

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2024**



Unit 10, Eclipse Office Park, High Street, Staple Hill, Bristol BS16 5EL

Telephone: (0117) 970 9300 Fax: (0117) 970 9301

Company number 02011021 Charity number 294377

www.milestonetrust.org.uk

MILESTONES TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CONTENTS

Page

1	Legal and Administrative Information
2-14	Trustees' Annual Report (incorporating Strategic Report)
15-18	Independent Auditor's Report
19	Statement of Financial Activities
20	Statement of Financial Position
21	Statement of Cash Flows
22-38	Notes to the Financial Statements

MILESTONES TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Registered office and principal address:

Unit 10, Eclipse Office Park
High Street, Staple Hill
Bristol BS16 5EL

Trustees and directors:

D Nordberg (Chair)	D D Wilson
S Cummings	T S Jenkinson
S J Jones	D B Sarpong
S U Begum	N G Baines-Thomas
D F Elder	P Lock (appointed 26 September 2023)
J Lawry (appointed 26 September 2023)	
T Walton (appointed 26 September 2023, resigned 4 December 2023)	

Secretary:

H A Pearce

Key Management Personnel:

H Crowhurst - Chief Executive
H A Pearce - Director of Finance
J Parry - Director of Operations
G Meehan - Director of Human Resources (resigned 31 May 2024)
I Payne – Director of People & Culture (appointed 29 July 2024)
W Osborne - Director of Business Development (appointed 1 October 2023)
Q Khan - Director of Estates, Facilities & IT (appointed 1 October 2023)

Auditor:

Forvis Mazars LLP
90 Victoria Street
Bristol BS1 6DP

Solicitors:

RWK Goodman
5-6 Northumberland Buildings, Queens Square
Bath BA1 2JE

Lyons Davidson

43 Queens Square, Bristol BS1 4QP

Bankers:

National Westminster Bank
Floor 2, Trinity Quay 2, Avon Street
Bristol BS2 0PT

Investment advisors:

Barclays Wealth Management
1 Churchill Place, Canary Wharf
London E14 5HP

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Reference and administrative details

This Annual Report forms the Trustees' report for the purposes of Section 162 of the Charities Act 2011 and the Directors' report for the purposes of Chapter 5 of Part 15 of the Companies Act 2006. It also includes the Strategic Report required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and the Accounting and Reporting by Charities: Statement of Recommended Practice in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Trust is a company limited by guarantee (number 02011021) and registered charity (number 294377). The details of Trustees, senior staff and professional advisors engaged by the Trust are set out on page 1.

Structure, Governance and Management

Milestones Trust has been very fortunate in recent years to have found Trustees with a wide range of knowledge and experience, in the sector and from outside it. As some Trustees have retired, new Trustees have joined, and continue to join, bringing new perspectives and backgrounds. This section of the report outlines the formal, structural elements of governance, how the Trust navigates the challenges that are ever present in social care and how it develops and shapes future strategy.

Milestones Trust is governed by the terms of its Principal Trust Deed and its Articles of Association. The Trust was incorporated on 16 April 1986. The Articles were revised and updated on 9th July 2018.

As set out in the Articles of Association, the Board of Trustees (who are directors for the purpose of company law) consist of no less than five members and no more than fifteen. All Trustees are appointed by resolution.

The term of office for a Trustee shall be three years, at the end of which they shall retire. A Trustee shall be eligible for reappointment by the Trustees for up-to a further two terms, each of three years. No Trustee shall serve for more than 9 consecutive years, unless the Trustees consider it would be in the best interest of the Trust for a particular Trustee to continue to serve beyond that point and that Trustee is reappointed in accordance with the Articles. The Board currently numbers 11.

Trustees are sought in a variety of ways to ensure that collectively they have the range of skills and experience required to govern a health and social care charity with a turnover in the region of £30 million. This means Trustees come from all walks of life, some with experience of health and social care, and some with experience of business or law or property management. Regular skills audits are conducted to guide the recruitment of new Trustees. In recent years the Trust has specifically used recruitment agencies specialising in business/executive recruitment to augment the skills and experience of the Trustees, as well as advertising locally and nationally. The Trust also aims to have a diverse membership with Trustees being representative of the communities in which we support people, wherever possible.

All Trustees undertake an induction, including an awareness of their governance responsibilities. Trustees are also offered the opportunity to attend other relevant training courses. The Trustees meet at least four times a year as a Board, as well as participating on committees. The committees are: Support & Development, Finance & Resources, and Governance & Risk. All committees meet several times a year and report to the Board. The primary roles of these committees are scrutiny and development of the future direction of the Trust, and their work and advice inform Board decisions. The Board will also carry out an externally commissioned evaluation of its effectiveness in 2024.

The day-to-day running of the Trust is delegated to the Chief Executive, who exercises executive responsibility within a scheme of delegation to the Executive Management Team (Exec). The Exec is held accountable for the successful

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

implementation of business plans, maintenance of standards, and financial management of the Trust. Their collective experience has proved invaluable in meeting the on-going challenges of operating in the social care sector,

Our membership of VODG (Voluntary Organisation for Disability Groups) and Care & Support West, a regional organisation of service providers, assist the Trust to lobby on national and local policy issues which affect it strategically and operationally.

The Trust's key partnerships are with the local authorities, namely Bristol, South Gloucestershire and North Somerset, and the healthcare partnership organisations Integrated Care System Boards (ICBs). The two ICBs we work with are those of Bristol, North Somerset and South Gloucestershire (BNSSG) and of Bath & North- East Somerset, Swindon and Wiltshire (BSW). These authorities commission a significant proportion of the Trust's services, and these relationships are strong, enabling close partnership working.

Objectives and Activities

The Trust's objective, set out in the Articles of Association, is 'to promote and protect the health and wellbeing of people with autism, cognitive impairment, dementia or other mental or related health needs by providing nursing, social care, accommodation, education, training and support'.

Vision & Mission Statement

Milestones Trust's vision is that people have opportunities to live happy and fulfilled lives.

The mission is: 'to achieve our vision by promoting health, wellbeing, independence and engagement for people living with learning disabilities, mental health needs and dementia'.

The Trust's core values can be found on the Trust's website (www.milestonetrust.org.uk).

Strategic Plan

During 2022 and early 2023 the Trust developed its Strategy for 2022 – 2026, and this was approved by the Board in March 2023.

Strategic Focus for 2024/25

The three key areas for focus in 2024/25 continue to be:

- Improve the quality and impact of our support.
- Develop our organisational culture.
- Grow as a strong organisation.

Milestones Trust supports people with learning disabilities and enduring mental health needs and offers a range of support in residential and nursing care, supported living, short breaks and day opportunities. Nursing and residential care is offered in 27 homes serving 220 people. The homes range from small domestic properties accommodating 4 or 5 people, to some larger specialist nursing homes registered for 14 or 15 people. Of these 27 homes, the Trust owns 24; the remainder are leased from housing associations or local councils.

The Trust operates 41 Supported Living services, a mix of support with accommodation (32 services) and care packages to people in their own homes (9 services), plus numerous smaller individual packages. Of the supported living accommodation, 13 properties are owned by the Trust, the remainder are leased from housing associations or local councils. Promoting independence has always been one of the Trust's aims and enabling people to gain increased rights (and responsibilities) by becoming tenants is an important positive step on this journey. Around 200 people are supported to live the life they choose through these services.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trust also supports circa 50 people to access day opportunities in our "Stepping Forward" services which operate from two bases, one in Bristol and one in South Gloucestershire. Although numbers fluctuate, approximately a further 90 people access our short breaks services. The total number of people supported by the Trust therefore is circa 560.

All the Trust's services are rated good or outstanding by CQC, a significant achievement, yet the Trust strives to further improve quality and the impact of our support for the people we support.

