



Shaping the  
future

**Annual Report and Accounts  
for the year ended 31 March 2020**

# What is The Children's Trust?

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

Our national specialist centre is the UK's largest rehabilitation service for children with acquired brain injury. The centre, and most of our staff, are based in Tadworth, Surrey. We also work with children across the country, with teams based in children's hospitals and major trauma centres, in London, Leeds, Nottingham and Sheffield.

## It was established in 1984

- For the care, treatment, rehabilitation and education of children and other persons with physical disabilities, learning disabilities and complex medical needs, including life-limiting or life-threatening conditions and neurological damage acquired through accident or other causes; for support of families and other carers involved; and for the prevention of such disabilities and disorders.

- To hold for the benefit of the public the freehold of the heritage property known as Tadworth Court, Tadworth, Surrey and its curtilage and to restore, conserve, improve and maintain such heritage property and all buildings, walls, parks, gardens, woodlands and appurtenances within its curtilage.

These objects, which supported our previous strategy Creating Futures Together, still guide us today as we present our new five-year programme Hope and Ambition.

The strategic report on this work is presented here as the Trustees' 35th Annual Report and the audited Financial Statements of The Children's Trust ('the charity') for the year ended 31 March 2020.

## Our services are provided through:

Individually tailored rehabilitation programmes of multidisciplinary therapy for children who have suffered a brain injury.

The Children's Trust School, for children with a range of complex education, health, therapy and care needs. The School also has a Nursery provision, Tadworth Tots.

Our Brain Injury Community Service, Information Service and online Brain Injury Hub providing resources and therapeutic support to children with acquired brain injury.

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# Welcome from our Chair and Chief Executive

Our report on the past 12 months considers the achievements made in our 2017-2020 strategic period, how we are driving this success forward in our 2020-2025 strategy, and the recent effect of the COVID-19 pandemic on our organisation.

As the financial year came to an end, all of our lives were turned upside down by COVID-19. It came following a strong year for The Children's Trust. In particular:

- our 'Outstanding' ratings from the Care Quality Commission and Ofsted Care were retained following an aligned inspection by both regulators; and
- 97.3% staff said they were proud to work for The Children's Trust in our 2019 staff survey.

We reflected on the achievements from our Creating Futures Together strategy, which covered the period 2017-2020. Hope and Ambition, our exciting new five-year strategy for 2020-2025, is now underway. This will set us on a path of growth so that we can reach and support many more children with brain injury and neurodisability. It will build on the firm foundations we have established.

## Reflecting on our achievements

In this, the Trustees' 35th Annual Report, we detail the achievements made. *Shaping Futures Together* takes you on a journey looking back on the past year with a strong focus on the impact our work has on children, their families and the world around us.

On p4 we look at our four 2017-2020 strategic objectives in turn. Highlights include helping more children and young people through expanding our community services and making rehabilitation activities more meaningful to every child and young person through participating in sports and music. Although not every objective was met, we made great headway in moving our

organisation forward and will complete all the work that was started.

We look at the progress made in supporting our talented staff and volunteers (p16), and in our financial performance, with a special focus on our fundraising work (p22). As we look to the future, we show you how we will take our success to the next level by having the courage to be ambitious (p28). The Strategic Report, audited Financial Statements of The Children's Trust for the year ended 31 March 2020, and legal and administrative information follow (p32).

## The impact of COVID-19 on our organisation

Like all charities, COVID-19 has affected our organisation in many ways, but since the beginning of the crisis, our primary focus has been the health and wellbeing of children, their families, our staff and volunteers, and this has guided our response throughout.

From early March, we treated this as a major incident and responded accordingly. We formed a Major Incident Team to regularly review our risks, changes in approach and policy, equipment requirements and communications. In addition, extraordinary Board and Committee meetings took place to ensure good governance and oversight.

Our staff and Trustees rose admirably to the challenge, driven by the reality that many of the children we support cannot go home, and therefore the safest place for them to be is with us. Our work has not stopped.



We have also supported hospitals offering to accommodate children who needed to be discharged but could not go home due to their complex health needs. We ensured children in the community had access to support. And we worked to ensure some children who were returning home from hospital could be admitted to The Children’s Trust at a later date. The Children’s Trust School remained open. We quickly focused on increasing recruitment to ensure the level of staff needed to care for all children was met.

**Demonstrating agility during the COVID-19 pandemic**

COVID-19 has hit our short-term fundraising and retail activities, but with a combination of a successful fundraising appeal and access to support, for example, government and retail grants, we have managed this risk in the short-term. Helping this effort, we have been overwhelmed with timely support from our celebrity ambassadors – musician Harry Judd ran Instagram quizzes in aid of our charity, while author David Walliams ran an online story time session for children. Our Trustees recognise that the long-term nature of COVID-19 and social distancing require further work to understand the impact on fundraising and retail income over the years to come.

Communication has always been a priority and we continue to work closely with partners such as the NHS, Surrey County Council and other charities; engage the local community and our supporters; and create a dialogue with staff ensuring clear leadership, regular

communications and support for teams and individuals.

We have also embraced new ways of working on-site and off-site, striving to ensure that everyone still feels part of the same organisation, and bringing forward our digital transformation plans by introducing new technology rapidly. In all this, the children and young people are always at the heart of our thinking.

One of the largest economic shocks has been the very sharp drop in share prices, impacting our investments. Our Trustees believe that these impacts, which are in the form of an unrealised loss, are exceptional. As markets recover,

we are seeing the impact on our investments reversing. It is our belief that the core business model of the charity is solid and provides a foundation for future growth.

Our hard work, and achievements made in these challenging times, encapsulate the strength of our organisation. Our bold new growth strategy shows that we are courageous in driving our organisation forward. We will do this by continuing to be adaptable, agile and innovative; all traits we have shown commendably during the COVID-19 pandemic. We continue to look to the future with confidence.



**Duncan Ingram**  
Chair of Trustees



**Dalton Leong**  
Chief Executive

# Game-changing services

We define success and measure it to ensure we have a lasting impact for children and families.

Three years ago we launched Creating Futures Together, our 2017-2020 strategy. As we enter into our new five-year strategy, Hope and Ambition, we look back on a selection of achievements and the progress we have made in delivering our strategic objectives outlined in 2017.

## Our 2017-2020 strategic objectives

- Be the best at what we do
- Respond to the needs of children and young people
- Ensure that our services are there for the long term
- Scale up

## Be the best at what we do

### Maintaining and winning accreditations and awards

In January 2020 we were inspected by the Care Quality Commission (CQC) and Ofsted Care and for both we maintained our 'Outstanding' ratings. The CQC report stated: "We saw positive interactions between children, young people and staff at all levels. We saw strong evidence of children and young people achieving exceptional outcomes."

Our 'Outstanding' ratings demonstrate how we work tirelessly to maintain high standards of quality across the services we deliver, always putting children and families at the heart of everything we do.

At the CHKS Top Hospitals Award ceremony in June 2019 we won the Quality Improvement Award for our work that resulted in receiving

accreditation from CHKS and the ISO:9001 certification. The same night we won the Best Use of Data and Insight in a small to medium charity award at the Institute of Fundraising Insight in Fundraising Awards, demonstrating that our pursuit of excellence runs through the whole organisation.

### Developing our digital strategy and website

Our digital vision places children and families, staff and volunteers at the heart of what we do. We are considering the options to develop more of our services online but before we can realise the full potential, we are strengthening our internal systems. Developments include a new corporate website launched in December 2019 (see p24) and a new HR/payroll self-service system for staff launched in February 2020 (see p18).

## Public benefit and activities

**1,951** direct services were delivered to children with brain injury and neurodisability (2018/19: 1,243). The significant rise is attributed to the expansion of our Brain Injury Community Service support.

**96** children and young people received intensive rehabilitation at our national specialist centre following a brain injury, increasing mobility, self-care and communication skills (2018/19: 89).

**23.5** was the average number of children in rehab per night (Children and Family Services) (2018/19: 23.4; 2017/18: 22.6).

**93** nights was the average length of stay for children in rehab (mean average, excluding outliers) (2018/19: 118; 2017/18: 109). By reducing the length of stay, we are able to support more children, without compromising the quality of our work.



73

children attended The Children's Trust School and our parent and child group Taddies.

## Respond to the needs of children and young people

### Supporting more children across the UK

#### Providing support over time

Our Brain Injury Community Service (BICS) support continues to grow. In November 2018 we launched our Long-Term Register whereby we contact families who have previously used our service to check if they need further support. Our focus is helping children through a period of transition, for example, starting a new school. Our direct contact at these times makes it easier for families to access support when they might need it most. Families not on the register can also contact us when needed.

In November 2019, a year after launch, 165 families were contacted, compared with 60 families in 2018.

Of those we made contact with, 34% required further support and 52% requested to stay on the register. We will contact families again in November 2020.

#### Supporting children with a mild brain injury

BICS piloted a mild traumatic brain injury pathway this year, sending information packs to all families where a child had experienced a concussion and had been seen at Leeds Children's Hospital.

This pack (which includes our concussion booklet, information about BICS and a self-assessment questionnaire) meant families were supplied with information at the time of injury. They were encouraged to make contact after 4-6 weeks if they were still concerned.

This pilot resulted in families getting information sooner, at a time it is needed most. This approach has now been adopted at all four children's hospitals and major trauma centres where our Brain Injury Specialists are based (London's St Georges, Sheffield, Nottingham and Leeds).



"We saw positive interactions between children, young people and staff at all levels. We saw strong evidence of children and young people achieving exceptional outcomes." *CQC report 2020*

**73** children attended The Children's Trust School and our parent and child group Taddies (2018/19: 71). 45 received education, support and care as residential and day school pupils and 28 children were supported by the Nursery and Taddies.

**24.9** was the average number of school pupils in residential accommodation and 8.6 the average number of children as day pupils. (2018/19: 25.5 and 7.7; 2017/18: 23.9 and 9.6).

