Chair), Audit & Risk, Investments and Remuneration Committees

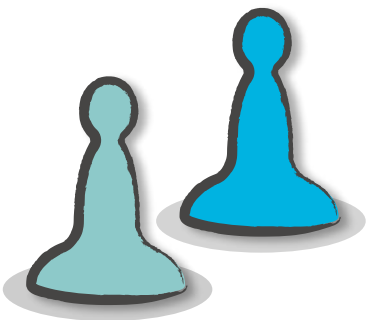
Sam Thomson
Finance, Fundraising and General Purposes Committee

Anne Walker
Clinical Governance & Safeguarding, Finance, Fundraising & General Purposes and Audit & Risk Committees

Melissa Grigsby resigned as a Trustee in January 2021. Until then she chaired the Educational Governance Committee.

Our particular thanks go to **Mike Gercke** who retired from the Board of Trustees in September. He served as Vice Chair and was Honorary Treasurer.

Professor Gareth Morgan resigned as Medical Director & Consultant Paediatrician during the reporting period.



Senior Leadership Team

Dalton Leong
Chief Executive

Jayne Cooper
Director of Clinical Services
(Chief Nurse)

Paul Farthing
Director of Income Generation
and Communications

Colin Kerr
Director of Finance &
Business Performance

Michael Maddick
Director of People and Culture

Samantha Newton
Director of Education

Dr Vijay Palanivel
(as of March 2021)
Interim Medical Director
& Consultant Paediatric
Neurodisability

Nicola Smith
Director of Strategy
and Transformation

Company Secretary

Olivia Rowntree
(appointed October 2020)
Colin Kerr
(Prior to October 2020)

Medical Advisor

Dr Sarah Aylett

Members of The Children's Trust

The Trustees
Paul Burgess
Philip Davies
Andrew Dick
Christopher Dulley
Dr Mary Greenway
David Harrison
Dr Margaret Mayston PhD MCSP
Lady Jane Pickard
Sir Roger Singleton CBE
Dr Patricia Sonksen
Simon Tate
Millie Wentworth-Stanley MA LLM
Sir Adrian White CBE DL
Timothy Yeo

Registered Office

The Children's Trust
Tadworth Court
Tadworth
Surrey KT20 5RU

Advisors

Bankers
Lloyds Bank
4th Floor
125 London Wall
London EC2Y 5AS

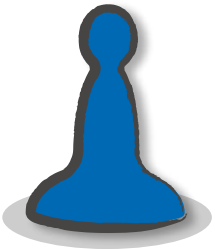
Auditor
RSM UK Audit LLP
25 Farringdon Street
London EC4A 4AB

Solicitors
DAC Beachcroft
100 Fetter Lane
London EC4A 1BN

Investment Managers
Investec Wealth & Investment
30 Gresham Street
London EC2V 7QP

Ambassadors

Amanda Burton
Jenni Falconer
Jacqueline Gold CBE
Richard Hammond
Adam Hills
Harry Judd
Izzy Judd
Nicholas Owen
Elaine Paige OBE
Joely Richardson
Phil Tufnell
Holly Valance
David Walliams OBE
Sophia Warner BEM



Statement of Trustees' responsibilities

The Trustees (who are also directors of The Children's Trust 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 that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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 judgements 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Annual statement of internal controls

The Charity Commission's guidance on 'Internal financial controls for charities' states that 'trustees should, at least annually, ensure a review is conducted of the effectiveness of the charity's internal financial controls'. The Board of Trustees retains ultimate responsibility for the charity's system of risk management and internal control in its widest sense.

System of internal control

The table below sets out the key components of the internal control system1 which have been in place during the course of the financial year ended 31st March 2021.

Significant Control Failures

Management does not consider there to have been any significant control failures during the period although the following statutory notifications were made to regulators which require disclosure in the annual report and accounts.

A serious incident was reported to the Charity Commission as a precaution following a whistleblowing report to Care Quality Commission (CQC) during the time of their statutory inspection in 2020. The investigation, which was completed over a period of months, concluded that the whistleblower's allegations were not upheld. A number of recommendations were made as a result of the investigation which are now being implemented. No further action was required by CQC and the incident was closed.

A personal data breach was notified to the ICO in July 2020 after a phishing attack led to the personal data of a limited number of staff and other individuals, held in Outlook, becoming compromised. The data breach investigation resulted in a number of actions being agreed to strengthen controls against phishing attacks, most importantly, the roll-out of multi-factor authentication for all staff which has been completed. The Information Commissioner's Office (ICO) advised that they would not be taking any action against the charity and the incident was closed.

Conclusion

In the basis of this assessment, the Audit and Risk Committee has concluded that the system of internal control and risk management is designed effectively and fit for purpose.

Control environment	Risk assessment	Information and communications	Control activities	Monitoring
• Robust governance arrangements including formal sub-committees of the board of trustees each with its own terms of reference. • Clear organisational structure, management accountability and business objectives. • Delegated authorities. • Formal organisational policies and procedures. • Oversight of business performance and monitoring of KPIs. • Performance management procedures.	• Board of Trustees responsible for defining risk appetite and approving the charity's risk management policy and procedure. • Reassessment twice a year of corporate risks alongside strategic review. • Ongoing risk assessment as part of business as usual across all areas. • Risk assessment integral to all corporate projects.	• Financial reporting including key judgements. • Updates on strategy and business performance. • Results of internal and external audit. • Risk reporting. • Compliance reporting. • Whistleblowing.	• Designed, implemented and monitored by management. • Financial controls to prevent fraud, inefficient use of charity assets or financial misstatement. • Internal and external legal support to minimise contract risk. • Delegation of financial authority policy and formal capex approval process.	• Monitoring and assurance via dedicated control functions and committees, e.g. Clinical and Educational Governance, Quality and Compliance. • Information Governance, Health & Safety and Governance Working Group. • Reporting of incidents, lessons learned sessions, root cause analysis and control deficiencies via relevant Board sub-committee. • Independent internal and external audit and assurance.

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2021

Opinion
We have audited the financial statements of The Children's Trust (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 2021 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.

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

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2021

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, 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 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.

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 X, 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 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.