Public Benefit

We have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

The principal means by which the Trust provides opportunities for those who cannot afford the fees for our services is through the provision of support to people funded/part funded by local or health authorities.

We are also furthering the mission and aims of the Trust through the provision of services over and above those funded by public contracts through donations from grant making Trusts and Foundations, corporate partners and grants awarded by local and national government departments. We organise community events that promote the inclusion of beneficiaries with their fellow citizens and encourage neighbours/neighbourhoods to attend 'fun' events that help break down prejudices/barriers to social inclusion. Our arts activities, under 'Expressions', provide people we support with opportunities to explore their creativity and opportunities for the general public to appreciate the abilities of all those who use our services. Our 'Warmley Wheelers' initiative offers accessible bikes so people with varying abilities are able to enjoy cycling. We also support music sessions under the banner of 'Music Train' which encourage participation, and sponsorship, from the wider community.

We work with other organisations to participate in local and national networks to promote/highlight the needs of our beneficiaries and, where possible, support beneficiaries to advocate/participate themselves.

STRATEGIC REPORT

Achievements and Performance

The Trust publishes an Annual Review (available on our website, www.milestonetrust.org.uk) that illustrates the achievements of the people we support and our staff. It illustrates how the Trust "lives" its values.

The Health and Social Care environment has always been a demanding one, and for several years the specific challenges of recruitment and retention led to high agency use and significant overspends in staff spending for the Trust. Last year we reported the start of a real improvement in this area and for this financial year we are very pleased that our various initiatives have improved recruitment and retention, and significantly lowered our agency spend, resulting in a reported surplus for the year.

Alongside this, the Trust has had some significant achievements against the actions it identified for 2023/24. The Trust recently published a 'we said, we did' update for all staff demonstrating these achievements under each of our strategic priority areas. In summary our achievements were:

The Quality and Impact of our Support:

- The implementation of **electronic support planning** began after a successful and highly inclusive procurement process, Buy-in for the project was created through wide stakeholder group involvement led by Guided Innovation, and Nourish was selected as our provider of choice. A structured project plan is in place and effective roll-out has begun across the organisation. It is a great example of cross-department working involving IT, data protection, and others working with and supporting operations. The project has

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

proven popular with staff and the people we support, and we now aim to begin to reap the benefits in terms of improved quality, better reporting and evidence of outcomes met.

- Updated the way in which safeguarding notifications are collated and reported, using Power BI (Microsoft's interactive data visualisation software). In another example of successful cross-functional working, our business process analyst worked with operational colleagues to develop an app, which will allow simpler recording and a Power BI interface for more effective reporting.
- Trained seven accredited **person-centred trainers** with Helen Sanderson Associates, with seven more to follow, and they're now rolling out training across our services.
- Graeme Close opened as a **transition service** for eight people in March 2024. Nourish Digital Support Planning was introduced from the beginning, which will enable us to measure agreed outcomes.
- Chestnut Road is the first to implement our new **Mental Health Strategy**, with work underway to provide two new step-down services. We're preparing a business case to adapt an older mental health service to one that will support people with complex needs.
- As part of our **revised strategy for short break services**, Stibbs House has become the short breaks nursing service, with Fairburn now offering short breaks to people who do not need nursing care. Work is underway to develop new contracts across a number of local authorities to support the work at Fairburn.
- Consultation took place with experts by experience and Voices 4 Choice, staff, managers and Trustees leading to the launch of a new, strengthened **Involvement Strategy**, which will be implemented in 2024/25.

We also continued our focus on maintaining quality, and for the third year in a row we are pleased to report that 100% of our registered settings are rated as Good or Outstanding. Our internal audit processes are well established and give focused support to services as we embrace the CQC's new single assessment framework approach.

We saw a pleasing increase in our corporate volunteering this year, which balanced the challenges in retaining individuals, where the national trend is one of people having less time to volunteer, primarily because of the cost-of-living crisis. On average our volunteers give 2 hours per week and the estimated value of individual and corporate volunteering for 23/24 was £78,000. The benefits for the volunteers, the staff and the people being supported are immeasurable and one person we support said this about her volunteer 'she really takes the time to listen to what I am saying. She is brilliant'.

Our People, Culture and Organisational Development:

- Our use of Dayforce and Power BI means we can **monitor rota planning** in real time. Introducing Neuen (neutral vendor) has created substantial **savings on agency costs**, and supporting manager ownership of budgets has led to us successfully **achieving budget** this year.
- Improved learning compliance has been enabled through the roll-out of a Power BI dashboard, giving senior and service managers up to date and accurate information.
- We rolled out our **Management Development Strategy**, launching bespoke training for new managers, a range of training for experienced managers, a leadership mentoring scheme, and
- competency frameworks for all operational staff. We've created a new 1-1 format to help managers monitor performance against competency frameworks, which goes digital in 2024. We offer personalised coaching to enable effective problem solving.
- We created a Mental Health Internal Trainers group, who are creating and planning opportunities for **specialist training** for our teams working in the Mental Health Division.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

- We developed and implemented cross-organisational bespoke **recruitment strategies** tailored to reach local communities and working in partnership with operational managers we greatly reduced staff vacancies. They decreased from 16.3% in April 2023 to 9.3% in April 2024.
- We focused on **retention strategies** and changes we made included improving communication, a new staff intranet, introduction of Microsoft Teams, implementing Dayforce Wallet (early access to pay) and a formal staff awards ceremony. Staff turnover improved from 16% in April 2023 to 13% in April 2024.

Our information governance and IT Teams supported colleagues and projects across the Trust to ensure we harnessed the benefits of technology without compromising data security. Both teams excelled in this collaborative work as they supported the Nourish electronic support planning project. Our Information Governance Group met regularly, ensuring oversight of data protection issues and a clear line to the Executive Team and Trustees; leading on Process Reviews (leading to improved practices) and Data Protection Impact Assessments on new systems. In June we submitted our Data Security Protection Toolkit (DSPT), achieving 'Standards Met' again. Cyber security and business continuity were key IT priorities along with preparations for Cyber Essentials accreditation. Network devices now regularly receive security patches and fully managed, encrypted laptops for managers and support staff provide reassurance and security. Three servers have also been decommissioned as we prepare to exit the data centre entirely in the next couple of years.

A Strong and Growing Organisation:

- We opened two **new supported living services**, including one for **young adults with complex needs**, and were successful with a competitive tender for three more services, fighting off competition from more than 40 other providers.
- To continue **improving our buildings**, a condition survey was undertaken, enabling us to plan necessary work for the next five years.
- To **reduce our carbon footprint**, Auditel has been commissioned to work with us as we move towards net zero.
- We opened two houses in the early summer of 2024 to support **move on** from Chestnut Road for people who want to **live more independently**.
- We successfully **relocated** people we support from a service which was geographically difficult to recruit to, while focused recruitment plans means two other services are now much better placed with staffing.
- To **streamline our IT**, PowerBI and Dayforce are now embedded tools. We've introduced Teams to Trust Office and managers, with plans to roll it out across the whole Trust.
- To **raise our profile** locally and to help us **integrate** more into our local communities we appointed a manager to work with our community projects to ensure they are **meeting local needs** and achieve the **funding** necessary to continue to make a difference to people's lives.

We are developing a strategic growth plan which will build a formula for the delivery of tangible growth outcomes aligned to local commissioner need. The plan will act as a roadmap for decision making when considering new growth opportunities. It will clearly articulate why we need to grow, evaluate differing growth options, and identify a clear methodology for measuring growth outcomes. It will also consider the external market forces that may impact on our strategic objectives, along with a thorough analysis of competitors and identify gaps of 'unmet' local need.