*School pupil numbers differ due to leavers and joiners throughout the year.*

**In assessing the charity's impact on our beneficiaries the Trustees follow the Charity Commission guidance and are confident that the services provided by the charity meet those requirements.**

**The Trustees and the Senior Leadership Team measure the achievement of the objectives and performance of the charity by regularly reviewing key performance indicators and outcome measures. This is done through monthly business meetings, a detailed quarterly review process led by the Chief Executive and regular reports to Trustees.**

### More support across England

This year we piloted a new brain injury specialist role in the north of England. This combines our multidisciplinary work, usually based out of our specialist centre in Tadworth, with regional work in the North Yorkshire and Humber region (in the community and from Leeds Children's Hospital). The pilot makes it easier to reach children in the north of England who, for example, may be receiving multidisciplinary support some time after an injury or accessing regional support following a hospital stay. We are looking to develop this initiative further as part of our new strategy.

### Using digital to help support families

Digital became a focus for BICS in 2019. We are now moving towards electronic referrals in some hospitals where our specialists are based. We are also considering software that could help us support more children across the UK, by providing timely information and support online to families as soon as they need it.

### Brain Injury Hub and publications

Our Brain Injury Hub information website for families continued to gain new users and received 80,730 visitors in the year. Families and professionals use the site (and its social media channels) to access information, news and stories from families.

A parent told us: "The articles are helpful and the real-life experiences really resonate as a mum. The Brain Injury Hub is such a comfort and stops the feelings of isolation."

We distributed almost 700 books and over 2,000 booklets. A new booklet and foldout card, *Acquired brain injury in children – a guide for teachers and school staff*, was launched in August 2019 ready for the new academic year. This followed the Concussion booklet launched in early 2019.



Madison enjoying her bike in the grounds at The Children's Trust

### Spotlight on: Madison

#### A year after rehabilitation at our specialist centre, Madison was supported by our Brain Injury Community Service

Madison was 10 when her family was involved in a car accident on holiday in France. She sustained a severe brain injury. After four months in hospital, Madison was transferred back to the UK and came to The Children's Trust for her specialist rehabilitation. Madison made great progress, improving her concentration and memory.

Madison then returned home, and to her mainstream school, and carried on her progress. A few months later, when Madison was starting secondary school, the family received help from our Brain Injury Community Service (BICS).

BICS supported Madison at home, including brain injury education sessions for the immediate family, and in her school by advising and liaising with the key staff supporting her. BICS' Highly Specialist Speech and Language Therapist Isobel said:

"Madison developed a better understanding of her brain injury, and more of a willingness to accept support. She came to understand how people like her teaching assistant could help. She now independently requests support, accesses the quiet room, and is more willing to tell friends when she needs help."

This support also boosted Madison's confidence enough for her to give a presentation to her class at school. Mum, Georgette, said: "The presentation helped Madison's class understand why she has a tremor and struggles with memory; it was also incredibly beneficial for Madison to come to terms with what had happened."

Madison is now on BICS' Long-Term Register. The register checks a young person's needs at key stages including starting or moving schools, and offers support if and when new problems arise.



## Our community support in numbers

**1,772** children were supported by our Brain Injury Community Service (BICS), which provides screening, advice and rehabilitation packages for children and young people (2018/19: 1,090).

**553** visits were carried out by BICS (including voluntary funded and funded packages work) at home, school and other groups (2018/19: 471).

**613** mild traumatic brain injury information packs were sent out, including a self-assessment questionnaire (2018/19: NA).

**165** children are on BICS' Long-Term Register (2018/19: 60).

**80,730** people visited the Brain Injury Hub website, which provides information and advice for parents and professionals (2018/19: 72,400; 2017/18: 56,873).

**2,744** books and publications produced by The Children's Trust were distributed to families and professionals (2018/19: 1,770; 2017/18: 1,050).

**425** people are part of the Brain Injury Hub's Facebook childhood brain injury support group; the Brain Injury Hub's Facebook page has 1,500 followers and its Twitter account has 10,600 followers (2018/19: 313, 1,403 and 10,089; 2017/18: 212, 1,191 and 9,553).

**98%** of parents said they are likely/extremely likely to recommend the service to others.

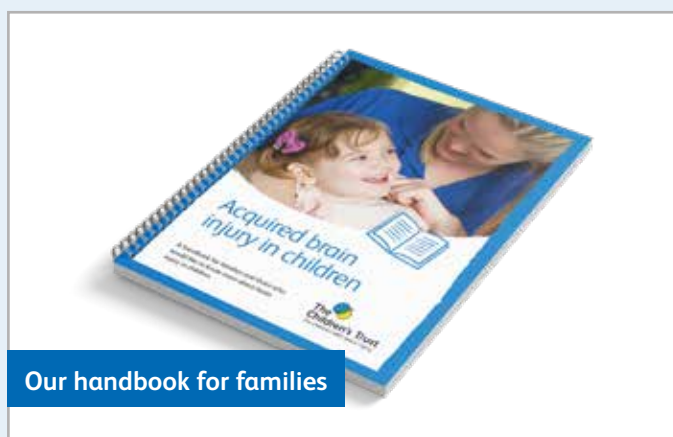
**90%** of children and young people said this is a good service for my friends, family and other children to be looked after by if they needed similar treatment or care and 71 % said they had a better understanding of their brain injury.

**93%** of professionals said they have a better understanding of brain injury and what can help and 87 % are likely to recommend the service to others.

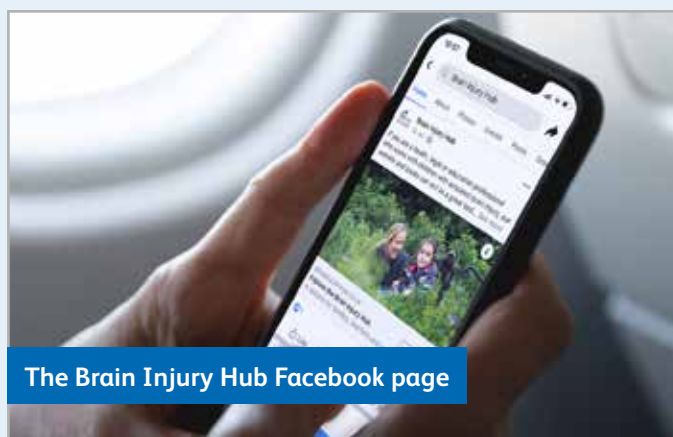
A number of outcome measures are used with children supported through BICS neurorehabilitation packages. These include Goal Attainment Scaling (GAS) and the Childhood Wellbeing Index (CWI). BICS is currently reviewing the measures used to ensure they are both meaningful to the child and family, and sensitive enough to measure change over time.



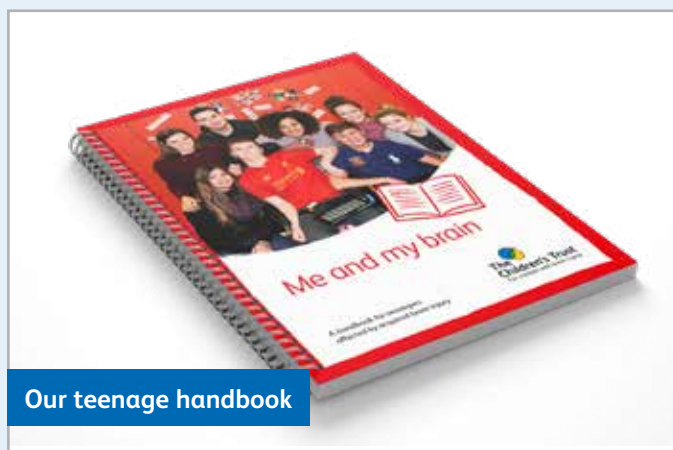
The Brain Injury Hub website



Our handbook for families



The Brain Injury Hub Facebook page



Our teenage handbook

**Enriching children’s lives through participation**

Our core value is to put the child and family at the centre of everything we do. In 2018 we launched a new participation strategy, built on best clinical practice and giving more involvement to the child in setting their goals, choosing activities and being part of making decisions that affect them and our organisation. Clinically this includes not just a ‘functional movement’, such as walking, but a ‘participation’ focus, where a child might walk to meet a friend.

We use goal setting (Goal Attainment Scaling – see chart) with children, young people and their families during in-patient rehabilitation. We collaborate to set a goal that is both personally motivating and challenging during their placement.

When a child/young person arrives at our specialist centre we assess their ability to carry out everyday tasks, particularly those they want to do during rehabilitation. To capture this change we have adopted a new outcome measure for children called Pediatric Evaluation of Disability Inventory – Computer Adaptive Test (PEDI-CAT).

The PEDI-CAT (see chart) asks how well children can do things such as getting dressed; if they use single words, gestures or signs to show what they want; or if they arrive on time to scheduled activities or appointments. We measure children’s abilities on admission to rehabilitation and before they leave The Children’s Trust.

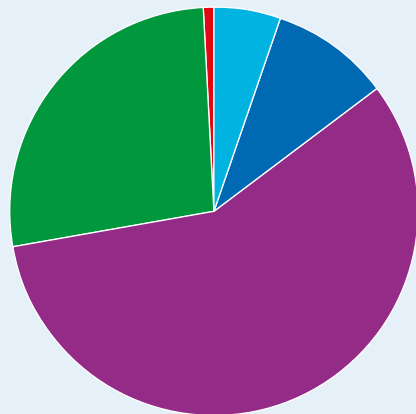
The PEDI-CAT compares a child to those of the same age. For example,

on admission, 74 % of children scored below the 5th percentile in ‘responsibility’ (this means less than 5 % of children this age will score below this level). At discharge, the number of children scoring below the 5th percentile was reduced to 62 %.

While not all children make the same level of progress, overall the group improve between in-patient rehabilitation admission and discharge. This measure helps us evaluate the true impact of our service and the outcomes for an individual child or young person.

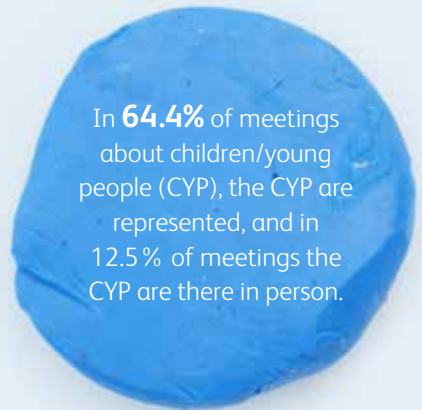
This year we have embedded participation even further, changing the service we offer children and providing activities that are more meaningful for them and inclusive.