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2021

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 fraudIrregularities 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 Act 2006, Charities Act 2011, and the charitable company's governing document. 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, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are Safeguarding Vulnerable Groups Act 2006, Keeping Children Safe in Education 2019, the Code of Fundraising Practice, the Children and Families Act

Independent auditor's report to the members of The Children's Trust
For the year ended 31 March 2021

2014, the UK General Data Protection Regulations, the Care Act 2014 and the Care Quality Commission regulations. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area 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, and challenging judgments and estimates.

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

This description forms part of our auditor's report.

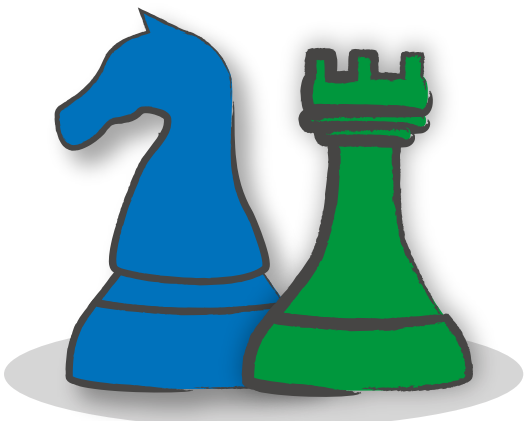
Use of our report

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.

RSM UK Audit LLP

Hannah Catchpool
(Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

21 December 2021



Statement of financial activities (incorporating an income and expenditure account)
For the year ended 31 March 2021

	Note	Unrestricted General Funds	Restricted Funds	Endowment Funds	2021 Total Funds	2020 Total Funds
Income and endowments from:						
Charitable activities	2	19,008	-	-	19,008	18,296
Donations and legacies	3	3,252	550	-	3,802	3,984
Government grants	3a	358	3,029	-	3,387	165
Other trading activities						
– Events		132	-	-	132	542
– Charity shops		1,319	-	-	1,319	1,826
– Lottery		167	-	-	167	148
	4	1,618	-	-	1,618	2,516
Investment income	5	148	-	23	171	230
Other income	6	482	-	-	482	486
Total income		**24,866**	**3,579**	**23**	**28,468**	**25,677**
Expenditure on:						
Raising funds						
– Costs of donations and legacies		1,811	-	-	1,811	1,730
– Investment in future income		195	-	-	195	56
– Events		252	-	-	252	503
– Charity shops		1,885	-	-	1,885	2,021
– Lottery		141	-	-	141	144
	8	4,284	-	-	4,284	4,454
Charitable activities	7	21,822	3,318	-	25,140	21,917
Total expenditure	8	**26,106**	**3,318**		**29,424**	**26,371**
Net (expenditure) before gains (losses)		(1,240)	261	23	(956)	(694)
Net unrealised (loss)/gain on investments	15	1,293	-	82	1,375	(819)
Net (expenditure)/income		53	261	105	419	(1,513)
Transfers	21	488	(488)			
Net movement in funds		**541**	**(227)**	**105**	**419**	**(1,513)**
Reconciliation of funds:						
Total funds brought forward		23,656	2,671	675	27,002	28,515
Total funds carried forward		**24,197**	**2,444**	**780**	**27,421**	**27,002**

The statement of financial activities includes all gains and losses recognised in the year.

The accompanying accounting policies and notes form an integral part of these financial statements.

The Children's Trust 2020/2021 Report and Accounts

Balance sheet
As at 31 March 2021

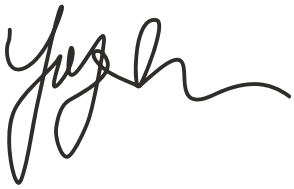
	Note	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Fixed assets					
Intangible fixed assets	**14a**	1,794		1,496	
Tangible fixed assets	**14**	15,442		14,371	
Tadworth Court	**14**	1,466		1,519	
			18,702		17,386
Investments	**15**		7,986		6,370
			26,688		23,756
Current assets					
Stocks		195		183	
Debtors	**16**	3,081		5,481	
Cash at bank and in hand		773		282	
		4,049		5,946	
Current liabilities					
Creditors: amounts falling due within one year	**17**	(3,316)		(2,700)	
Net current assets			733		3,246
Net assets			**27,421**		**27,002**
The funds of the Charity					
Unrestricted funds			6,966		7,789
General funds			17,231		15,867
Designated			24,197		23,656
Restricted funds			2,444		2,671
Endowment funds			780		675
Total funds			**27,421**		**27,002**

The financial statements were approved by the Trustees and authorised for issue on 10 September 2021

The accompanying accounting policies and notes form an integral part of these financial statements.

Company Number: 1757875

Duncan Ingram
Chair of Trustees



Fiona Sheridan
Chair of Fundraising, Finance and General Purposes

Cash flow statement
For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Net expenditure for the reporting period before gains/(losses)		419	(1,513)
Adjustments for:			
Interest and investment income		(171)	(214)
Depreciation	**14**	1,712	1,429
(Gain)/loss in investment in market value	**15**	(1,375)	819
Increase in stocks		(12)	(21)
Decrease/(Increase) in debtors		2,400	(994)
Increase in creditors		616	634
Net cash used in operating activities		**3,589**	**140**
Cash flows from investing activities			
Investment income received		171	220
Investment income reinvested	**15**	(171)	(220)
Capital expenditure	**14**	(3,028)	(3,009)
Sale of investments	**15**	(500)	544
Purchase of investments	**15**	430	-
Net cash (used in)/provided by investing activities		**(3,098)**	**(2,465)**
Change in cash and cash equivalents in the reporting period		491	(2,325)
Cash and cash equivalents at the beginning of the year		282	2,607
Cash and cash equivalents at the end of the year		**773**	**282**

	2021 £'000	2020 £'000
Analysis of cash and cash equivalents		
Cash at bank and in hand	773	282
Total cash and cash equivalents	**773**	**282**

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the financial statements
For the year ended 31 March 2021

1. Accounting policies

1.1 Basis of accounting
These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102. The Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP effective 1 January 2019) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The Charity meets the definition of a public benefit entity.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Preparation of the accounts on a going concern basis
In March 2020, the Board approved a five year strategy for the charity, with an operating surplus of £0.4m in 2020/21, rising to £1.5m in 2021/22 and remaining at that level. The strategy was configured primarily to facilitate a significant capital asset rebuild of approximately £15m. The funding was to come from a new fundraising appeal, with £6m generated from internal retained surpluses. The charity's investment portfolio (currently valued at £8.0m) would underpin the financial risk. No commitments have been made yet and it can be postponed if not achieved.