We received over £90,000 through grants, donations, and project or service-based fundraising endeavours. Of this, over £60,000 was obtained for the ongoing provision of Warmley Wheelers and the Music Train, with both community projects receiving grants from valued existing and new supporters. In January 2024, the Trust introduced the role of

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Community Projects Manager to explore and implement new funding streams and growth models for Expressions, Music Train, and Warmley Wheelers. Sponsorship of £12,000 was also secured towards the Extra Mile Awards 2023, and this was commemorated by an evening reception in February 2024 which celebrated the work and achievements of Milestones Trust's staff, volunteers, and people we support.

Financial Review

The majority of the Trust's income consists of contract income from Local Authorities and local health commissioners.

2023/24 was a better year financially, with recruitment, staff retention and reliance on agency all improving significantly as a direct result of the initiatives that began in the previous year. These initiatives were supported by improved systems and management information, as well as focused management attention on financial performance, and as reported last year, they started to bear fruit in the second half of 2022/23. With a full year of those improvements now embedded across the Trust, the results show an operational surplus generated for the year of £1,381,845. Other factors were the investment of over £165,000 on the Trusts Information Technology strategy, and the profit on sale of three properties of £597,973.

After gains on the investment assets of £174,070, the statement of financial activities shows a surplus of £1,555,915 (2023 deficit £1,911,742). The Statement of Cash Flows on page 22 reflects the performance for the year.

The Trust has set a reasonable operational surplus budget for 2024/25 and despite some concerns around the financial robustness of some of our local authority commissioners, and the uncertainties of a new government and how that will impact social care, is confident of also achieving a surplus in 2024/25.

Demand for Trust services and the underlying Trust Balance Sheet remain sound. The Trust not only improved operational financial performance, but also sold several surplus properties which improved our reserves position further. As of 31 March 2024, Net Current Assets stood at £5,375,284 (2023: £3,096,176), and Net Total Assets were £20,837,487 (2023: £19,281,572). The Trust is also clear of debt with no outstanding loans or mortgages.

The importance of maintaining reserves and safeguarding the Trust's financial position underpin our strategy for 2022 – 2026 and is vital to the wellbeing of all the people we support now, and hope to support in the future, as well as to our staff.

Fundraising costs of £46,140 (see Note 9) relate primarily to the internal Trust costs attributed to supporting this function. During 2023/24 grants and donations of £218,424 were received, of which £157,974 were restricted, having been donated for specific purposes (see Note 3).

Reserves policy

The reserves policy will always seek to reflect the reality of the operating environment of the social care sector, as well as challenges or ambitions of the Trust. It will reflect the annual plan and strategy, as well as the organisational, strategic and major risks register.

The Finance & Resources Committee (FRC) annually reviews both the policy, to assess its relevance and effectiveness, and various elements of the organisation's risk profile to ensure that reserves targets are appropriate to the current circumstances. Any changes are recommended to the Trustees.

After the most recent review the FRC concluded that a risk-based reserves policy was still the most appropriate (as opposed to an actuarial/returns-based policy) for the Trust. The policy is based on a specific, tailored, risk-based approach which assesses what level of free reserves the Trust thinks is appropriate, and why.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

In devising a tailored risk-based reserves policy, we have identified the elements of reserves that we wish to provide for and have established an appropriate value range for each. The reserve elements identified are:

- Working Capital.
- Organisational Change Management Support Fund.
- Investment/Innovation Fund.
- Property Investment.
- Operating Risk. This is in 3 strands:
 - Emergency cover to provide for one or more catastrophic events.
 - A provision for the various risks identified throughout the organisation which could impact on the delivery of the strategy (monitored via a risk register).
 - Financial performance, acknowledging the risks of managing against budget in a volatile market.

In consideration of the above risk elements, the Trustees determined an appropriate reserves target lay in the range of £6.50m to £12.25m (unchanged from the previous year). The target range was achieved with reserves of £8.1m million as of 31 March 2024. Reserves are here defined as those Unrestricted Income Funds not invested in land and buildings and other tangible fixed assets (i.e., 'free' reserves). In view of the ongoing sector trading conditions the policy also defines a minimum (or critical) reserves level of £3.5m, and the reserves held well exceeded this critical-reserves level.

The Trust will be continuing to invest in its IT strategy and Trustees have agreed to commit from reserves (investment/innovation fund) the funds necessary to continue this into 2024/25 – 2025/26. The sale of properties that were not fit for purpose in the summer and autumn of 2023 added to the Trusts reserves by just over £2.4m.

Investment Policy and Investment Portfolio Performance

The Trust holds an investment in the Barclays Managed Charities Fund. On a day-to-day basis the fund is managed by professional fund managers who have an investment objective to grow the value of the capital in the longer term while adopting a moderate risk profile.

The Trust also has an agreed Investment Policy in place (and during the year updated this policy to also include a treasury management policy). The Trust's investment portfolio, over the whole year saw an improvement and as of 31 March 2024, the total value of the portfolio was £2,821,851 (note 15) compared to £2,566,855 as at 31 March 2023. The Trusts policy is to reinvest interest earned back into the portfolio (this totalled £80,926 for the year).

The Trust invested surplus cash, in line with the treasury management policy, during the year in various short term money market deposits with both Natwest and Nationwide Building society. Total interest earned during the year was £151,867 (note 4).

Fundraising Policy

In its income generation activities Milestones Trust follows the requirements of charity legislation, money laundering and anti-corruption legislation and the standards promoted by the Fundraising Regulator and the Institute of Fundraising.

Milestones Trust therefore accepts financial support on the following conditions:

- The support can contribute to the Trust's charitable aims and objectives.
- The Trustees are satisfied that accepting such support will not cause adverse publicity which affects our standing in the community in which we operate, our ability to raise funds from other established supporters

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

or which will be detrimental to our professional reputation as a service provider.

- The Trust will not endorse or approve the services of any company, in particular those associated with its work (undertakers, solicitors etc.), whether in return for financial or other support or not.
- The Trust will not sell any of its databases for any reason.

Risk Management

The major risks to which the charity is exposed, as identified by Trustees, have been reviewed and systems have been established to mitigate those risks, and these risks and systems are reviewed regularly by Trustees. Some risks can be mitigated by insurance and the observance of policies and procedures, whilst others require the establishment of a level of reserves.

General risk

The Trust has continued to review and respond to developing risks, and the process of risk management in the Trust has undergone further focused work designed to improve the overall management of risks and Trustee oversight, under the direction of the Governance and Risk Committee.

Insurances (including Business Continuity cover) are maintained and reviewed annually to ensure they meet the needs of the business and were extended last year to cover cyber security risks. Business continuity planning is also maintained at a Trust-wide and service/home level.

While the principal risks facing the sector continue to relate to the consequences of the financial constraints upon the public sector funding of health and social care, exacerbated by the cost-of-living crisis, and the continued social care staffing crisis, the Trust's strategies for dealing with these risks have mitigated them to some degree, as evidenced by the Trust's much improved financial performance in 2023-24. The Trust is continually vigilant however to these risks and is also working on strategies to mitigate other key risks, such as our service provision becoming outdated leading to unplanned shrinkage. Service models must adapt and match what people supported, families and carers, and commissioners want and need. Our Plans for the Future describe how we will achieve this.

Going Concern

The Trustees will ensure appropriate resources are available such as may be required, to enable day to day working capital requirements to be met for a period of at least 12 months from the date of approval of these financial statements.

The care sector saw the impact of the cost-of-living crisis but through the actions taken to manage and reduce costs, and optimise the use of resources, as described in this report, the current position for the Trust is an optimistic one. The Trust closed several loss-making services and focused on financial turnaround and sustainability through a variety of actions and the 2023/24 results have been good.

Continued regular monthly reporting and forecasting, tight budget control and swift actions to tackle new risk areas, have led to the Trustees' conclusion that the long-term impact on the Trust should be modest. Therefore,

the Trustees anticipate that Milestones will continue to operate within its current financial projections and be able to tolerate a reasonable level of unforeseen circumstance.