**Goal Attainment Scaling (GAS) for rehabilitation**



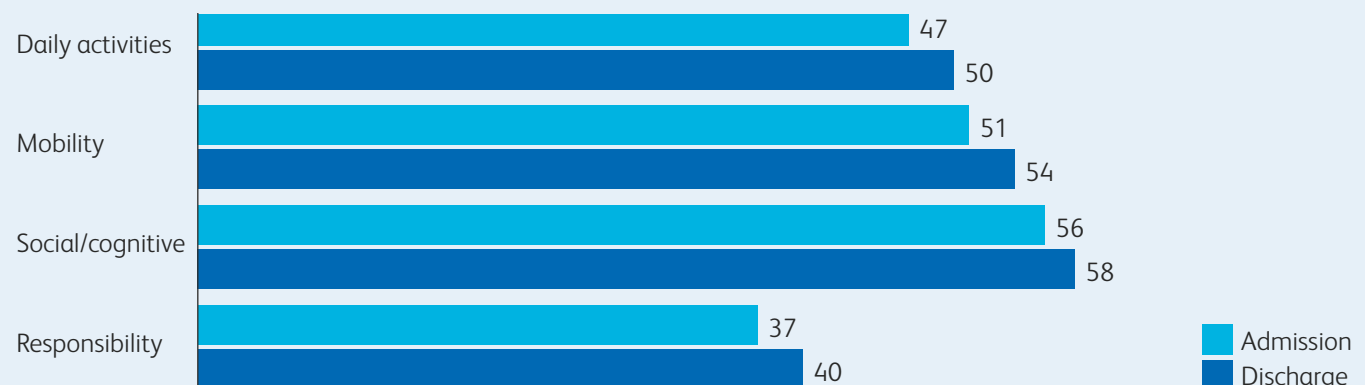
**72.4%** of goals set by the child/ family are achieved as expected (or more) on discharge.

- More than expected (5.5%)
- A little more (9.4%)
- As expected (57.5%)
- Partially expected (26.8%)
- Less than expected (0.8%)



In **64.4%** of meetings about children/young people (CYP), the CYP are represented, and in 12.5 % of meetings the CYP are there in person.

**Average change in PEDI-CAT scaled score from admission to discharge (61 children/young people)**





Kenny taking part in National Boccia Day

We set up a Sports Development Group for children undergoing rehabilitation and pupils attending The Children's Trust School. Children benefit from visiting experts in sports including football, tennis, swimming and Boccia (a sport similar to bowls).

Working in partnership is very important to us and we are grateful for the support of the Sir Stanley Matthews Foundation, Great Waves Swimming and Dan Maskell Trust for co-running sessions with us and donating equipment. All children benefited from participating in the Panathlon Challenge; this charity provides inclusive sporting opportunities for children to join in and compete together.

Participation is not only limited to sports; a volunteer art therapist works with children with neurodisabilities to develop creative expression. We have baking, gardening and music groups, and the number of clubs is growing so children can join in and learn from experts in their fields.

Children and young people are increasingly becoming involved in decision-making within the organisation. They give input into menus, presentations to the Trustees, are involved in interviewing for Trustees and senior roles, and help inspect our services with their recommendations being added to the Quality Improvement Plan. Such activities give children a voice in the decisions that affect them on a day-to-day basis.

Unfortunately, COVID-19 has paused many of these programmes so staff have been developing alternative ways to involve children and create activities. Music and art continue to take place, we have started running virtual yoga and music, and offer what sports we can.

Children also benefit from Assistive Technology (see Spotlight on: Amy on p18), which allows children to take part in more activities, and with increased independence. New equipment and technology includes an anti-gravity treadmill and Virtual Reality gaming software, with games

helping young people's communication and physiotherapy.

#### Using metrics to ensure we are child and family focused

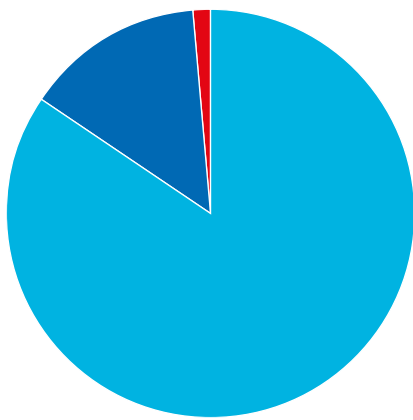
Evidence demonstrates that services that are child and family focused have better outcomes. We use three different assessments to help us achieve this.

We have adopted a Measure of Process of Care (MPOC) to assess parents' perceptions of whether the care they and their child receive from us is family-centred. Early feedback from a few families is very positive, reporting that we have helped them feel competent as a parent; looked at the needs of the 'whole' child, not just the physical ones; and provided opportunities for the whole family to receive information. In future this will be used for families across all of our services – school, BICS and residential neurorehabilitation.

A Friends and Family Test (see chart) is completed by all families who use our service; this found that 98.7% of families would recommend our service to friends, family and other parents if they needed similar care or treatment (2018/19: 100%).

### Friends and Family Test

**How likely are you to recommend this service to friends, family and other parents if they needed similar care or treatment?**



- Extremely likely (82.8%)
- Likely (13.9%)
- Neither (0%)
- Unlikely (0%)
- Extremely unlikely (1.3%)\*

\*Sadly, this is because the family never wanted to be in the situation where they would be using The Children's Trust's services.

We have also introduced a Family Needs Questionnaire (FNQ-P) to ensure we are meeting the needs of each individual family. This is primarily used for children having in-patient rehabilitation, but the FNQ-P was also completed by families who have used our Brain Injury Community Service (see box). We know that some children with severe brain injuries may make little or no functional gains during their stay with us, but using FNQ-P data ensures we are equipping the families as best we can to look after their children once they have left.

We are building up our impact reporting and continually seek external validation as datasets become available.

### Family Needs Questionnaire – Paediatric version (FNQ-P)

Family-centred care is a top priority at The Children's Trust and this new tool will help us to direct individual care to our families and develop services that target their identified needs.

For our Brain Injury Community Service (BICS), 184 families completed the assessment and the top three needs of the families were identified. These included being able to share feelings about their child with someone who has gone through a similar experience and having access to counselling.

The families were satisfied that their needs were well met in ways including information from professionals being explained in clear and simple language; questions answered quickly and thoroughly; and by staff showing respect for the child's family's needs or wishes.

BICS has FNQ-P as one of its outcome measures and use it to evaluate some of their intervention packages.

For in-patient rehabilitation, the FNQ-P was given to parents at the beginning of their child's placement and assessments were completed by 44 families. Top needs identified included receiving support to pay attention to their own health, personal needs, jobs or interests; help to meet the needs of other children and family members; and assistance to advocate for academic support for the child.

The families felt their needs were well met in terms of having their opinions and suggestions listened to; information from professionals explained in clear and simple language; and by staff showing respect for the child's family's needs or wishes.

The residential rehabilitation team, led by the psychosocial team, will now reassess families as they leave to measure this important outcome.

### The IMPACTS curriculum – our pupils' progress

At the start of our academic year all pupils with Education, Health and Care Plans aged 5-18 years have their progress in their point scores assessed in communication, language, literacy skills (CLL) and cognitive skills (Cog).

Eight pupils were new to the school/curriculum and therefore there was no previous year data to compare.

There were 18 pupils with previous year data to compare.

**15 of 18 (83.3%)**

made point score progress in CLL

**16 of 18 (88.8%)**

made point score progress in Cog

**3 of 18 (16.6%)**

maintained their point score in CLL

**2 of 18 (11.1%)**

maintained their point score in Cog



### Developing our psychosocial support

Our psychosocial team helps families by providing mental, emotional and social support. The team's work has developed in the past two years as findings from our Family Needs Questionnaire (FNQ-P) illustrate the complexity of young peoples' needs in these areas.

One of our psychologists has developed a model of Identity Rehab to guide how we deliver our services. The aim is to support children, young people and families as they adapt to their new circumstances while acknowledging their strengths, skills and interests that maintain their sense of identity.

One example of our work is through music, which is both a therapeutic and an enjoyable activity. Our specialist centre's Musiczone helps children and young people engage with, and benefit from, psychological support. This is especially the case since we have increased our music technology and we are now exploring aspects of 'DJ rehab'.

Our support was extended across the UK this year with an education

psychologist joining our Brain Injury Community Service. Our team was also involved in the publication of the book *Psychological Therapy for Paediatric Acquired Brain Injury* in Autumn 2019, which was co-edited by a member of the team with staff contributing a number of chapters.

Our psychosocial team also provides qualitative training for undergraduates, masters and doctorates in clinical psychology, education psychology, and neuropsychology.

### School learning and our focus on five key skills areas

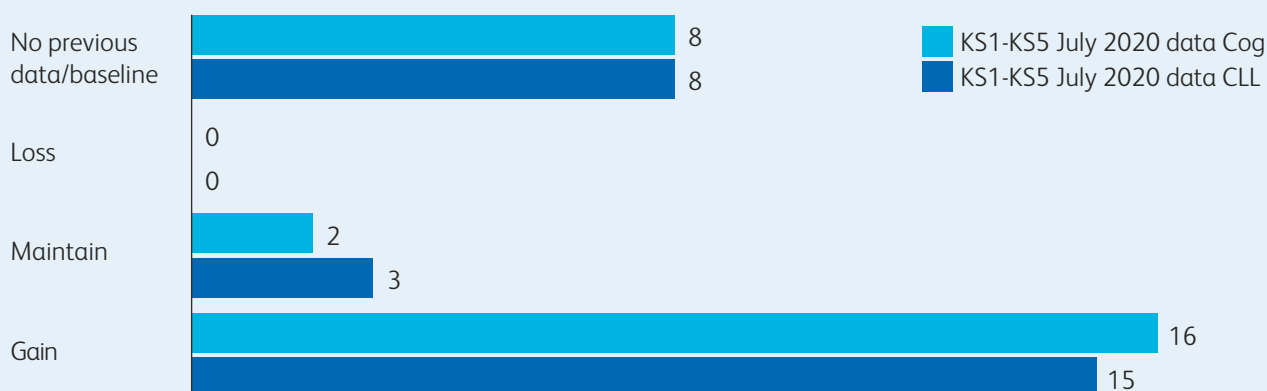
Learning at The Children's Trust's School is all-encompassing, with education, health, therapy and care teams working collaboratively to deliver high quality learning opportunities for every child and young person.