The view of the Board is that the charity – with one key caveat – will be able to return to previous levels of activity from approximately October 2021, enabling a break-even financial performance in the 20221/22 year.

The charity targeted growth in international income as a key strand of growth within the original strategy, reflecting real progress in the period 2018-2020. The Board has set an objective to rebuild referrals to pre-pandemic levels by the end of 2021. This will require an easing of restrictions in international travel to the UK, a rebuilding of private workload in paediatric neurosurgery in the major London hospitals and a re-establishment of the referral arrangements from those hospitals to this charity. This is the primary business objective for the charity in 2021/22.

Most of the financial risk for 2021/22 has been covered through in-year reserves, but failure to rebuild international work at a strategic level would necessitate a review of the strategy and the potential deferral of the new build. If such a state of transition were to arise, the charity would look to its investment portfolio of £8m to provide support.

Based on this, the Trustees consider that adequate resources exist to continue in operational existence for the short to medium term and that it is appropriate to adopt the going concern basis in preparing the financial statements.

1.3 Income
All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Collections made by third parties on behalf of the charity are accounted for when received.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacy income, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executors that a distribution will be made. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Funds received for capital projects are accounted for as restricted income. The treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

Donated professional services and donated facilities are recognised as income when the charity has control over the item.

Notes to the financial statements
For the year ended 31 March 2021

On receipt, donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

1.4 Expenditure

Expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Costs of raising funds include the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Where support costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in note 9 to the accounts.

Any irrecoverable VAT is included as part of the cost to which it relates. The amount incurred in the year is disclosed in note 11.

1.5 Fund accounting

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of the charity.

Designated funds are set aside by the Trustees out of unrestricted general funds for specific future purposes.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

Endowment funds are funds where the assets must be held by the charity, principally in the form of investments.

Income from endowments is included in income, either restricted or unrestricted, in accordance with the terms of the endowment.

Any capital gains or losses arising on the investments are allocated to the related fund. Further explanation of the nature and purpose of each fund is included in note 21.

1.6 Fixed assets

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their expected useful lives as follows:

Freehold land	Not depreciated
Freehold and leasehold property	4%, 10% and 20%
Tadworth Court	2%
Plant and office expenditure and equipment	10%-20%
Residential houses furniture and equipment	20%
Computer equipment	33%
Motor vehicles	20%
Motor vehicles – vans	14%
Motor vehicles – minibuses	13%

At the end of each reporting period, the residual values and useful lives of assets are reviewed and adjusted if necessary. In addition, if events or changes in circumstances indicate that the carrying value may not be recoverable then the carrying values of tangible fixed assets are reviewed for impairment.

Assets in the course of construction are carried at cost less any identified impairment loss. Depreciation commences when the properties are ready for their intended use.

Intangible fixed assets

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	33%
Computer software – major systems	17%

1.7 Tadworth Court

This balance represents the freehold of Tadworth Court, it houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at cost and is depreciated over 50 years. The Trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which is required to preserve or prevent deterioration is capitalised when it is incurred.

Notes to the financial statements
For the year ended 31 March 2021

1.8 Investments
Quoted investments are included at market value (bid/selling price). Investments in subsidiaries are stated at cost. Realised and unrealised gains and losses are shown in the appropriate section of the SOFA.

1.9 Stock
Stock is stated at the lower of cost and net realisable value; stocks are not normally held for resale.

1.10 Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.11 Pension costs
Certain of the charity's clinical and teaching staff are members of the NHS Pension Scheme or Teachers' Pension Scheme respectively, both of which are defined benefit schemes. The schemes are not designed to be run in a way that would enable individual employer bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as if they are a defined contribution scheme: the cost of participating in the schemes is taken as being equal to the contributions payable to the scheme for the accounting period.

Other staff are able to join the charity's defined contribution pension scheme. The employer contributions are included within resources expended and represent the amount of contribution payable to the schemes in respect of the accounting period.

1.12 Operating lease payments
Total payments under operating leases are charged to the SOFA on a straight line basis over the lease term.

1.13 Consolidation
The financial statements include the results of the charity only on the basis that the results of The Children's Trust Trading Company Limited are immaterial to the charity. Accordingly, consolidated statement of financial activities and balance sheet has not been prepared for the year.

1.14 Critical accounting estimates and areas of judgement
In preparing the financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. No material estimates were required.

1.15 Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.16 Creditors
Creditors 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 are recognised at their settlement amount.

1.17 Financial instruments
The charity has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments, deferred income, social security and other taxation liabilities, all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 16 and 17 for the debtor and creditor notes.

1.18 Employee benefits
The cost of short-term benefits, such as accrued holiday are recognised as a liability and an expense.

1.19 Significant events
The significant event for the charity was the WHO designation of COVID-19 as a global pandemic, which occurred in the final quarter of the 2020 financial year.

For the UK, the conclusion of the vaccination programme for at-risk groups, together with the end of social distancing regulations in July, mean that the country can begin the process of economic recovery. As stated in 1.2, the Trustees believe that the charity should be capable of returning to pre-pandemic levels of activity from October 2021.

Notes to the financial statements
For the year ended 31 March 2021

2. Charitable activities

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Care and rehabilitation services	10,261	-	10,261	10,793	-	10,793
The Children's Trust School	8,720	-	8,720	7,447	-	7,447
Community services	27	-	27	56	-	56
Total charitable activities	**19,008**	**-**	**19,008**	**18,296**	**-**	**18,296**

3. Donations and legacies

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Donations and covenants	2,524	550	3,074	2,462	945	3,407
Legacies	728	-	728	577	-	577
Total donations and legacies	**3,252**	**550**	**3,802**	**3,039**	**945**	**3,984**

Included in donations is a grant of £248,069 (2020: £165,379) received from NHS England for palliative care. Substantial support was received from Constable Educational Trust and The Wellcome Trust, plus funding from the Community Foundation for Surrey to support our increased cleaning and PPE costs as a result of the coronavirus pandemic.