Plans for the future: Our current strategy

Delivering responsive, reliable, high-quality, person-centred services has always been at the heart of our organisational strategy, and this continues.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

Funding has been scarce for many years within social care, but despite these challenges we are aware that the need for our services has grown over the past years. There are still too many people with learning disabilities or mental health conditions who die early, lack employment, face loneliness or who are living in hospital settings because there are not sufficient services to meet their needs.

We will have plans to work with people we support and other key stakeholders to develop new and creative models of service delivery that continue to provide quality outcomes.

In line with our 2022 – 2026 strategy, for 2024/25 the areas of focus continue to be: improve the quality and impact of our support, develop our organisational culture, and grow as a strong organisation. Some of the key activities for the coming year under these three key priority areas are:

The quality and impact of our support:

We will:

- Implement our new, co-produced **Involvement Strategy**, involving people we support in Milestones' overall strategy, and in the recruitment of all new staff, volunteers and Trustees, whilst investing in the development of our Expert by Experience team.
- Introduce a new **medicines management system**, eMar, across our services, increasing safety for people we support.
- Continue the rollout of our new **Digital Support Planning** system, Nourish, ensuring information is more easily accessible to those who need it and boosting our ability to deliver excellent person-centred support.
- Roll out the improved safeguarding recording process, initially to senior managers but over the year will embed the new processes and dashboard for services as well.

The modernisation of management information systems, including training compliance and safeguarding described earlier, will continue to transform the ability of managers to monitor and intervene quickly to improve safety and quality.

Our people, culture and organisational development

We will:

- Further develop our **recruitment and retention initiatives**, focusing on developing new talent pipelines, hard-to-fill roles and decreasing our reliance on agency cover.
- Implement a state-of-the-art **CRM system** to manage our referrals pipeline and database of external contacts.
- Develop our **employee voice**, ensuring that staff feel they are represented and listened to at the highest levels.
- Transform our approach to **managing referrals**, focussing on making processes more efficient and getting the best solution for the individual.
- **Maintain** the successful rota and budget management developed this year and implement system integrations to streamline agency vendor management, reducing administration and cost to temporary staffing.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

- Respond to the Trust-wide **Employee Engagement Survey** and create cross functional working groups to implement changes to improve the employee life cycle.

A strong and growing organisation

We will:

- **Invest reserves in differing growth models** that can produce tangible outcomes to help achieve our mission.
- Develop and implement a **Strategic Growth Strategy** that will place the Trust in a strong position for future success and long-term sustainability.
- Invest in our **Community Projects** to help them become self-funding and increase their impact while boosting social value.
- Develop more **step-down services** for adults with complex mental health needs.
- Introduce a focused approach to **competitive tender** opportunities aligned to our Strategic Growth Strategy.

Further notable actions for the coming year are these:

- Developing an Active Asset Management Strategy will focus decision making on where, when and how we invest in property. Develop partnership arrangements with housing associations and private landlords to source new properties where the Trust could provide support.
- The Information Governance Annual Report will contain a workplan for the coming year which will include supporting mergers and acquisitions and the use of Artificial Intelligence (AI). As Microsoft are withdrawing support for Windows 10 by October 2025 the 2024-26 technology roadmap begins with replacing 250 laptops/PCs and migrating 1,000+ mailboxes to the Microsoft cloud. Annual data centre disaster recovery rehearsals and external penetration tests are also scheduled.

The Strategic Growth Strategy is of high importance to the Trust in 2024/25, and beyond, as we seek to expand the excellent quality services we provide to more people and expand our geographical footprint, both in terms of service locations and local authority commissioner boundaries. For this reason, the Trust is delighted to report that it is working towards a merger with another similar charity based in Swindon, namely the White Horse Care Trust.

Employment policies

Milestones Trust promotes equal opportunities and celebrates diversity within all areas of its work, and it works in partnership with SARI, a specialist charity, which provides the organisation with expert support and advice. The Trust has policies in place to ensure that employees are consulted and provided with appropriate information in order that they are fully involved in the organisation's performance and are aware of its future direction.

The Trust is externally accredited as a Disability Confident organisation. Our policies and procedures fully support disabled colleagues to gain and retain employment with us. It is the policy of the Trust that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Appropriate external and internal training is provided when implementing policies and is ongoing to ensure that new managers have the appropriate knowledge and skills to manage in accordance with the Trust's culture. Trust-

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

wide communication tools are in place for information sharing of specific strategic initiatives or projects. We also produce a quarterly magazine, 'One Trust', for all our staff and the people we support.

The Trust operates an open culture and the Chief Executive and the Exec team, as well as Trustees, regularly visit homes and services and encourage staff to open channels of communication through Dayforce Hub. The Trust has a recognition agreement with Unison and consultation takes place regarding matters relating to pay and conditions of employment.

The Trust's pay strategy is set by the Board, including the remuneration of the CEO and the approach to pay awards is considered as part of budget setting, taking into account regional and sector benchmarking and financial parameters.

The Trust undertakes employee engagement surveys and enable employee voice across the organisation and cross functional working groups to focus on different areas of the employee lifecycle.

Streamlined energy and carbon reporting (SECR)

The table below represents the Trust's energy consumption and emissions for the year ended 31 March 2024. This is the Trust's third SECR disclosure.

	2024 kWh	2023 kWh
Energy consumption used to calculate emissions		
Natural gas	3,252,552	3,539,194
Electricity	1,074,993	1,248,770
Vehicles	324,957	324,473
Total energy consumption (kWh)	<u>4,652,502</u>	<u>5,112,438</u>
Scope 1 emissions in metric tonnes CO2e	tCO2e	tCO2e
Natural gas	594.99	646.04
Vehicles	73.90	75.36
Scope 2 emissions in metric tonnes CO2e		
Electricity	222.60	241.49
Total gross emissions in metric tonnes CO2e	<u>891.49</u>	<u>962.89</u>
Intensity ratio tCO2e per average FTE employee	<u>1.22</u>	<u>1.38</u>

We have used the key performance indicator of energy consumption per average FTE as the Trust's key activities are driven by the level of support required for individuals with learning disabilities and mental health needs, which directly drives the number of employees and the consumption of energy by those employees.

SECR methodology statement

Emissions have been grouped according to the GHG Protocol Corporate standard.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

We have used the following data sources for the report:

- Natural gas & electricity - energy supplier billing data.
- Vehicle fuel - litres purchased (fuel cards) using average prices & mileage reimbursed to employees using average consumption rates and average prices.

CO2 emissions have been calculated from The Carbon Trust conversion factors (based on BEIS published data 2023).

Energy efficient action taken in the reporting period:

- The externally commissioned Carbon Footprint Report for the Trust is now being developed into a carbon reduction plan.
- Replacement of light fittings and bulbs with LED alternatives is being fully implemented.
- Continued staff engagement regarding energy consumption, via staff surveys, to contribute to the carbon reduction plan for the Trust.

Merger with White Horse Care Trust

Following an extensive period of discussion and due diligence, the Board of Trustees has made the decision to merge with White Horse Care Trust - a charity that supports adults with learning disabilities and autism, based primarily in Swindon and Wiltshire. The two organisations have a shared history, provide similar services and have closely aligned values.

We are confident that the combined organisations will be stronger together, providing opportunities to:

- Share our learning and expertise.
- Reduce central costs, ensuring the financial sustainability of the services we provide to the people we support.

The merger will take place in November 2024 with White Horse Care Trust becoming part of Milestones Trust.

The strategic growth plan we are developing will also consider how the merger with White Horse Care Trust will impact on our ability to pursue growth and will identify target locations and areas to help integrate our services across the differing locations.