We offer day and residential placements (jointly commissioned by education, health or care teams, or funded privately) for up to our designated number of 44 pupils. In the past year, 45 children attended our school in total.

We offer a school nursery (see p15) and our parent-child group, Taddies, for children with multiple and complex needs. In May 2017 we were rated 'Good' with 'Outstanding for leadership and management' for an Ofsted Education section 5 inspection. This year we were rated 'Outstanding' by both Ofsted Care (for our residential houses) and the Care Quality Commission.

Our school uses the ImPACTS curriculum which was introduced three years ago. It is a holistic, developmental curriculum, covering five key skills areas: communication/language/literacy; cognitive skills; environment control technology; personal social and emotional wellbeing; and physical development. Multidisciplinary assessment baselines individual strengths, needs and allows us to identify each child's next developmental targets.

### Pupil progress July 2020





Assessing and planning for each child individually provides a basis for children to acquire skills through ‘routine’ activities, classroom activities and participation, inclusion and enrichment activities. We now offer 28 lunchtime activities including Vinyl Club, park and ride, gardening and light and vision, and after school and weekend clubs. We also have Enrichment Weeks where progression against targets is linked through themed activities such as ‘My Voice’ and ‘My Way To keep Fit’.

We measure the impact of our work through robust, ongoing assessments, which are internally and externally moderated. We are able to evidence that we know where the children are in their learning ‘now’, and identify what their ‘next steps’ need to be, delivering through high quality education and making a difference to children’s quality of life.

**Using our expertise to support school children**

We use a range of metrics to ensure we are supporting the needs of our school children and helping them to develop and progress.

We use Goal Attainment Scaling (GAS – see chart). GAS goals are set in collaboration with the child, family and other professionals. The goals allow us to look at how intervention, such as powered mobility or aquatic therapy, is benefiting a child.

In recent months we have seen an increase in children and young people with complex health needs, such as prolonged disorders of consciousness (PDOC). Guidelines, qualifications and training ensure our service and skills support our school population of increasing need.

**100%** of professionals surveyed agreed they would recommend our school to other professionals.

**100%** of parents agreed their child or young person is taught well in school and has made good progress.

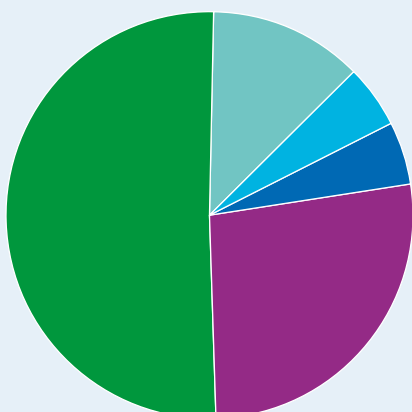
“Lovely staff from entering the site to leaving; an excellent level of care being provided for my child.”

A parent

“Excellent evidence of preparation. Teachers’ passion, care and enthusiasm was evident throughout. The child’s safety and learning was placed at the centre and the mother’s views listened to.”

A visiting professional

**Goal Attainment Scaling (GAS) for school**



**Level of achievement of child/family set GAS goals on discharge**

- More than expected (5%)
- A little more (5%)
- As expected (27%)
- Partially expected (51%)
- Same as baseline (12%)
- Less than expected (0%)

**88%** of goals set by the therapist/family/teacher are partially achieved\* and expected (or more) on evaluation at the child’s annual review.

\*‘Partially achieved’ reflects progression from baseline. The goal is still valid but it is likely more time is needed.

Our Music Therapist is undertaking training in the Music Therapy Assessment Tool for Awareness of Disorders of Consciousness (MATADOC) and Neurological Music Therapy. We are working towards accreditation for two SMART (Sensory Modality Assessment and Rehabilitation Technique) assessors, supporting an understanding of children's levels of alertness. We have also represented The Children's Trust at the Royal College of Physicians training on the 2020 guidelines for children with PDOC.

We have been embedding our total communication approach in school. In summer 2019, school staff were trained in Tassels (Tactile signing for sensory learners), using on-body signing (see Spotlight on: Finn). We received very positive feedback on Tassels in this year's CQC inspection.

Postural care and management has been a focus to ensure we monitor ranges of movement and that children are not in pain. By collecting data we can monitor deterioration or improvements and staff have more knowledge in supporting a child's positioning, care and equipment use.

Children and young people's therapy has been enhanced by new special equipment. We now have a MyWay Walker, which gives children the opportunity to walk, new standing frames, wedges and supports for yoga.

**“A brilliant music session – all children in class were involved; I joined in as well. As always, a fantastic time.”**

A visiting professional



### Spotlight on: Finn

#### After using our short breaks service, Finn joined The Children's Trust School.

At seven months old Finn was diagnosed as having mitochondrial disease, a chronic, genetic disorder. As he got older, Finn's needs increased and he wasn't as happy at home. "He needed a lot of stimulation, and enjoyed being sociable," explained mum, Debbie.

The family were introduced to short breaks at The Children's Trust. "Starting respite at The Children's Trust completely changed our lives! I was able to spend quality time with his sister Maisie and do things most take for granted, because I knew that Finn was being cared for properly," said Debbie.

After a few years Finn became a full-time residential pupil at The Children's Trust School. "The change in Finn is so overwhelming, it has opened up a world I never thought he

would have," said Debbie. "He has after school clubs, can go swimming, and just have the life he should – like any other 14-year-old boy."

Finn especially enjoys weekly aquatic therapy sessions in the on-site pool. The water allows Finn to experience a freedom of movement that helps improve his physical skills such as maintaining range of movement in his joints and strengthening his muscles. Finn benefits from the sensory environment and enjoys the music and sensory lights; when he is in the pool, he is engaged, always smiling and vocal.

Finn lives on our residential Chestnut House, where he is supported with 'Tassels', on-body signing to prepare him for what is next or for mealtimes. Finn enjoys using switches to participate in gaming competitions with his peers.

## Ensure that our services are there for the long term

### Investing in our buildings, facilities and external areas

Over the past year we have continued our ambitious programme to invest in our buildings and facilities to improve services for children and young people; to support our staff; and to preserve the historic building that is part of the heart of our site.

We provided new facilities in the houses such as oxygen piped into each child's room funded by the generous support of The Candy Foundation. We started a programme of major renovations on our Grade 1 listed building; invested in our walkways to protect the children from the weather; opened new parent accommodation; and delivered an extensive programme of maintenance (we invested £1.5m in this work).

### Considering environmental sustainability

In 2019 an Environmental working group was set up. The group ran a successful Environmental Awareness Day in June 2019, informing everyone on site of ways to save energy from switching off computers to less carbon emitting alternatives for travel to work.

These messages were reinforced in February 2020 through a video featuring our staff and children, some of whom are members of the Eco-School Committee. This committee, formed at The Children's Trust School in 2019, has brought environmental initiatives into learning; an example includes children and young people growing their own produce.

An Environmental Strategy was agreed this year with clear objectives including reducing carbon emissions and zero waste to landfill. Streamlined Energy and Carbon Reporting (SECR) also came into effect; our report is on p64-65.



We invested in our buildings and facilities in 2019-20



Our Environmental Awareness Day ran in June 2019

**35%** more children have been supported for specialist rehab through our partnership with NHS England in 2019/20 compared with three years ago (2016/17: 46; 2019/20: 62).





## Scale up

### Stronger collaboration with key organisations

Long-standing partnerships with NHS England and Surrey County Council enable us to provide more children with the specialist rehabilitation they need. Through our partnership with NHS England we have supported 35% more children in 2019/20 compared with three years ago (from 46 children supported for specialist rehab in 2016/17 to 62 in 2019/20). This has been achieved through improved efficiencies in service delivery.

Stronger connections are essential for us to scale up and support more children. We have played a key role working with organisations in brain injury and supporting children with disabilities.

We are a founding member of the Disabled Children's Partnership (DCP), a coalition of over 60 charities. The DCP fights for the rights of disabled children and their families in terms of social care, support and provision. We are also a member of charity Together for Short Lives, collaborating to get the very best support and care for children and young people.

As a member of UKABIF, the United Kingdom Acquired Brain Injury Forum, representatives from our organisation sit on specialist groups to raise awareness of ABI and drive change.

Through UKABIF's N-ABLES, the National Acquired Brain Injury Learning & Education Syndicate, we have contributed to national guidance on return to school and publications and resources with Whole School SEND and NASEN (National Association for Special Educational Needs). Through the N-ABLES steering group we are helping to develop awareness of ABI within education services across the country, in order to have a broader reach to younger people and their families.

We have highlighted the needs of young people in education in Westminster, with MP Chris Bryant visiting our specialist centre and speaking about The Children's Trust in a Westminster Hall debate in February. This work is led by our psychosocial team, which is also developing paediatric guidance on Acquired Brain Injury for children's social workers in partnership with BISWG (The Brain Injury Social Work Group).

This year our clinical and research teams have had 4 publications in peer review journals, 4 in professional press and have been accepted to present at 18 conferences (5 international). A number of book chapters have also been published by staff in psychology and music therapy.

Our 2019 national paediatric brain injury conference brought together over 175 delegates who heard from a line-up of internationally renowned speakers. Kindly supported by Irwin Mitchell, the conference continues to lead the way as one of the go-to events for childhood acquired brain injury. In 2019 we also welcomed over 60 delegates to our professional showcase events, giving them a clear insight into our work and helping to increase awareness and new admissions.

### Officially opening Tadworth Tots, our school nursery

Our school nursery officially opened in December, following a successful pilot in 2018 that was extended. It is now a permanent provision at The Children's Trust School and assists our focus on a strong Early Years offering.

Tadworth Tots is open to all children but has the skills and knowledge to support children with a wide range of needs including brain injury or neurological difficulties, degenerative conditions and complex health needs.

Morning and afternoon sessions are offered. Following the Early Years

Foundation Stage curriculum, children learn through planned, purposeful play and through a mix of adult-led and child-initiated activities.