3a. Income from Government grants

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
NHS England Palliative Care	-	248	248	-	165	165
NHSE Capacity Grant	-	2,781	2,781	-	-	-
UK Government Furlough Scheme	358	-	358	-	-	-
Total Government grants	**358**	**3,029**	**3,387**	**-**	**165**	**165**

Charity shop gift aid is included in donations.

4. Other trading activities

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Events	132	-	132	542	-	542
Charity shops	1,319	-	1,319	1,826	-	1,826
Lottery	167	-	167	148	-	148
Total other trading activities	**1,618**	**-**	**1,618**	**2,516**	**-**	**2,516**

Included in charity shops is £590k of emergency funding from local authorities during the pandemic period.

Notes to the financial statements
For the year ended 31 March 2021

5. Investment income

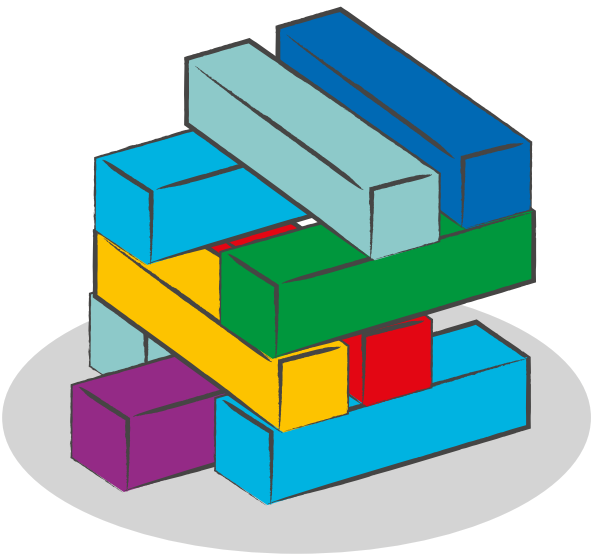
	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Dividends and interest: UK	107	13	120	143	25	169
Dividends and interest: foreign	41	9	50	44	8	51
Bank interest	-	1	1	10	-	10
Total investment income	**148**	**23**	**171**	**197**	**33**	**230**

6. Other income

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted as restated £'000	Restricted £'000	2020 Total as restated £'000
Lettings – both staff and parents	131	-	131	124	-	992
Catering	65	-	65	129	-	1,032
Nursery	106	-	106	113	-	904
Other	180	-	180	120	-	960
Total other income	**482**	**-**	**482**	**486**	**-**	**3,402**

7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted as restated £'000	Restricted £'000	2020 Total as restated £'000
Charitable activities	21,822	3,318	25,140	21,209	708	21,917
Total expenditure	**21,822**	**3,318**	**25,140**	**21,209**	**708**	**21,917**



Notes to the financial statements
For the year ended 31 March 2021

8. Expenditure on:

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2021 Total £'000
Charitable activities				
Care and rehabilitation services	9,009	4,132	206	13,347
The Children's Trust School	7,365	3,380	168	10,913
Community services	594	273	13	880
	16,968	7,785	387	25,140
Raising funds				
Costs of generating donations and legacies	1,224	559	28	1,811
Investment in future income	132	60	3	195
Events	170	78	4	252
Charity shops	1,331	528	26	1,885
Lottery	96	43	2	141
	2,953	1,268	63	4,284
Total expenditure	**19,921**	**9,053**	**450**	**29,424**

	Direct costs £'000	Support costs £'000	Governance costs £'000	2020 Total £'000
Charitable activities				
Care and rehabilitation services	8,522	3,632	176	12,330
The Children's Trust School	6,057	2,608	124	8,789
Community services	553	234	11	798
	15,132	6,474	311	21,917
Raising funds				
Costs of generating donations and legacies	1,124	583	23	1,730
Investment in future income	56	-	-	56
Events	326	169	8	503
Charity shops	1,494	497	30	2,021
Lottery	93	48	3	144
	3,093	1,297	64	4,454
Total expenditure	**18,225**	**7,771**	**375**	**26,371**

Expenditure on raising funds is unrestricted in both years.

Notes to the financial statements
For the year ended 31 March 2021

9. Allocation of support costs

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2021 Total £'000
Marketing	107	88	19	16	7	237
Communications	217	177	39	32	14	479
Facilities	1,056	865	189	157	70	2,337
Human resources	639	523	114	95	42	1,413
Finance	385	313	69	57	25	849
IT	323	265	58	48	21	715
Chief Executive's Office	85	70	15	13	6	189
Strategy Team	208	171	37	31	14	461
Risk (insurance)	90	73	16	13	6	198
Depreciation: Tadworth	580	472	104	-	38	1,194
Depreciation: Other	233	192	42	35	16	518
Provisions	209	171	38	31	14	463
Total support costs allocated (note 8)	**4,132**	**3,380**	**740**	**528**	**273**	**9,053**

	Care and rehabilitation services £'000	School £'000	Fundraising £'000	Retail £'000	Community £'000	2020 Total £'000
Marketing	133	93	26	22	8	282
Communications	213	150	41	36	14	454
Facilities	1,190	835	230	202	76	2,533
Human resources	611	429	117	103	39	1,299
Finance	309	273	155	66	25	828
IT	262	184	51	44	17	558
Chief Executive's Office	88	62	17	14	6	187
Strategy Team	-	-	-	-	-	-
Depreciation: Tadworth	665	469	131	-	39	1,304
Depreciation: Other	59	41	11	10	4	125
Historic water bill	102	72	21	-	6	201
Total support costs allocated (note 8)	**3,632**	**2,608**	**800**	**497**	**234**	**7,771**

Basis of allocation

Support costs are recharged relative to the proportions of direct costs.

Risk and governance costs relate to insurance (included in Finance in 2020): all other Risk and Governance costs are shown in Note 9a.

Provisions comprise: Dilapidations (£51k), Impairment (£62k), Debt provision (£132k), Other (£218k).