Section 172 Companies Act 2006

The Board of Trustees must act in the Trust's best interests to ensure the delivery of its charitable objectives. The Trustees role is to oversee the overall management of the Trust whilst the Exec manage the day-to-day operations. Further details of the structure of the Board are given earlier in this report in the 'Structure, Governance and Management' section.

The Trustees, when making decisions, act in good faith and will promote and support actions that are in the best interest of the Trust and its stakeholders, with a focus on, but not limited to, the following key decision-making areas:

- a) The interests and wellbeing of the Trust's employees; please see the 'employment policies' section for further details.
- b) The need to foster the Trust's business relationships with customers, suppliers, and others; throughout this report there are many examples of how we involve and work with the people we support, volunteers, donors, commissioners, and key suppliers.

MILESTONES TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

- c) The impact of the Trust's operations on the wider community and environment; the 'Structure, Governance and Management' section refers to how we play an active role with our Health and Social Care Communities and our memberships of disability groups such as VODG.
- d) The desirability of the Trust maintaining a reputation for high standards of business conduct and quality; as noted earlier in this report the Trust is proud that 100% of our services are rated good or outstanding by CQC.

In adhering to the requirements of S172, the Trustees pay close attention to the above stakeholders and any other party whose interests are relevant to the decision-making process.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Milestones Trust for the purposes of Company Law) are responsible for preparing the Strategic Report, Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles).

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

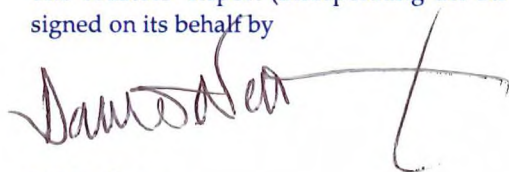
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charitable parent company will continue in business.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The Trustees' Report (incorporating the Strategic Report) was approved by the Board on 30 September 2024 and signed on its behalf by



D Nordberg
Chair

MILESTONES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILESTONES TRUST

Opinion

We have audited the financial statements of Milestones Trust for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cashflows and notes to the financial statements, including a summary of 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 company's affairs as at 31 March 2024 and of its surplus of income over 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 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

MILESTONES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILESTONES TRUST

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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 Trustees' responsibilities statement set out on page 14, the Trustees 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 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 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 the financial statements.

MILESTONES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILESTONES TRUST

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. 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.

MILESTONES TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MILESTONES TRUST

Use of the audit report

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



Jonathan Marchant (Oct 8, 2024 16:34 GMT+1)

Jonathan Marchant (Senior Statutory Auditor)

for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street

Bristol

BS1 6DP

Date: 08/10/2024

MILESTONES TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
INCOME FROM							
Donations and legacies	3	60,450	157,974	218,424	70,577	77,774	148,351
Other trading activities		7,370	-	7,370	48,781	-	48,781
Income from investments	4	151,867	-	151,867	81,178	-	81,178
Incoming resources from charitable activities	5	31,505,962	-	31,505,962	29,458,708	-	29,458,708
Reinvested Investment Interest		80,926	-	80,926	-	-	-
Surplus on disposal of fixed assets		597,973	-	597,973	389	-	389
TOTAL INCOMING RESOURCES		32,404,548	157,974	32,562,522	29,659,633	77,774	29,737,407
EXPENDITURE ON							
Raising funds	9	46,140	-	46,140	33,608	-	33,608
Charitable activities	6	31,047,653	86,884	31,134,537	31,478,070	-	31,478,070
TOTAL RESOURCES EXPENDED		31,093,793	86,884	31,180,677	31,511,678	-	31,511,678
NET INCOME/(EXPENDITURE) BEFORE OTHER RECOGNISED GAINS/(LOSSES) AND TRANSFERS		1,310,755	71,090	1,381,845	(1,852,045)	77,774	(1,774,271)
Net gains/(losses) on investment assets	15	174,070	-	174,070	(137,471)	-	(137,471)
NET INCOME/(EXPENDITURE)		1,484,825	71,090	1,555,915	(1,989,516)	77,774	(1,911,742)
Gross transfers between funds		83,281	(83,281)	-	153,492	(153,492)	-
NET MOVEMENT IN FUNDS		1,568,106	(12,191)	1,555,915	(1,836,024)	(75,718)	(1,911,742)
Total funds brought forward		16,887,164	2,394,408	19,281,572	18,723,188	2,470,126	21,193,314
Total funds carried forward		18,455,270	2,382,217	20,837,487	16,887,164	2,394,408	19,281,572

All activities relate to continuing operations. The notes on pages 22 to 38 form part of these financial statements.

MILESTONES TRUST


COMPANY NUMBER 02011021

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Notes	Unrestricted Income Fund 2024 £	Restricted Funds 2024 £	Total 2024 £	Unrestricted Income Fund 2023 £	Restricted Funds 2023 £	Total 2023 £
FIXED ASSETS							
Tangible assets	13	10,027,628	2,333,367	12,360,995	11,310,975	2,100,681	13,411,656
Intangible assets	14	284,217	-	284,217	217,290	-	217,290
Investments	15	2,821,851	-	2,821,851	2,566,855	-	2,566,855
Total fixed assets		13,133,696	2,333,367	15,467,063	14,095,120	2,100,681	16,195,801
CURRENT ASSETS							
Debtors	16	1,803,664	-	1,803,664	1,644,939	-	1,644,939
Cash at bank and in hand		6,157,696	48,850	6,206,546	3,185,794	293,727	3,479,521
Total current assets		7,961,360	48,850	8,010,210	4,830,733	293,727	5,124,460
CREDITORS: Amounts falling due within one year	17	(2,634,926)	-	(2,634,926)	(2,028,284)	-	(2,028,284)
Net current assets		5,326,434	48,850	5,375,284	2,802,449	293,727	3,096,176
TOTAL ASSETS LESS CURRENT LIABILITIES		18,460,130	2,382,217	20,842,348	16,897,569	2,394,408	19,291,977
PROVISIONS for liabilities and charges	19	(4,860)	-	(4,860)	10,405)	-	(10,405)
NET ASSETS		18,455,270	2,382,217	20,837,487	16,887,164	2,394,408	19,281,572
FUNDS OF THE CHARITY							
Funds invested in fixed assets		10,311,844	-	10,311,844	11,519,193	-	11,519,193
Investment revaluation reserve		-	-	-	-	-	-
Funds available for use		8,143,426	-	8,143,426	5,367,971	-	5,367,971
Unrestricted income funds	23	18,455,270	-	18,455,270	16,887,164	-	16,887,164
Restricted funds	24	-	2,382,217	2,382,217	-	2,394,408	2,394,408
TOTAL CHARITY FUNDS		18,455,270	2,382,217	20,837,487	16,887,164	2,394,408	19,281,572

Approved by the Board on 30 September 2024 and signed on its behalf by

D Nordberg
Chair



The notes on pages 22 to 38 form part of these financial statements.

MILESTONES TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	2024	2023
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net outgoing resources	1,555,915	(1,911,742)
Adjustments for:		
Depreciation and amortisation	456,516	504,038
(Surplus) on sale of property, plant and equipment	(597,973)	(388)
Investments losses/(gains)	(174,071)	137,471
Investment income	(232,793)	(81,178)
Interest expense	-	308
Decrease/(increase) in trade and other receivables	(158,725)	217,226
(Decrease)/increase in trade and other payables	610,169	(424,547)
	<u>1,459,093</u>	<u>(1,558,812)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,156,706)	(80,378)
Purchase of intangibles	(156,585)	-
Proceeds on disposal of property, plant and equipment	2,438,482	389
Additions to investment funds	(80,926)	(712,403)
Interest received	232,793	81,178
	<u>1,277,058</u>	<u>(711,214)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	-	(308)
Finance lease repayments made	(9,072)	(10,886)
	<u>(9,072)</u>	<u>(11,194)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	2,727,025	(2,281,220)
Cash and cash equivalents at the beginning of the year	3,479,521	5,760,741
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>6,206,546</u>	<u>3,479,521</u>

ANALYSIS OF CHANGES IN NET DEBT

Cash is the only component of net debt, and there are therefore no changes other than as detailed above.