In 2019/20, 14 children attended the nursery, which is funded by the Government's 15/30 entitled hours per week for three to four year olds (additional sessions can be funded by the child's local authority or privately by the family).

### Growing our specialist services

We laid the groundwork to explore future opportunities and these are encapsulated in our new strategy Hope and Ambition, which is detailed on p28.

Work began on scoping out how we can integrate the renowned rehabilitation services that we provide at our national specialist centre with the excellent education we provide at The Children's Trust School.

Plans are in place to broaden the support we offer through our Brain Injury Community Service (BICS) with plans for up to three new teams across the UK (see p6). We have started work on developing a school information service so that we can offer support to all schools. We also plan to further integrate BICS with our Brain Injury Hub, our online information service for families and professionals, thereby extending our support online.

We have extended our psychosocial services to reach across all our services for rehabilitation and neurodisability.

We are working to increase the number of children and young people receiving residential rehabilitation at Tadworth and will continue to build upon our experience and expertise.

All this work continues as part of our new exciting and ambitious strategy.

# A passionate and dedicated team

Our staff and volunteers ensure we continue to be an outstanding service for children, young people and families.

We were delighted that 93% of our staff completed the 2019 Staff Survey, of whom 95.7% of staff indicated they are 'proud to work at The Children's Trust'. Since the launch of the Creating Futures Together strategy and our last staff survey in 2017, we have implemented new initiatives for staff, making sure we met our strategic objective to 'Ensure that our services are there for children for the long term'.

We believe that a motivated workforce, which is equipped to do the best possible job to support children, and leadership development, were key to achieving our 'Outstanding' ratings in Ofsted Care and CQC this year. Our 2017-2020 objective to 'Be the best at what we do' is not only about children and young people; we can also do this by investing in, and supporting, our staff and volunteers.

## Developing leadership

We have improved communication across the organisation with initiatives including more visibility of our Senior Leadership Team members; strengthening our internal communications programme including a regular blog from our Chief Executive, Dalton Leong; joint planning with our Operational Leadership Team to develop our policies, strategy and to share information with their teams; and by listening to the views of staff via working groups. We are also committed to a Leadership Development programme.

In 2017 we formed the Internal Communications Working Group with representatives across site. This has helped shape monthly staff Anniversary Breakfasts with our Chief Executive, improved communications on our intranet The Loop and launched new staff recognition programmes.

**95.7%** of staff agreed with the statement 'I am proud to work at The Children's Trust' (2018: NA; 2017: 92.5%)

Our Staff Survey 2019 also found the following percentage of staff agreed with these statements:

**94.1%** 'I would be happy to recommend The Children's Trust to families I know who need specialist education, health, therapy and care services'

**91.7%** 'I feel that my role makes a difference to children and families'.

*Respondents: 495 (93% of the active workforce in Autumn 2019).*

## Investing in wellbeing

Building on our Wellbeing Strategy, first developed in early 2019, has been a priority. This past year we delivered initiatives across four themes to support staff health and wellbeing – Emotional, Physical, Financial and Social.

We have provided over 125 free staff health checks via a new partnership with YMCA East Surrey. The checks cover lifestyle, blood pressure, cholesterol and BMI, and provide personalised health advice. Loredana from the People Team said: "It was of great benefit to be able to have lifestyle advice and support in the workplace and reap long-term life-enhancing benefits, by capturing potentially more serious health issues early on."

We have also provided free eye tests from Specsavers, Occupational Health Physio Clinics, and a confidential Employee Assistance Programme (BHSF). Fun events to improve our wellbeing at work, and mix staff and children, have included Laughter Yoga sessions. Other free initiatives have included team Wellbeing Workshops and Mental Health First Aider training.

Since COVID-19, wellbeing support has been a key topic in our new staff programme Staying Connected. Staff have adapted to the government restrictions around COVID-19, with many working from home quickly embracing new technology and ways of working, while staff on-site have been changing their day-to-day working so that we can continue to stay focused on supporting children and their families.





### Improving our staff benefits package

In the past year we have implemented a new flexible benefits platform called Zest (see box). We have also invested in pensions with a generous matching scheme, established a Pensions and Benefits Working Group and have run pension workshops to help staff understand auto-enrolment.



#### Zest, our new flexible benefits platform

Launched in July 2019, the platform provides staff directly employed by The Children's Trust with:

- hundreds of retailer discounts;
- access to a Wellbeing Centre, with advice and support on how to stay fit and healthy, as well as an Employee Assistance Programme; and
- the ability to celebrate one another's successes, through a range of recognition e-cards.

From July 2019 - March 2020, 384 registered users (approximately 65% of our workforce) spent £146.4k on the platform, saving £13.1k. Over 251 recognition e-cards have been sent, and the Wellbeing Centre has been viewed over 2,000 times.

### Staff recruitment and compliance

In the past year we recruited 198 staff in a range of sectors including education, clinical, estates, finance and fundraising. During COVID-19 we were challenged to recruit higher levels of clinical staff than ever before and successfully welcomed many new staff to our organisation.

We directly recruited new key roles to support the delivery of the 2019/2020 Business Plan and further enhance our service delivery. Roles included Head of IT & Transformation; Head of Safeguarding; Legal Support; and a Professional Youth Worker.

We are committed to ensuring that all job applicants and employees are treated fairly. We value diversity and social inclusion across all activities and our recruitment process ensures equality of opportunity, respect, dignity and full checks and screening of applicants. We oppose all forms of unlawful or unfair discrimination.

**589** employees work across a variety of roles on-site at Tadworth, in shops across the South East and at hospitals around the country. 68% of roles work directly with children (staff based in Medical, Clinical Services and School). This includes all permanent or fixed term employees as at 31 March 2020.

### Reducing staff attrition

Our employee turnover (full time equivalent) has improved considerably since the start of our 2017-2020 Creating Futures Together strategy. Our 12-month rolling turnover is now 19%, compared with 30.2% two years previously (2018/19: 26.8%, 2017/18: 30.2%).

This is the result of work to improve our recruitment to get the right people on-board, better programmes to develop staff while they are with us, and a benefits package that makes us highly competitive compared to the NHS and other charities.

We aim to reduce attrition further to 15% by the end of 2020/21, falling well below the current XpertHR Turnover Benchmark for Not for Profit Organisations of 19.9%.

Sickness absence was **5.9%** (2018/19: 3.3%; 2017/18: 4.8%).

*In 2018/19, the sickness absence rate from April to September was often below average, with a peak of absence in December 2018. For 2019/20, the sickness absence rate rose above average in October 2019. The rate would usually decrease in Spring, but peaked in March, which can be explained in part by COVID-19. When we exclude COVID-19 related absences the sickness rate was 4.3% in March compared with the overall average recorded rate of 4.2% over the period of three years.*

### Implementing new systems in HR and payroll

This year we launched our new HR/payroll system, automating previously manual processes, thereby giving staff greater access to their personal information through self-service. As an example, e-payslips were introduced. The new system will reduce administration time and increase flexibility for all employees.



Amy has been part of the Assistive Technology team since its inception

### Spotlight on: Amy

#### An Assistive Technology team was formed in 2019 – Amy Wright, Advanced Practitioner, talks about her role and how it helps children

In 2019, an Assistive Technology (AT) team was formed to provide children with access to technology to help with communication, daily participation and leisure. Amy Wright moved from her role as Occupational Therapist to Advanced Practitioner – Assistive Technology.

The team works in consultation with the multidisciplinary team, which might include a child support assistant, teacher and/or therapist, for example.

As well as providing training support, the AT team assess for different technology solutions, whether it's a high-tech bespoke communication device or a single button with a speaker for a child to record messages on.

Since the AT team was established, there has been a cultural change among staff directly working with

children as they feel more confident and able to embrace this technology. This has increased the quality of our support – a child who once watched can now participate as they turn on a vacuum cleaner or paint on canvas.

All residential houses now have equipment so all children can play computer games. AT is used in a weekly gaming club and baking groups. New equipment has also helped improve children's outcomes.

Speaking about the work of the new team, Amy said: "AT enables a child to do as much therapy as possible themselves. There is nothing like seeing a child's face when they use a wheelchair platform and they can move themselves. Many have never experienced motion on their own. You get a real buzz seeing someone doing something new and creative and doing it all themselves."



mandatory training compliance.

### Investing in training and development

To support our staff development, and meet our regulatory requirements, we invest a significant amount of time and resource into delivering in-house training. This includes a monthly Induction programme for new staff and volunteers. We also deliver individual training sessions to support clinical practice and competency, which includes Infection Prevention and Control, Practical Manual Handling, Tracheostomy Care, and Safeguarding. In the past year we provided over 220 in-house, individual training sessions for staff.

We proactively utilise our Apprenticeship Levy to support staffs' continuous professional development and nine staff have commenced professional qualifications through the scheme, including Health Pharmacy Services, Retail Management, and Procurement and Supply.

A number of teams have attended 'Lunch and Learns', with an external guest speaker sharing their expertise.

Mandatory training compliance was **93.7%** (2018/19: 90.6%; 2017/18: 89.7%).

*Our increase in compliance helps ensure a safe working environment; safe and effective care; and it is positive for workplace culture and helps staff meet professional standards.*

### Gender Pay Gap reporting

The 2019 Gender Pay Gap Report was our third annual report, relating to data collected in April 2019. It highlighted that on average, men at The Children's Trust earn 21.6% more than women, and at the midpoint of all salaries, men are paid 22.2% more than women (see box). Gender Pay Gap reporting is a positive step towards equality and transparency. We conclude that changes in our workforce in the year leading up to the report, with people leaving and joining, resulted in fewer males as a percentage in lower paid roles and more males as a percentage in the highest pay quartile than in our 2018 report. Although these movements are small, this accentuated the organisation's pay gap as the male workforce is a much smaller group than the female workforce overall.

#### Gender Pay Gap reporting

	2019-20	2018-19	2017-18
The mean (average)	21.6%	11.8%	7.4%
The median (midpoint)	22.2%	-1.8%	-12.2%

The results of this report require positive action, so to better understand our data we are bringing forward the next gender pay gap report to June 2020, rather than reporting on data that was captured 11 months earlier (April 2019 data was reported in March 2020). This will allow us to have a clear comparison of the two years and identify any trends we need to address before 2021 at a much earlier point. We will remain transparent in our policies and processes to ensure fairness and equality, and continue to use external pay scales and benchmarks to ensure pay is fairly set across the organisation regardless of gender.