Notes to the financial statements
For the year ended 31 March 2021

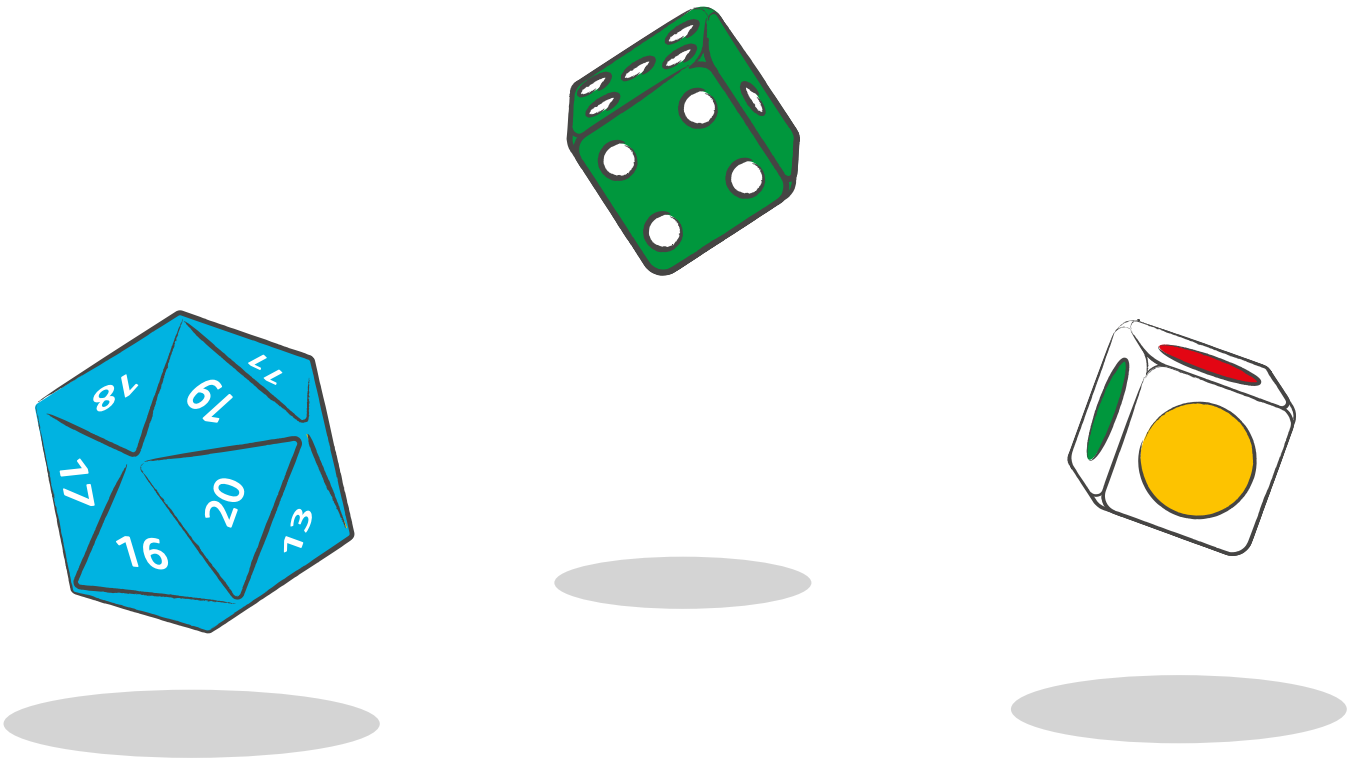
9a. Allocation of governance costs

	2021 £'000	2020 £'000
Risk and governance	418	344
External audit	32	31
Total	**450**	**375**

10. Net income/(expenditure) for the year

	2021 £'000	2020 £'000
This is stated after charging:		
Depreciation	1,712	1,429
Impairment	62	
Payments under operating leases:		
• Retail properties	363	459
• Equipment	8	36
Auditor remuneration:		
• Audit of the financial statements	32	31
• Other audit services	3	1
• Tax advisory	-	3

11. Gift Aid
For the year ended 31 March 2021, the charity received Gift Aid payments of £267k (2020: £346k). Against this, the charity sustained irrecoverable VAT of £1,066k (2020: £858k).



Notes to the financial statements
For the year ended 31 March 2021

12. Staff remuneration and pensions

	2021 £'000	2020 £'000
Salaries	18,405	15,826
Social security costs	1,735	1,513
Pension costs	1,301	1,121
Temporary staff costs	104	398
Agency staff costs	817	1,179
	22,362	**20,037**

The year end head count was 713 staff (2020: 647 staff). This figure includes permanent, fixed term and active bank workers.

12a. Average monthly number of full-time employees during the year

	2021 FTEs	2020 FTEs
Charitable activities	370	348
Fundraising	30	29
Charity shops	30	30
Support	96	81
Governance	6	7
	532	**495**

Key management personnel include the Trustees, Chief Executive (and senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £1,046k (2020: £923k). (Trustees = £nil). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The number of employees whose emoluments fell within the following ranges are set out below. The number of current employees earning over £60,000 has been split between clinical and executive staff. The Chief Executive's emoluments fall into the £120,001-£130,000 band.

	2021 clinical	2020 clinical	2021 executive	2020 executive	2021 total	2020 total
£60,001-£70,000	2	2	8	2	10	4
£70,001-£80,000	3	-	2	-	5	-
£80,001-£90,000	-	1	2	2	2	3
£90,001-£100,000	1	-	-	1	1	1
£100,001-£110,000	-	-	1	-	1	-
£110,001-£120,000	-	-	-	1	-	1
£120,001-£130,000	-	-	1	-	1	-
£170,001-£180,000	1	-	-	-	1	-
£190,001-£200,000	-	1	-	-	-	1
	7	**4**	**14**	**6**	**21**	**10**

During the year the charity made payments to 11 staff (2020: 9 staff) in respect of redundancy and termination totalling £70k (2020: £71k).

No amounts are included in creditors at the balance sheet date (2020: £nil).