The notes on pages 22 to 38 form part of these financial statements.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

COMPANY INFORMATION

The company is a private company, limited by guarantee and is incorporated in England & Wales. Its registered office address is Unit 10, Eclipse Office Park, High Street, Staple Hill, Bristol BS16 5EL. Milestones Trust meets the definition of a public benefit entity under FRS102.

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”), and with the Companies Act 2006. They follow the recommendations in the Charities Statement of Recommended Practice (FRS 102). The Trustees have, in accordance with s.396 of the Companies Act 2006, departed from the standard format of the income and expenditure account in order to give a true and fair view and comply with the Statement of Recommended Practice.

The financial statements have been prepared on the historical cost basis except as specified in the accounting policies below. The financial statements are presented in Sterling (£) and are rounded to the nearest £.

Going concern

After reviewing the forecasts and projections, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

The Trust therefore continues to adopt the going concern basis in preparing its financial statements.

2. PRINCIPAL ACCOUNTING POLICIES

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Costs of a capital nature are capitalised when they relate to new purchases of significant value. Direct replacements of assets such as white goods are treated as revenue expenditure.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method at the following rates:

Freehold properties (excluding land)	2%
Furniture, fittings and equipment	10% - 20%
Motor vehicles	20%

Impairment reviews are conducted where there is some indication that impairment has occurred. Impairment losses are recognised to the extent that the carrying amount of an asset is considered to exceed its recoverable amount.

Due to the difficulty in identifying the large number of individual items of furniture, fittings and equipment, items of this nature are treated as disposed of in the financial statements once fully depreciated.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated so as to allocate the cost of intangibles less their estimated residual values over their estimated useful lives, using the straight-line method at the following rates:

Software development costs	20%
----------------------------	-----

Investments

Listed investments are valued at fair value, being their mid-market value at the balance sheet date.

Debtors and creditors

Debtors and short term creditors are measured at the transaction price.

Cash balances and financial instruments

Cash balances and basic financial instruments are initially accounted for at their transaction price except for financing transactions, including bank loans, which are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight line basis.

Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the accounting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a discount rate. The unwinding of the discount is recognised as a finance cost in the statement of financial activities in the period it arises.

The group recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next twelve months. The provision is measured at the salary cost payable for the period of absence.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Restricted funds

These are earmarked by the donor or grantor, or the terms of an appeal, for specific purposes within the overall aims of the charity. The donation or grant and income deriving therefrom must be used in accordance with the specific purposes. Restricted funds may be of a capital or a revenue nature. In the latter case the restriction is discharged once the donation or grant is expended as required.

Income

Income from donations and legacies includes grant income and is recognised on a receivable basis in the appropriate fund.

Incoming resources from charitable activities are recognised on a receivable basis and consist principally of charges for the provision of residential and nursing care and related services. Incoming resources are allocated to charitable activities based on actual amounts received. Contract income received in advance of the period to which it relates is deferred.

Historically, capital grants were received in the form of land and buildings to be used for the provision of accommodation for residents with learning disabilities or mental health needs. These properties cannot be sold without repayment of the related capital value. These grants are therefore accounted for as Restricted Capital Funds. The relevant assets are depreciated in accordance with the depreciation policy and the value of the Restricted Capital Fund is reduced accordingly.

Expenditure

All resources expended are included in the Statement of Financial Activities during the period in which they are incurred, on an accruals basis and inclusive of any VAT which cannot be recovered since the Trust is not registered for VAT.

Support costs and governance costs are allocated to charitable activities except for a small proportion of support costs that have been allocated to costs of generating voluntary income, together with specific costs incurred.

Pension costs

Contributions payable to defined contribution pension schemes are charged to the income and expenditure account in the period to which they relate.

Contributions payable to the National Health Service pension scheme are charged to the income and expenditure account in the period that they arise. The scheme is a multi-employer scheme in which it is not possible for the Trust to identify its share of the underlying assets and liabilities, and the Trust is therefore exempted from some of the disclosure requirements of FRS 102.

Charitable commitments

Charitable commitments relate to the provision of continuing care for existing people being supported. All future charitable commitments will be met from future funding, via contract income from Social Services and Health Service commissioners, and residents' contributions. Future expenditure in respect of charitable commitments is therefore not recognised in the financial statements.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Termination benefits

Liabilities for termination benefits are recognised when the Trust is committed to terminating an employee's employment before normal retirement date. The liability is calculated as the best estimate of the cost at the reporting date.

3. INCOME FROM DONATIONS AND LEGACIES

	2024 £	2023 £
Restricted capital grant	66,220	-
Restricted income donations		
Donations from Quartet	10,287	29,544
Other restricted grants and donations	81,467	48,230
	91,754	77,774
Total restricted grants and donations	157,974	77,774
Unrestricted grants and donations	60,450	70,577
	218,424	148,351

All restricted donations have been received for a specific purpose. The restricted capital grant received of £66,220 was fully spent in the year. £48,850 of restricted income grants had not been spent at 31 March 2024. This amount is therefore carried forward as part of restricted funds (note 25). All other donations and grants were spent during the year and the restrictions have therefore been discharged. Equivalent transfers have therefore been made to the unrestricted income fund.

4. INCOME FROM INVESTMENTS

	2024 £	2023 £
Interest receivable	151,867	20,949
Income from stock exchange investments	80,926	60,229
	232,793	81,178

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Health authority grant	423,813	426,881
Contract income	30,089,587	28,058,539
Service user contributions	939,160	912,122
PCT funding re increased pension contributions (note 27)	45,786	44,907
Other operational income	7,616	16,259
	<u>31,505,962</u>	<u>29,458,708</u>

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs		
Employee costs	19,400,765	16,526,797
Agency staff costs	2,702,588	5,628,474
	<u>22,103,353</u>	<u>22,155,271</u>
Non-Pay costs		
Food and household	558,279	547,224
Operational training	65,179	-
Residents' amenities	111,948	135,116
Travel costs	213,535	238,737
Telephone	104,298	101,665
Stationery and office expenses	67,659	50,357
Hygiene and medical	252,589	209,206
Bad debts	37	4,094
	<u>1,373,524</u>	<u>1,286,399</u>
Property costs		
Utilities	794,752	874,700
Registration fees	37,321	43,758
Loan interest	-	308
Rent	365,351	360,536
Fixtures, repairs and maintenance	1,623,940	1,950,576
Property management charges	56,700	66,563
Depreciation	343,847	387,036
Council tax	94,908	95,945
	<u>3,316,819</u>	<u>3,779,422</u>
Support costs reallocated (note 7)	4,304,638	4,217,882
Governance costs reallocated (note 8)	36,203	39,096
TOTAL EXPENDITURE	<u><u>31,134,537</u></u>	<u><u>31,478,070</u></u>

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. SUPPORT COSTS

	2024 £	2023 £
Head office property costs	225,167	242,770
Head office staff costs	2,385,102	2,307,580
Head office agency costs	44,254	6,266
Staff training and development	95,865	132,999
Staff recruitment	84,333	117,664
Staff and payroll support costs	274,730	287,973
Information technology	526,581	572,532
Insurance	164,866	151,157
Office consumables	118,642	101,071
Legal and professional fees	150,374	127,984
Bank charges	66,349	12,349
Marketing	45,701	39,897
Head office depreciation	112,669	117,002
Other head office expenses	31,635	21,833
	-----	-----
	4,326,268	4,239,077
Less 0.5% recharge to expenditure on raising funds (note 9)	(21,630)	(21,195)
	-----	-----
	<u>4,304,638</u>	<u>4,217,882</u>

8. GOVERNANCE COSTS

	2024 £	2023 £
Reimbursement of Trustees' expenses	1,699	1593
Trustees' meeting, training and recruitment costs	4,958	5,023
External auditors' fees	18,563	22,024
Recharge 5% salary costs for Chief Executive and Director of Finance	10,983	10,456
	-----	-----
	<u>36,203</u>	<u>39,096</u>

No remuneration has been paid to any Trustee or any person connected with a Trustee. Expenses were paid to four (2023 four) Trustees in respect of mileage and other expenses incurred.