### An expanding team of volunteers

The Children's Trust has been built on combining expert staff with the amazing contributions of hundreds of volunteers across the organisation.

Volunteers range from the drivers who take children to medical appointments, on trips and outings (including one of our Ambassadors former newsreader Nicholas Owen), to the many long-serving supporters who work in our charity shops, run our coin counting operation, support our fundraising team or work directly with the children in School or in the residential houses.

We are truly grateful and proud to have such passionate and dedicated volunteers contributing to our work. We could not do what we do without them. The number of active volunteers reached 1,336 this year. In addition, many volunteers share their time to support us in our corporate charity of the year partnerships, in local schools and community groups and as individuals.

The Sir Brian Hill Volunteer Programme, named in memory of our former Chair and President, continues to grow (see Spotlight on: Maureen) and this year we introduced new awards at our annual volunteers evening for 'new volunteer' and 'young volunteer' of the year. We are very grateful to Lady Janet Hill, William Hill and the wider family for their support with this initiative.

We have welcomed many new volunteers, including more aged 25 or under. We have 125 volunteers under 25, an increase of 28.6% on the previous year, in part as we have extended our support for the Duke of Edinburgh awards scheme. This means we have volunteers across all ages helping our organisation, many sharing their time with us for 20 years or more.

**1,336** volunteers supported us (2018/19: 1,247; 2017/18: 1,008).



**Maureen receiving The Sir Brian Hill Special Recognition Award 2019**

### Spotlight on: Maureen

#### **Volunteer Maureen Holdaway was the recipient of The Sir Brian Hill Special Recognition Award 2019**

To recognise the amazing contribution of our volunteers The Sir Brian Hill Awards Programme was set up. It is part of The Sir Brian Hill Volunteer Programme launched in 2018. This programme continues to thrive allowing us to recruit and train more volunteers so our support can reach more children and young people with brain injury. It celebrates the contribution that Sir Brian made as a volunteer to the charity.

Each year we award our highest honour The Sir Brian Hill Special Recognition Award to an exceptional volunteer. The winner in 2019 was Maureen Holdaway.

Maureen started volunteering with The Children's Trust 27 years ago and has made a long-standing, exceptional contribution to our organisation. In the past year she has launched weekly activity sessions on Maple House

for the young people who live there, coming almost full circle to the start of Maureen's volunteering in 1993, working with the young people on Oak House. She also volunteers at our Banstead shop every Friday, has helped the Fundraising team, and supports events including the Christmas Fair and Fireworks.

Speaking about her award and volunteering Maureen said: "My activity sessions with the young people are so rewarding with much fun and laughter. Having known Sir Brian Hill through volunteering, this award is very special to me."



Jake and therapist Gemma taking part in a children and staff football tournament





# Ensuring stability and growth

To strengthen and further our work we set clear financial objectives and look for opportunities to boost our income generation activity.

## Our financial performance

Our target for this year had been to return to a financial surplus for the first time since 2016. Until the outbreak of the COVID-19 pandemic in February 2020, we were on course to achieve this target, with real increases year-on-year in both our rehabilitation and long-stay occupancy.

As with the rest of the world, our financial performance was upended by COVID-19 in the final quarter of the financial year. Our forecast investment gain of £627k turned into an investment loss of £819k and our operating deficit worsened by £216k as our retail shops closed, our fundraising slowed down and some of our NHS referrals were delayed. The final result is a deficit of £1,513k (2018/19: £417k deficit), of which £819k is an unrealised investment loss. Since the year end with the recovery in financial markets our investments have increased in value by 10%.

Our total income for the year was £25.6m, compared with £25.2m in 2018/19. Of the key component areas:

- Children and Family Services (rehabilitation for the NHS) was £10.8m (2018/19: £10.2m) – a 5% increase (even with the COVID-19 effect in the fourth quarter)
- School Residential and Education (for Local Authorities) was £7.4m (2018/19: £6.8m) – a 9% increase on the previous year
- Fundraising dropped to £4.8m (2018/19: £5.5m). Fundraising is reviewed on p24, but has been in transition during the year

- Retail income remained at £1.8m (2018/19: £1.8m), in spite of the shops being closed in March 2020. However, as retail was still at a small loss after central costs we will look to continue our transformation programme as we open our shops in 2020/21.

For the second successive year, we committed to a strong capital programme: £3.0m of spend in the year, of which £1.3m was on major IT systems. In the year, we successfully completed five major IT projects simultaneously: finance system, CRM database, website, retail EPOS and HR management system. In delivering the major IT investment, we eliminated an area of significant historic corporate risk. The capital budget spend on infrastructure was £2.48m in 2019/20, with budget spent at 120% (2018/19: capital budget spend of £2.2m with budget spent at 92.5%).

Finally, working capital management has become more challenging over the year. The issue has been the very real challenges in managing our debtor balances. Both the NHS and many Local Authorities moved to outsourced payments systems during the year, the net effect of which was to see our debtor balances increase sharply earlier in the year. Through the investment in additional credit control resource, we have gradually brought down the levels of older debt, but debtors at March 2020 were still £1m higher than in 2018/19. (Debtor balances have been brought down sharply in the first quarter of 2020/21). The Aged debt >90days was £914k in 2019/20 (2018/19: £890k).

## Our approach to raising voluntary income

During 2019/20 The Children's Trust supporters raised a total of £4.8m from fundraising activities and its shops raised £1.8m (minus gift aid the income was £1.7m). Our fundraising and retail income is made possible by the very generous contributions from donors, organisations and volunteers who help make our work possible. We are very grateful for their support.

The charity's approach to fundraising focuses on seven main areas:

- the solicitation and stewardship of donations or entries to a lottery being paid either by direct debit, or as cash gifts;
- running our own events and entering individuals into third-party activities;
- building partnerships with businesses, schools, community groups and other organisations;
- soliciting gifts from trusts, foundations and statutory partners;
- supporting members of the public to conduct their own fundraising activities;
- a chain of shops and online retail selling new and donated goods; and
- gifts in wills from supporters.

We also receive Gift Aid on monetary donations, events sponsorship and donations to our shops and in 2019/20 the payments received totalled £346k (2018/19: £366k). The slight decline is due to a lower level of fundraising income activity, and a disruption to the retail gift aid programme during the introduction of a new Electronic Point of Sale. We have a programme to increase the level of gift aid take-up among our supporters and now report on our success in gift aid penetration (see box). Against this, the charity sustained irrecoverable VAT of £858k (2018/19: £989k).

Gift aid penetration: **44%** (58% fundraising activity including events sponsorships; 40% retail operations). Our target for 2020/21 is 50% across the different activities.

## Taking responsibility for our actions

The charity is a member of the Fundraising Regulator scheme and is thereby entitled to use the Regulator's logo on its fundraising materials; operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising.

The charity's fundraising programmes are compliant with the Vulnerable Person's Policy, and the key tenets of the policy are incorporated in our training programmes. The charity also operates a whistleblowing policy and a complaints' policy and process, as required by the Code of Fundraising Practice. It is also registered with the Gambling Commission for the purposes of running a lottery, conducting a supporter raffle and to hold draws at local events.

The charity has reviewed its Supporter Promise, which is available on our website. This confirms our commitment to abiding by the Fundraising Preference Service, and the Mail and Telephone Preference Services.

During the course of the year we engaged two commercial participators; one focused on the recruitment of new regular donors and one managing The Children's Trust Lottery. Each participator operated within the same policy framework as staff.

These steps are our response to public attitudes that fundraising should not unreasonably intrude on the privacy of donors and our belief that we should seek to avoid undue pressure and persistent requests for support.

## Voluntary income complaints

We take a robust approach to handling complaints and welcome feedback from supporters and the public. During the financial year 2019/20, 93% of complaints have been investigated and resolved (three are pending/being actioned).

### Voluntary income complaints

#### Complaints in relation to fundraising activity (those in connection with retail operations)

2019/20	42 (retail: 29)
2018/19	56 (retail: 30)
2017/18	30 (retail: 26)

These complaints should be seen in the context of 60,029 emails, 396,000 items of direct mail, over 15,000 people who took part in our events and box collections, third-party events and approaches to over 1,488 businesses and trusts contacts.

The retail complaints are in the context of over 307,800 customer transactions in our 20 shops. There were no instances where a complaint was required to be referred to the Fundraising Regulator, Ofcom, the Information Commissioner's Office or any other regulatory body.



Gift Aid penetration.

## Our fundraising highlights

Over the past year we've had a packed calendar of fundraising events. As ever, support was wide-ranging, from individuals, families, large and small organisations, community and sports groups and our two supporter groups, Friends of The Children's Trust and The Kingswood Supporter Group.

All fundraising helps our strategic objective to ensure our services are there for the long term and allows us to invest in equipment, facilities, information and advice services and therapy staff to help give children with brain injury and neurodisability the opportunity to live the best life possible.

Strengthening and developing our relationships with supporters has been a key aim this year. We launched our new customer relationship management database (thankQ) to better understand our supporter data and improve our ability to deliver great supporter experiences.

In retail, our charity shops were rebranded, we increased new goods sales, and the rollout of our new electronic points of sale tills was completed in October 2019 increasing efficiencies.

Our first phase of the new website was launched in December, making it easier for users to book events, find information and donate. By the completion of the website project we will have integrated three websites into one bringing the School portal and the Brain Injury Hub (see p6) into the main organisation. This will help increase the number of visitors to all of our content.

In the face of increasing challenges in recruiting new supporters through mail and face-to-face activity, we invested in promoting our Lottery, making it easier for people to sign-up online, including via Facebook, to participate. We have acquired new players and have developed a supporter programme to keep them better engaged.

We are supporting the families whose children have used The Children's Trust's services in previous years. In 2019 we developed a new approach to finding and connecting with previous patients and their families, launching our alumni programme, and, in October, ran a 10-year anniversary party for Archie Norman House (where children receiving rehabilitation stay). This was hosted by L'Oreal and enjoyed by children and young people, and their families.