Notes to the financial statements
For the year ended 31 March 2021

Pensions

The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 ('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, is as follows:

	2021 £'000	2020 £'000	2021 Number	2020 Number
TCT Group Pension Plan	1,095	748	522	480
Teachers' Pension Scheme	91	70	11	8
NHS Pension Scheme	348	303	70	66

The Children's Trust Group Pension Plan

The charity's Group Pension Plan is a defined contribution scheme, administered by Legal & General Assurance, as personal pension plans for the benefit of employees. The scheme is also used to comply with auto-enrolment requirements, which came into effect from 1 November 2013.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to Access.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including 0.8% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The pension costs paid to TPS in the year amounted to £91k (2020: £62k).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan so it is accounted for as a defined contribution plan.

There were no outstanding teacher's pension contributions at year end for either year.

National Health Service Pension Scheme

The NHS operates an unfunded defined benefit scheme for the nursing sector, in which the charity participates. The Charity 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. The charity is not liable for past service costs beyond these contributions. Contributions remained at 14.3% in 2021 and in 2020.

Notes to the financial statements
For the year ended 31 March 2021

13. Trustee emoluments and reimbursed expenses

Trustees should be encouraged to claim expenses to avoid this being a barrier to new Trustees. If Trustees don't wish to claim expenses, then they can make a donation of a similar amount. Gift Aid can then be claimed on such a donation.

The charity purchased insurance costing £4,480 (2020: £3,302) included in support costs to protect it from loss arising from neglect or default of the Trustees and to indemnify the Trustees against the consequences of neglect or default on their part.

14. Fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
Cost							
At 1 April 2020	2,697	750	23,138	3,969	431	1,111	32,096
Additions	-	-	35	671	2	1,778	2,486
Transfers	-	-	1,170	182	-	-1,352	-
At 31 March 2021	2,697	750	24,343	4,822	433	1,537	34,582
Depreciation							
At 1 April 2020	1,178	-	11,603	3,196	229	-	16,206
Charge for the year	53	-	907	440	68	-	1,468
At 31 March 2021	1,231	-	12,510	3,636	297	-	17,674
Net book value at 31 March 2021	**1,466**	**750**	**11,833**	**1,186**	**136**	**1,537**	**16,908**
Net book value at 31 March 2020	**1,519**	**750**	**11,535**	**773**	**202**	**1,111**	**15,890**

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities.

Parts of the building and grounds are open to the public on several days in the year.

Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property. (See Note 21 in respect of restricted funds).

14a. Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Total £'000
Cost			
At 1 April 2020	1,696	284	1,980
Additions	157	385	542
Transfers	255	255	-
	2,108	414	2,522
Amortisation		-	
At 1 April 2020	484	-	484
Charge for the year	244	-	244
	728	-	728
Net book value at 31 March 2021	**1,380**	**414**	**1,794**
Net book value at 31 March 2020	**1,212**	**284**	**1,496**

Notes to the financial statements
For the year ended 31 March 2021

15. Investments

	2021 £'000	2020 £'000
Market value at 1 April 2020	6,370	7,519
Cash transferred	100	(544)
Increase/(decrease) in market value	1,375	(819)
Investec Wealth and Investment dividends re-invested	171	220
Fees/charges	(30)	(6)
Market value at 31 March 2021	**7,986**	**6,370**
Historical cost as at 31 March 2021	**6,175**	**6,275**

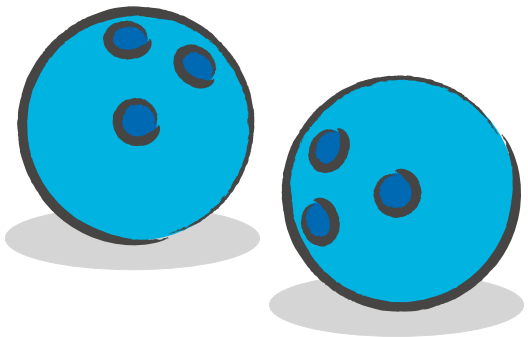
	2021 £'000	2020 £'000
Fixed investments	1,186	986
Listed equities	5,864	4,567
Property	374	399
Alternatives	442	273
Cash	120	145
Total	**7,986**	**6,370**

£75,000 received originally from the Victoria Convalescent Fund is currently invested through Investec. The market value at 31 March 2021 was £72k (2020: £63k).

At 31 March 2021 the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2020: £2). The registered office of the subsidiary is Tadworth Court, Tadworth, Surrey, KT20 5RU.

16. Debtors

	2021 £'000	2020 £'000
Trade debtors	1,136	4,267
Accrued income/other debtors	1,249	953
Intercompany debtors	31	-
Prepayments	665	261
	3,081	**5,481**



Notes to the financial statements
For the year ended 31 March 2021

17. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	1,032	1,268
Accruals	537	616
Other creditors	32	48
Intercompany creditors	-	-
Deferred income	675	380
Social security and other taxation	1,040	388
	3,316	**2,700**

Analysis of deferred income

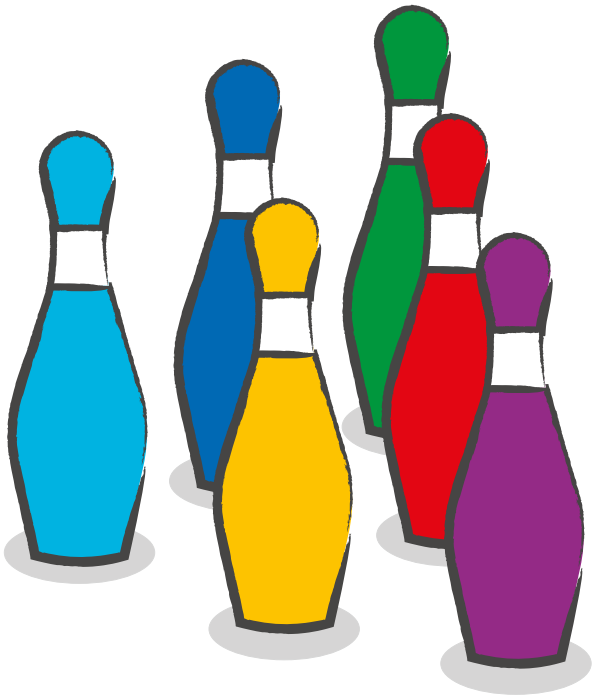
Income is deferred where it relates to future events or services for which monies had been received prior to the year end. During the year £380k was released to income and £675k was deferred.