Trustee indemnity insurance is in place, but the individual premium cost cannot be separated out from other combined policy premiums.

9. EXPENDITURE ON RAISING FUNDS

	2024 £	2023 £
Fundraising staff costs	24,510	12,413
Recharge 0.5% of support costs (note 7)	21,630	21,195
	-----	-----
	<u>46,140</u>	<u>33,608</u>

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

10. STAFF COSTS

	2024 £	2023 £
Wages and salaries	19,400,765	16,967,798
Social security costs	1,587,686	1,406,884
Other pension costs	448,265	397,015
	<u>21,436,716</u>	<u>18,771,697</u>
Apprenticeship levy	97,416	85,548
	<u>21,534,132</u>	<u>18,857,245</u>
Remuneration costs of key management personnel	478,213	448,783
Redundancy and termination payments	115,206	180,916
	<u>593,419</u>	<u>629,699</u>

Key management personnel are considered to consist of the Chief Executive, Director of Finance, Director of Operations, Director of Human Resources and the Director of Estates, Facilities and Information Technology.

Agency staff are engaged when necessary to cover staff shortages or absences. Agency expenditure during the year ended 31 March 2024 amounted to £2,746,842 (2023 £5,634,740).

11. EMPLOYEES

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

	Average number		Whole time equivalents	
	2024	2023	2024	2023
Management and administration	59	59	59	59
Care staff	870	817	670	637
	<u>929</u>	<u>876</u>	<u>729</u>	<u>696</u>

Employees whose emoluments fell within the following ranges were as follows:

	2024	2023
£60,000 to £70,000	0	2
£70,000 to £80,000	4	1
£80,000 to £90,000	1	0
£90,000 to £100,000	0	0
£100,000 to £110,000	1	1

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

12. NET INCOME FOR THE YEAR

	2024	2023
This is stated after crediting:	£	£
Profit on disposal of tangible fixed assets	597,973	389
and after charging:		
Operating leases - property rental	419,675	417,587
- motor vehicles	36,848	36,595
Auditor's remuneration – audit fees	23,640	18,353

13. TANGIBLE FIXED ASSETS

	Freehold properties £	Fixtures & equipment £	Motor vehicles £	Total £
COST				
At 1 April 2023	20,999,313	343,734	374,053	21,717,100
Additions	1,148,998	7,707	-	1,156,705
Disposals	(3,058,526)	(133,691)	(20,010)	(3,212,227)
At 31 March 2024	19,089,785	217,751	354,043	19,661,580
DEPRECIATION				
At 1 April 2023	7,635,727	321,260	348,457	8,305,445
Charge for the year	341,897	16,862	8,099	366,858
Disposals	(1,218,017)	(133,691)	(20,010)	(1,371,718)
At 31 March 2024	6,759,607	204,432	336,546	7,300,585
NET BOOK VALUE				
At 31 March 2023	13,363,586	22,474	25,596	13,411,656
At 31 March 2024	12,330,178	13,319	17,497	12,360,995

The net book value of freehold properties includes £1,992,437 (2023 £2,165,237) in respect of non-depreciable land.

The net book value of fixtures and equipment includes nil (2023 £9,060) in respect of assets held under finance leases.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

14. INTANGIBLE FIXED ASSETS

	Software costs £
COST	
At 1 April 2023	448,292
Additions	156,585
Disposals	-

At 31 March 2024	604,877

DEPRECIATION	
At 1 April 2023	231,002
Charge for the year	89,658
Disposals	-

At 31 March 2024	320,660

NET BOOK VALUE	
At 31 March 2023	217,290
	=====
At 31 March 2024	284,217
	=====

Additions to intangible fixed assets include nil (2023 also nil) in respect of capitalised salary costs. The charge for amortisation of intangible fixed assets is included in the Statement of Financial Activities (page 20) within Expenditure on Charitable Activities (note 6). Software costs are amortised over a period of five years, a period that is in line with industry standards.

15. INVESTMENTS

	2024 £	2023 £
Listed Investments		
Valuation at 1 April 202	2,566,855	1,991,923
Additions to investment funds	80,926	712,403
Realised (losses)/profits on disposal	(8,563)	(8,087)
Unrealised profits/(losses) on revaluation	182,633	(129,384)
	-----	-----
Valuation at 31 March 2024	2,821,851	2,566,855
	=====	=====

Listed investments represent amounts invested in the Barclays Managed Charities Fund. This is managed by Barclays' professional Fund Managers. The valuation above is based on the asset values reported by Barclays, which we consider to be a fair estimation of the realisable value of the fund assets. The investment is held to provide an investment return to the charity.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

16. DEBTORS

	2024	2023
	£	£
Operational debtors	1,543,933	1,415,129
Other debtors	125	3,386
Prepayments and accrued income	259,604	226,424
	<u>1,803,664</u>	<u>1,644,939</u>

17. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Finance lease creditor	-	9,072
Trade creditors	1,315,658	999,709
Tax and social security	326,076	249,318
Other creditors	165,852	137,959
Accruals and deferred income	827,338	632,226
	<u>2,634,926</u>	<u>2,028,284</u>

18. MATURITY OF LONG TERM CREDITORS

Finance leases

	2024	2023
	£	£
Amounts falling due:		
Within one year (note 17)	-	9,072
Within 1 to 2 years	-	-
	<u>-</u>	<u>9,072</u>
Less: amounts falling due within one year (note 17)	-	(9,072)
	<u>-</u>	<u>-</u>

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

19. PROVISIONS FOR LIABILITIES AND CHARGES

	Pension deficit £
At 1 April 2023	10,405
Paid during the year	(5,946)
Re-measurement of provision	4
Unwinding of discount factor	397

At 31 March 2024	4,860
	=====

The pension deficit provision relates to the obligation to pay additional contributions to the Trustees of the TPT Retirement Solutions Growth Plan pension scheme in order to fund the deficit in value of that scheme (note 27). The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using a discount rate of 5.31% (5.52% at 31 March 2023). The unwinding of the discount rate is recognised as a finance cost.