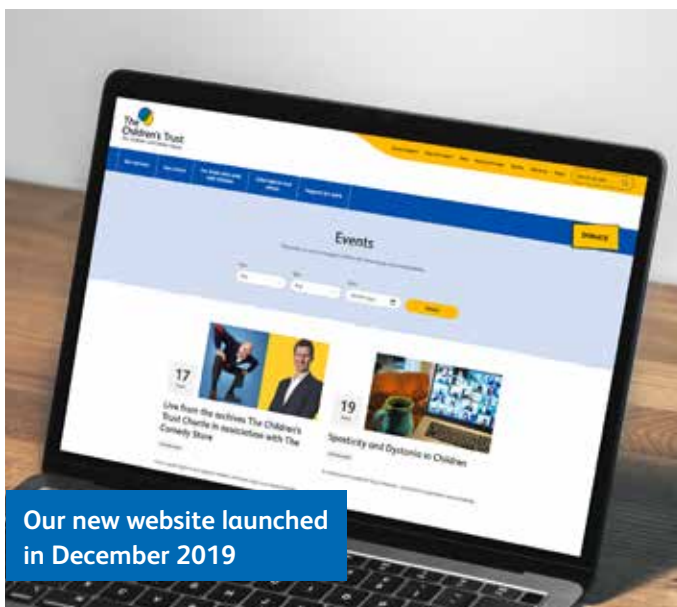
**163,312** visitors to The Children's Trust website (2018/19: 153,391, 2017/18: 182,665).

**4.61%** average monthly engagement rate on The Children's Trust social media (Facebook, Twitter and LinkedIn) (2018/19: 2.66%; 2017/18: 2.49%).

**14,187** active supporters (2018/19: 17,389; 2017/18: 17,905). The year-on-year drop partially reflects the challenging environment to recruit and retain new supporters. We are investing in new ways of engagement and fundraising going forward. It also reflects our work to focus on our activity on existing supporters giving more, rather than lots of small one-off gifts.

**1,094** retail lost trading days (2018/19: 1,075; 2017/18: 870).

**49%** income/cost ratio for fundraising (2018/19: 46%).



Our new website launched in December 2019



Arthur enjoying our 10-year anniversary party for Archie Norman House



Here's a round-up of more 2019/20 highlights:

### Supporters coming to our Tadworth site

In April, our Easter Fair raised over £9k and our Fireworks Night in October raised over £19k; both exceeded expectations. They bring together the local community with children and their families to enjoy our Tadworth site and raise much-needed funds.

Launched in 2018, we ran two more Tea and Tour events, with approximately 90 supporters visiting us at Tadworth each time, bringing together long-term supporters and former members of staff.

### Events by The Children's Trust

Our Rhythm & Grooves Ball took place in October raising £91k at the time of our Magical Music Appeal. This campaign raised over £240k (including this high value event and Big Give campaign – see Charity partners section). Our other campaign in the year was the pilot of our Tiny Massive Moments mobility appeal, which raised £23.8k.

Our Christmas Carol Concert raised over £5k, moving from London to Guildford for the first time. Vanessa Redgrave and Jemma Redgrave took part; the night was hosted by our Ambassador Nicholas Owen and we enjoyed contributions from St Catherine's Prep School Choir, The University of Surrey String Orchestra and London Soprano, Joanne McGahon.

In February it was the fifth anniversary of The Children's Trust Chortle. This comedy night was hosted by comedian Adam Hills who was announced as a new Ambassador of The Children's Trust. Also donating their time and talent on the evening were comedians Charlie Baker, Alasdair Beckett-King, Kane Brown, Kelly Convey, Tom Lucy, Mo Omar, Mark Simmons and Wendy Wason.



Comedians including our Ambassador Adam Hills at The Children's Trust Chortle



The 2019 Fireworks Night was our biggest ever



### Sporting events

Running for The Children's Trust were 50 supporters in April 2019's London Marathon, including Ambassador Jenni Falconer, raising £177k, and 28 runners in the Royal Parks Half Marathon in October, raising £14k. August's Ride London saw 55 cyclists raising over £37k for our charity. All of our runners and riders make a huge contribution by raising funds and engaging their families and friends in our work.

The Spring Golf day raised £16k and our Annual Golf Day was also a success. We are grateful to all the local golf clubs, cricket clubs and other sports groups for their support.

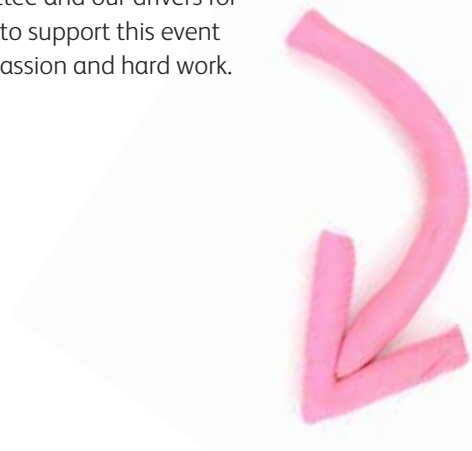
In June 2019, our annual family festival The Supercar Event moved to its new home at Goodwood Motor Circuit and raised £57k. We extend our thanks to the committee and our drivers for continuing to support this event with such passion and hard work.

### Community support

As well as many individuals organising their own events, businesses including coffee shops, pub chains, supermarkets and nurseries all supported us this year. We were also delighted to be supported by the Epsom Derby Festival.

Across the UK, a number of schools actively fundraise for us, raising £61.5k this year. We welcomed 18 new supporting schools and were named 'Charity of the Year' in nine of these. Universities also fundraised for us.

We were the grateful recipient of 20 legacies from supporters who have left us gifts in their wills. Through their generosity they donated £577k to our work. This includes a kind supporter who left us the value of her estate.



The Supercar Event moved to Goodwood Motor Circuit



Our Ambassador Joely Richardson with young people at the GFI Charity Trading day

## Charity partners

We are ever grateful to the organisations and individuals who support us, many on an ongoing basis, to make our work possible. In particular we are grateful to the employees of KIA as we enter our fourth year of partnership. We are also grateful for the significant support of Simply Health, helping us to continue to fund essential physiotherapy. We thank Morrisons Foundation for refurbishing our kitchen, which is specially adapted so that children who are undergoing rehabilitation are able to enjoy cooking up special treats.

Held on 11 September, the GFI Charity Trading day was attended by some of the children who were staying at our rehabilitation centre and Ambassadors Joely Richardson and Phil Tufnell. Then in December we ran our second Big Give campaign, raising £79k. We are grateful to gifts we receive from trusts and foundations. One foundation (which prefers to remain anonymous) kindly agreed to support our new electronic clinical records programme. This new project will transform how we deliver effective and safe care for the children and young people by enabling us to transfer all paper-based medical, therapy and care records into one system, easily accessible across our site.



Special guest Haydn meets Ambassadors Harry Judd and Jenni Falconer at our Rhythm & Grooves Ball

## Spotlight on: Haydn

### Music gave Haydn purpose during his rehabilitation

Haydn was 15 when he was knocked off his bicycle by a car. His head took the full impact and, once transferred to Addenbrookes Hospital, his family were told the outcome 'wasn't looking good' and if he did wake up, he would need 'round the clock care'. Scans showed Haydn had a significant brain injury and needed a craniectomy.

Two months later Haydn moved from hospital to The Children's Trust for specialist rehabilitation to help improve his speech, which was lost as a result of his accident. He made good progress, but was particularly motivated by music. His music therapist suggested Melodic Intonation Therapy (MIT), a technique used to stimulate and develop functional speech patterns. This process helped Haydn to speak in sentences and communicate his needs verbally. In January 2019, he returned home and, thanks to the support he received, he can

hold a conversation and play the drums at local gigs.

Haydn, and his mum Amanda, shared his story at our Rhythm & Grooves Ball in October 2019. They were accompanied by musician Harry Judd who, with his wife Izzy Judd, became an Ambassador this year. Ambassadors Nicholas Owen and Jenni Falconer hosted the event, and it raised £91k.

Haydn was also key to the success of our national Magical Music Appeal in November 2019. In total this raised over £240k and awareness around how music therapy can help children and young people reach their full potential in rehabilitation, to learn to move and communicate again.

# Taking our success to the next level

Our new strategy Hope and Ambition is working towards a time when all children and young people with brain injury will have the opportunity to live the best life possible.

Great strides have been made in the past year as our 2017-2020 strategic period concluded. Our achievements show how we have equipped ourselves for the next stage of our journey – our new five-year strategy for 2020-2025, Hope and Ambition.

We consider our business plan every step of the way and are proud of what we achieved in our 2019/20 plan and our Creating Futures Together 2017-2020 strategy. We met many of our objectives but due to the COVID-19 pandemic not all were achieved as planned. Work that has not been completed has been extended into our Business Plan 2020-2021 to progress these opportunities and to align with our new strategy (see p30).



Amara enjoys a gymnastics session with Mandie



Our Business Plan 2019-2020		
We said	We achieved	
Increase clinical staffing levels	Recruitment and retention plans are in place. We are now at full headcount.	✓
Improve the quality of the rehabilitation and provision of therapy and care to all children	New formats have been introduced for children's meetings and documentation. This includes pathways of care and evidence-based summaries for children.	✓
Review and develop the service provided by the psychosocial team.	A review took place, focused upon the needs of children and meeting our contractual obligations. Implementation of the revised service will start soon.	✓
Develop a strategy improving our offer for parents and families visiting our site	Work has begun but this work will increase under the Hope and Ambition strategy.	✓
Formalise our Digital Strategy and develop and deliver new website.	New systems have been implemented and a new website developed, with full launch in Summer 2020. Digital is a key part of our Hope and Ambition strategy.	✓
Evaluate the business case for electronic clinical records	The initial evaluation was completed, the vendor selected and a project programme is in place.	✓
Strengthen the wellbeing and development programme	A Wellbeing Strategy focused on Financial, Physical, Mental and Social Wellbeing was implemented.	✓
Develop pension advocacy and provision	We engaged a Pensions Advisor and updated staff on pensions, and a staff advice group was set up.	✓
Improving retail performance	A new EPOS system was installed; a shop front brand refresh was completed; and a new goods programme was established. A pay review was completed and specialist volunteer roles established.	✓
Successful implementation of new systems	The HR & Payroll system, Finance system and CRM system were implemented and training sessions were run for staff.	✓
Establish an effective internal audit service	An internal auditor was appointed and an integrated audit plan put in place.	✓
Develop and pilot initiatives to test growth opportunities in fundraising	The programme of pilot initiatives was developed and tested during 2019/20.	✓
Establish a procurement saving programme	Work has been completed with a Procurement Executives Group established.	✓
Strengthen information governance arrangements	Information Governance training has been renewed and reclassified as mandatory and new policies on data breaches and cyber security are in place.	✓
Complete initial planning for new build programme	The stakeholder design consultation and fundraising feasibility study were completed. The business case has been delayed by the COVID-19 pandemic.	✓
Planning for a public engagement programme	Propositions were developed and researched. The launch is on hold until later in the financial year.	✓



**Our new strategy  
Hope and Ambition**

Our ambitious five-year plan for 2020-2025 is rooted in the hopes and aspirations of the children, young people and families we support.