18. Financial and capital commitments and contingent liabilities

At 31 March 2021 the Trust had total commitments under non cancellable leases/agreements as follows:

	2021 £'000	2020 £'000
Leasehold buildings – up to 1 year	290	277
Leasehold buildings – between 1 and 5 years	480	539
Leasehold buildings – more than 5 years	58	200
Other – up to 1 year	-	14
	828	**1,030**

At 31 March 2021, capital commitments authorised and contracted for (net of payments to date on account) amounted to £115k (2020: £127k). No other capital expenditure was authorised but not contracted for (2020: Nil).



Notes to the financial statements
For the year ended 31 March 2021

19. Government grants

	2021 £'000	2020 £'000
NHS England Children's Palliative Care grant	248	165
NHSE Capacity Grant	2,781	-
UK Government Furlough Scheme	358	-
Devolved capital grant	-	22
Department For Education grant	-	17

There are no unfulfilled conditions which would require the repayments of any grants.

20. Related party transactions

During the year, management fees of £23k (2020: £nil) and other costs of £10k (2020: £nil) were charged to the charity's subsidiary. At the balance sheet date, £33k (2020: £nil) was owed from the subsidiary.

21. Capital and reserves

a(i) Movement on funds	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2021 £'000
Unrestricted general funds:						
Undesignated	7,789	24,866	(26,106)	1,293	(876)	6,966
	7,789	24,866	(26,106)	1,293	(876)	6,966
Designated funds:						
Tangible fixed assets reserve	15,867	-	-	-	1,364	17,231
	15,867	-	-	-	1,364	17,231
Total unrestricted	**23,656**	**24,866**	**(26,106)**	**1,293**	**488**	**24,197**
Restricted funds:						
Development and operational	834	3,579	(3,318)	-	(436)	659
Grants	318	-	-	-	-	318
Department of Health grant	1,519	-	-	-	(52)	1,467
	2,671	3,579	(3,318)	-	(488)	2,444
Endowment funds:						
Gardiner Fund	612	21	-	75	-	708
Victoria Convalescent Fund	63	2	-	7	-	72
	675	23	-	82	-	780
Total funds	**27,002**	**28,468**	**(29,424)**	**1,375**	**-**	**27,421**

Notes to the financial statements
For the year ended 31 March 2021

a(ii) Movement on funds	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2020 £'000
Unrestricted general funds:						
Undesignated funds:						
Undesignated	10,850	24,534	(25,663)	(674)	(1,258)	7,789
Investment revaluation	61	-	-	-	(61)	-
	10,911	24,534	(25,663)	(674)	(1,319)	7,789
Designated funds:						
Tangible fixed assets reserve	14,234	-	-	-	1,633	15,867
	14,234	-	-	-	1,633	15,867
Restricted funds:						
Development and operational	660	1,110	(708)	-	(228)	834
Grants	318	-	-	-	-	318
Department of Health grant	1,572	-	-	-	(53)	1,519
	2,550	1,110	(708)	-	(281)	2,671
Endowment funds:						
Gardiner Fund	747	30	-	(132)	(33)	612
Victoria Convalescent Fund	73	3	-	(13)	-	63
	820	33	-	(145)	(33)	675
Total funds	**28,515**	**25,677**	**(26,371)**	**(819)**	**-**	**27,002**

Designated funds
The fixed asset reserve, together with the Department of Health (DoH) restricted fund represents the charity's investment in fixed assets.

Restricted funds
These are set out subsequently.

Endowment funds
The Gardiner Fund is an endowed special trust, established as an appeal fund in 1983.

The Victoria Convalescent Fund is a permanent endowment and represents a gift of capital to the charity, the income from which is restricted and is used to fund care for children for whom no statutory funding is available.

Transfers between the funds related to capital expenditure and depreciation recharged from the unrestricted funds.

Notes to the financial statements
For the year ended 31 March 2021

b(i) Analysis of restricted funds	At 1 April 2020 £'000	Income £'000	Expenditure £'000	Capital £'000	Transfers £'000	At 31 March 2021 £'000
Operational:						
NHS Capacity	-	2781	(2,781)	-	-	-
NHS Palliative	-	248	(248)	-	-	-
Sub total	-	3029	(3,029)	-	-	-
Community	1	138	(134)	-	-	5
Walkway	-	100	-	(92)	-	8
New Build	-	97	-	-	-	97
ECR System	331	25	-	(307)	-	49
Camelia House	9	-	(4)	-	-	5
Maple House	30	-	(1)	-	-	29
Mulberry House	48	-	(1)	-	-	47
Oak House	45	0	(3)	-	-	42
Chestnut House	47	0	(1)	(2)	-	44
Hawthorn House	25	-	-	-	-	25
Jasmine House	53	-	(2)	-	-	51
Willow House	5	-	(3)	-	-	2
Cheyne Centre	51	7	-	(10)	-	48
Other	189	183	(140)	(25)	-	207
Sub total	**834**	**3,579**	**(3,318)**	**(436)**	**-**	**659**
Grants						
School standards	318	-	-	-	-	318
Sub total	**318**	**-**	**-**	**-**	**-**	**318**
Department of Health	1,519	-	-	-	(52)	1,467
Total	**2,671**	**3,579**	**(3,318)**	**(436)**	**(52)**	**2,444**

Notes to the financial statements
For the year ended 31 March 2021

b(ii) Analysis of restricted funds	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Capital £'000	Transfers £'000	At 31 March 2020 £'000
Operational:						
ECR System	-	331	-	-	-	331
Mansion Lift	67	0	-	(50)	-	17
Central Stores	65	0	-	(48)	-	17
Jasmine House	34	22	(3)	-	-	53
Chestnut House	37	12	(2)	-	-	47
Willow House	0	6	(1)	-	-	5
Maple House	0	35	(1)	(4)	-	30
Oak House	17	36	(4)	(4)	-	45
Mulberry House	22	27	(1)	-	-	48
Hawthorn House	13	12	-	-	-	25
Camelia House	5	6	(2)	-	-	9
Community	13	90	(103)	-	-	-
Early Years	110	21	(37)	-	(94)	-
Cheyne Centre	-	69	-	(19)	-	50
Music Therapy	18	40	(40)	-	-	18
Play Services	10	121	(131)	-	-	-
Volunteers	65	50	(109)	-	-	6
Other	184	232	(274)	(9)	-	133
Sub total	**660**	**1,110**	**(708)**	**(134)**	**(94)**	**834**
Grants						
School Standards Fund	318	0	-	-	-	318
Sub total	**318**	**0**	**-**	**-**	**-**	**318**
Department of Health	1,572	0	-	-	(53)	1,519
Total	**2,550**	**1,110**	**(708)**	**(134)**	**(147)**	**2,671**

Development and Operational funds represent restricted donations received for the development of the existing site as well as to provide funding for equipment and outings for the children, depending on the bequest granted by the donor.