20. FINANCIAL INSTRUMENTS

	2024 £	2023 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	20,655,422	18,753,406
	=====	=====
Financial liabilities		
Financial liabilities measured at amortised cost	(2,639,786)	(2,038,689)
	=====	=====

Financial assets measured at amortised cost comprise tangible and intangible fixed assets, trade debtors, other debtors and bank balances.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and provisions.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds invested in fixed assets £	Balance of unrestricted funds £	Restricted capital fund £	Restricted income fund £	Total funds £
FIXED ASSETS					
Tangible assets	10,027,628	-	2,333,367	-	12,360,995
Intangible assets	284,217	-	-	-	284,217
Investments	-	2,821,851	-	-	2,821,851
	-----	-----	-----	-----	-----
Total fixed assets	10,311,845	2,821,851	2,333,367	-	15,467,063
	-----	-----	-----	-----	-----
CURRENT ASSETS					
Debtors	-	1,803,664	-	-	1,803,664
Cash at bank and in hand	-	6,157,696	-	48,850	6,206,546
	-----	-----	-----	-----	-----
Total current assets	-	7,961,360	-	48,850	8,010,210
	-----	-----	-----	-----	-----
CREDITORS: Amounts falling due within one year	-	(2,634,925)	-	-	(2,634,925)
	-----	-----	-----	-----	-----
Net current assets	-	5,326,435	-	48,850	5,375,284
	-----	-----	-----	-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES	10,311,845	8,148,286	2,333,367	48,850	20,842,348
	-----	-----	-----	-----	-----
PROVISIONS for liabilities and charges	-	(4,860)	-	-	(4,860)
	-----	-----	-----	-----	-----
NET ASSETS AT 31 MARCH 2024	10,311,845	8,143,426	2,333,367	48,850	20,837,487
	=====	=====	=====	=====	=====

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

22. MOVEMENT OF FUNDS

	Unrestricted funds invested in fixed assets	Balance of unrestricted funds	Restricted capital fund	Restricted income fund	Total funds
	£	£	£	£	£
AT 1 APRIL 2023	11,519,193	5,367,972	2,350,428	43,980	19,281,573
Surplus(deficit) for the year ended 31 March 2024	-	1,484,825	66,220	4,870	1,555,915
Transfers between funds	(1,207,349)	1,290,630	(83,281)	-	
AT 31 MARCH 2024	<u>10,311,844</u>	<u>8,143,425</u>	<u>2,333,367</u>	<u>48,850</u>	<u>20,837,488</u>

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

23. UNRESTRICTED INCOME FUNDS

The unrestricted income funds consist of:

Funds invested in tangible and intangible fixed assets – being the value of tangible and intangible fixed assets (notes 13 and 14) less the value of loans secured thereon (note 19), less restricted funds invested in fixed assets (note 25).

Investment revaluation reserve – being cumulative unrealised gains less unrealised losses arising on the investment portfolio (note 15).

Funds available for use – being the balance of unrestricted funds.

24. RESTRICTED FUNDS

Restricted funds represent capital or income donations or grants received by the Trust for specific purposes. In the case of restricted income donations or grants the restriction is discharged once the donations or grants are expended as required.

Restricted capital fund

It was a condition of capital grants received in the past that properties purchased continue to be used for specified charitable purposes and grants received were secured by legal charges in favour of the Secretary of State for Health (SoSH). If the properties cease to be used for these purposes or are sold without authorised reinvestment, then a proportion equivalent to the level of the legal charge (49.8% to 100%) of the market value of the property is repayable to the SoSH. The restriction in respect of these grants was therefore not discharged when the properties were purchased. These grants continue to be reflected in the balance on restricted funds, but are stated net of amounts released annually to the unrestricted income fund to offset related depreciation charges. There were ten such properties at 31 March 2024.

Restricted income fund

During the year ended 31 March 2024, there were restricted income donations and grants amounting to £91,754 (2023 £77,774). See note 3 for further details of donations and grants received. The restrictions have been discharged in respect of restricted income donations and grants amounting to £86,883, including some donations and grants received in prior years, and an equivalent transfer has therefore been made to the unrestricted income fund.

25. CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2024 (2023 nil).

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

26. OPERATING LEASE COMMITMENTS

At 31 March 2024 there were the following total commitments under non-cancellable operating leases:

	Land and Buildings 2024 £	Motor Vehicles 2024 £	Land and Buildings 2023 £	Motor Vehicles 2023 £
Expiring within one year	334,507	-	333,052	-
Expiring in two to five years	-	-	-	-
Expiring in more than five years	-	-	-	-
	<u>334,507</u>	<u>-</u>	<u>333,052</u>	<u>-</u>

27. PENSION COSTS

The Trust participates in one defined contribution scheme and one defined benefit schemes. The assets of both pension schemes are held separately from those of the Trust in independently administered funds.

TPT Retirement Solutions – The Growth Plan Series 4

Contributions payable by the Trust to this defined contribution scheme, in respect of 869 employees (2023 848), amounted to £701,367 (2023 £305,893). Contributions totalling £415,404 (2023 £65,139) were payable to this fund at 31 March 2024 and are included in creditors (note 17). Both figures stated above re 2023/24 costs included £343,406 in respect of pension payment adjustments.

NHS Pension Scheme

Some employees of the Trust are eligible for membership of the NHS Pension Scheme. This is a multi-employer defined benefits scheme for the National Health Service and other approved organisations.

Contributions payable by the Trust to the NHS Pension Fund during the year, in respect of 29 employees (2023 also 29), amounted to £88,604 (2023 £84,723). Employers' and employees' contributions totalling £11,203 (2023 nil) were payable to this fund at the balance sheet date and are included within other creditors (note 17).

Due to the nature of the scheme, the Trust is unable to identify its share of the underlying assets and liabilities and, in accordance with FRS 102, the Trust is therefore exempted from providing details of these. The cost of pensions are met by a level percentage contribution called the Normal Contribution rate, calculated by the Government Actuary on the basis of quinquennial valuations using the prospective benefits valuation method.

The most recent valuation, published in February 2019, was for the four years from 2012 to 2016. This is a public document available from HM Stationery Office and for a more complete understanding it should be reviewed in its entirety.

The most recent actuarial valuation showed that the value placed on notional investments at 31 March 2016 amounted to £278.1 billion and that the present value of benefits accrued to members amounted to £297.5 billion, net of the present value of future contributions by current members. There was therefore a deficiency at 31 March 2016 amounting to £19.4 billion.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Most existing NHS pension scheme members were transferred to a new scheme ("the 2015 scheme") on 2015. The previous actuarial valuation was required to take account of the impact of the introduction of this scheme. It concluded that the employer contribution rate for the period from 1 April 2015 to 31 March 2020 should be increased to 14.3% of pensionable pay.

The latest actuarial valuation concluded that the employer contribution rate should be increased to 20.6% of pensionable pay for the period from 1 April 2020 to 31 March 2023 to meet the cost of scheme benefits. The Department of Health and Social Care (DHSC) confirmed this increase, but the Government committed to providing additional funding to meet this additional cost to employers. It was subsequently confirmed that for 2020/21 to 2022/23 the amount to be collected from employers would continue at 14.3% (plus 0.08% administration charge) and that central payments would be made by NHS England and by DHSC to cover the remaining cost. In January 2022 it was announced that these arrangements would continue for a further year, until 31 March 2024.

TPT Retirement Solutions – The Growth Plan Series 3

Prior to 1 October 2012 employees were eligible for participation in Series 3 of The Pensions Trust's Growth Plan (the Plan). On 1 October 2013 the Plan was closed, and all employees within the Plan were transferred to Series 4, a defined contribution scheme (see above). Although the Plan is now closed, details are included here as the Trust has a number of actual and potential future liabilities relating to it.

The Plan is a multi-employer pension plan that provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Trust to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme and therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

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

A full actuarial valuation of the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3 million, liabilities of £831.9 million and a deficit of £31.6 million. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

*Deficit contributions from 1 April 2022 to 31 January 2025
£3,312,000 per annum, payable monthly*

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

MILESTONES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9 million, liabilities of £926.4 million and a deficit of £131.5 million. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

*Deficit contributions from 1 April 2019 to 30 September 2025
£11,243,000 per annum, payable monthly and increasing by 3% each year on 1 April*

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. The Trust recognises a liability for this obligation, being the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The net present value of the Trust's provision is £4,860 (2023 £10,405). See note 20 for details of the calculation of this provision.

28. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or the prior year.

29. LIMITED LIABILITY STATUS

The Trust is a company limited by guarantee with no share capital.

30. POST BALANCE SHEET EVENTS

As noted in the Trustees' report, the Trust is in the process of merging with another smaller charitable Trust. The White Horse Care Trust will become part of Milestones Trust in November 2024. The decision to progress with the merger was taken by the Board of Trustees at their meeting on 24th June 2024.