The Department of Health made grants in 1995 to the charity in relation to the Grade I listed property known as Tadworth Court. These grants, totalling £2.85m, are only repayable under certain circumstances which, in the opinion of the Trustees, are unlikely to arise. Of the total grants, £750,000 was applied to the transfer of the freehold of the site and £2.1m was applied to repairs to the building. The grants are secured by a legal charge over the freehold property.

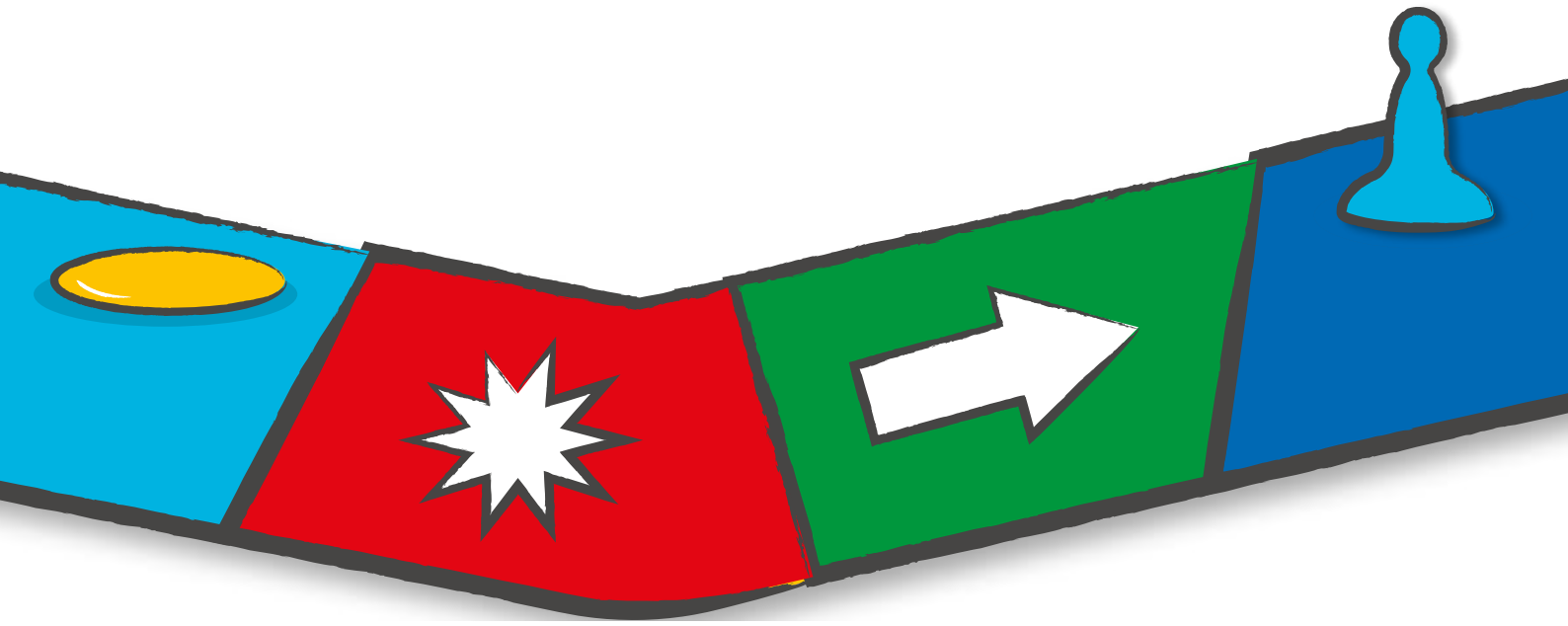
Notes to the financial statements
For the year ended 31 March 2021

c. Analysis of net assets between funds	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2021 £'000
Fund balances at 31 March 2021 are represented by:				
Fixed assets	17,236	1,466	-	18,702
Investments	7,206	-	780	7,986
Current assets	3,071	978	-	4,049
Current liabilities	(3,316)	-	-	(3,316)
Total funds	**24,197**	**2,444**	**780**	**27,421**

c. Analysis of net assets between funds	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2020 £'000
Fund balances at 31 March 2020 are represented by:				
Fixed assets	15,867	1,519	-	17,386
Investments	5,695	-	675	6,370
Current assets	4,794	1,152	-	5,946
Current liabilities	(2,700)	-	-	(2,700)
Total funds	**23,656**	**2,671**	**675**	**27,002**

22. Financial instruments

	2021 £'000	2020 £'000
Financial instruments measured at fair value are as follows:		
Financial assets	7,986	6,370
Investec Investment	**7,986**	**6,370**



FINISH

The Children's Trust
For children with brain injury

The Children's Trust
Tadworth Court
Tadworth
Surrey
KT20 5RU

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enquiries@thechildrenstrust.org.uk
thechildrenstrust.org.uk

Charity registration number: 288018
Company registration number: 1757875

Registered with FUNDRAISING REGULATOR

Accredited and Certificated by CHKS Insight for better healthcare

UKAS QUALITY MANAGEMENT 083

Inspected and rated Outstanding ☆ CareQuality Commission

Ofsted Outstanding Provider

Ofsted Good Provider

The Children's Trust is registered with the Fundraising Regulator, accredited by CHKS with ISO 9001 certification (for organisational and clinical management systems), inspected and rated 'Outstanding' by CareQuality Commission and rated an 'Outstanding Provider' by Ofsted Care (for residential houses). The Children's Trust School is rated a 'Good Provider' by Ofsted Education. TCT_1000 05/21.