Hope and Ambition sets us on a path of growth so that we can reach and support many more children with brain injury and neurodisability. We promise the children, young people and families that we support that we will do our utmost to ensure their lives are enriched and that they achieve the best possible outcomes through every interaction with The Children’s Trust.

**Our way of working – Building Excellence**

We believe that over the next five years, to achieve our ambitions we must excel in four areas.

**People and culture**

- Volunteer development
- Leadership development
- Employee wellbeing
- Learning and development
- Diversity and inclusion
- Culture and values

**Adding value to our communities**

- Become an employer of choice
- Develop stronger links with the local community
- Work placements and internships

**Being a responsible organisation**

- Regulatory compliance
- External accreditation
- Ethical supply chain
- Management information systems
- Sustainability

**Systems and processes**

- Completion of strategic IT projects
- Further invest in IT development
- Develop a digital strategy



## Aim 1

### Build on our specialist knowledge to grow our services in Tadworth and help more children and young people

We want to build on our highly-specialist skills and expertise to help more children in new and innovative ways and offer a wider range of child-centred, flexible services.

#### How will we do this?

- To identify, design and launch one new service a year for each of the next five years.
- Improve our offer for families and carers supporting children who are resident at Tadworth.
- Build the competencies and skills of our team to support more complex conditions.
- Grow the number of children receiving residential rehabilitation.

## Aim 2

### Support every child in the UK with an acquired brain injury

We want to ensure every child and family affected by an acquired brain injury receives good information, support and advice, at the time they need it. This means broadening our support across the country, sharing our expertise and inspiring others to support us in our ambitions.

#### How will we do this?

- Gather evidence on the need and map out our community offer.
- Further develop our BICS team and create at least three interdisciplinary teams across the UK.
- Deliver a new schools programme to support teachers in identifying children with an acquired brain injury and provide appropriate support.
- Launch a public engagement campaign to help the public better understand that concussion is a brain injury.

## Aim 3

### Improve outcomes for children and young people through integration of our specialist skills and approaches

We want to integrate education, healthcare and therapy across our services, creating exciting and innovative ways for children to achieve their potential and forging closer links with the community and mainstream schools. We want to ensure the whole family is supported and involved in planning their child's care.

#### How will we do this?

- Transform our service provision for all children, from a multidisciplinary to a transdisciplinary approach.
- Build a new facility to provide flexible, personalised, specialist and meaningful education.

## Our plans for the coming year

Since our strategy was announced COVID-19 has affected our organisation. We have prioritised how we can meet our ambitions for the foreseeable future.

In terms of Building Excellence, work has started on developing our digital strategy, progressing electronic records and developing our values and culture. To support staff and volunteers during COVID-19 we also delivered a Staying Connected internal communications programme.

**Aim 1:** building our residential services is our priority as this forms the core of our funding model. We are also working to quickly identify and launch new services through an innovation programme, exploring those we can deliver both on-site and virtually. We will launch one service per year as planned.

**Aim 2:** work to expand our community offering across the UK has started, with research work on the children and young people's needs and the current provision of services.

We will develop a substantive programme around our schools offer, considering face-to-face and virtual visits, and a broader online model.

**Aim 3:** we look to build on the integration we have achieved across our services during COVID-19 and collect evidence on what has worked well to drive us forward. The COVID-19 pandemic has driven a culture change so we will review the achievements made and take them into a new delivery model. We continue to plan for our new build, but will ensure our organisation is in a strong position before we take the next steps forward.

## Strategic report

### Managing our business

#### A solid financial foundation and structure help drive us forward.

Our Financial overview of 2019/20 (outlined on p22-23), and the information that follows, indicate the reasons for the outcome.

#### Going concern

We have moved strongly from an underlying budget deficit of £3m/annum in 2017/18 to a planned operating deficit in 2019/20 (excluding budgeted investment gain) of £0.1m, with the intention of moving to an operating surplus in 2020/21.

In March 2020, the Trustees approved a five-year strategy for the charity, with an operating surplus of £0.4m in 2020/21, rising to £1.5m in 2021/22 and remaining at that level (all figures excluding investment market gains or losses). Within these assumptions are a modest increase in core work (rehabilitation and residential care), rebased fundraising (with a 'new build' appeal from 2021) and a continued strict control of corporate costs. The surpluses generated will largely go towards the planned construction of a new facility, roughly half of which will be funded by the appeal. Sitting behind this is a balance sheet value, at March 2020, of £27m, with no debt. The high debtor balance at March 2020 was forecast to reduce by £1.5m in the first two quarters of 2020/21, which has been achieved.

The longer-term financial effect of COVID-19 on this organisation can only be assessed in very broad terms at this stage. We are confident in our core business; throughout the period of COVID-19, the levels of referrals have remained consistent. Admissions slowed slightly in March and April 2020, but have largely corrected at the time of writing. We are less clear about the likely shape of fundraising post COVID-19;

there are still so many variables that issues such as events and community fundraising are still impossible to call. What is understood, however, is that every effort must be made to protect the strategic margin on fundraising, irrespective of the income levels targeted. Moreover, these recent events are likely to reshape the fundraising model going forward, particularly in the area of digital engagement.

We received £1.5m of grant funding under the Government's emergency hospice funding for charities. This has provided additional support over the lockdown period and has ensured that both revenue and cash have been stabilised over that period.

So, with confidence in our underlying core business, in our working capital position and underpinned by the strength of our balance sheet, we do not envisage any material obstacles to continuing our business over the next 12 months.

#### Reserves

As at March 2020, reserves totalled £27m (2018/19: £28.5m).

Of this balance, £2.7m (2018/19: £2.6m) relates to Restricted Funds and £0.6m (2018/19: £0.8m) to Endowment Funds; consequently, these funds are not available for the general purposes of the charity.

The policy of the charity for some years has been to 'designate' an element of unrestricted reserves equivalent to the net book value of fixed assets, other than Tadworth Court (which is covered by a restricted reserve). For 2019/20, that figure is £15.9m (2018/19: £14.2m). The Trustees are committed to maintaining the fitness of the charity's infrastructure and so the designated fund will remain at least at these levels into the foreseeable future.

With regard to the balance of £8m of unrestricted reserves ('free reserves'), the Trustees have decided that:

- In the current uncertainties, £5m should be set aside to mitigate the potential risk which the charity currently faces: the risk of a second wave of COVID-19 and the potential loss of income which would follow (whether on fundraising or the potential to have to close our own services due to an outbreak), the wider macro-economic risk and its practical effects on income this year (eg inflation funding on contracts, which is still being negotiated). The Trustees are reviewing closely the revised forecasts on financial performance for 2020/21 and are focused particularly on ensuring that the charity regains financial balance, at levels consistent with the pre-existing strategy.
- Our strategy commits us to the new build of a replacement for The Children's Trust School, estimated at £13m. Whilst the financial strategy sets out a five-year funding stream (including the results of a planned appeal in 2021), the charity will, in the final analysis, have to underwrite the construction cost. While it had been planned to move to the contract stage during 2020, that date will probably slip as a result of the COVID-19 pandemic. Nonetheless, this construction is an agreed strategic commitment and so the balance of the available unrestricted reserves relates to this obligation.

The allocations shown reflect the policy of the Trustees and were reviewed by the Trustees for the year ended March 2020.

Therefore, reserves held reflect the current target based on planned future expenditure.

#### Trading subsidiary

The Children's Trust Trading Company Ltd has been in existence for many years, but has not traded since 2002.

The company commenced trading on 1 April 2020, focused primarily on some fundraising events and on the sale of purchased goods in the retail shops, all now estimated to exceed the HMRC threshold for commercial business being undertaken within a charity, despite the enforced closure of our shops in April and May. The company is 100% owned by the charity.

### Our organisation's governance

The key management personnel are the Trustees and Senior Leadership Team. The Trustees, who, for the purposes of company law are the directors of the charitable company, are appointed by the members. Where appropriate, members are re-elected at the Annual General Meeting.

The Trustee Board meets six times a year and is responsible for determining the strategy of the charity and for ensuring successful operational performance, in line with the expectation of stakeholders, and acting in the best interest of the children and young people, and their families, that we support.

The Trustee Board is made up of 11 trustees, and it has the following Committees:

- Appointments (Chair: Duncan Ingram)
- Audit and Risk (Chair: Michael Gercke)
- Clinical Governance and Safeguarding (Chair: Anne Walker until 5 July 2019, succeeded by Denise Matthams)
- Educational Governance (Chair: Toby Mullins)
- Finance, Fundraising and General Purposes (Chair: Michael Gercke)
- Investment (Chair: Nigel Scott)
- Remuneration (Chair: Duncan Ingram)
- Research Governance (Chair: Dr Vijeya Ganesan)

There are approved terms of reference in place for the board and for these committees, which are available for the public to review. We have policies and procedures in place for Trustee recruitment, which includes the

participation of young people in the selection process. There is a training programme for new Trustees and ongoing training, some of which is mandatory, provided to Trustees during their term of office.

The charity recognises the importance of good governance and seeks to apply the Charity Commission Code of Governance. In particular, the charity used this to develop a Governance Statement of Principles and a review of Board Performance. All Trustees have been made aware of their responsibilities under the code. During 2018, the charity reviewed all policies, processes and performance against the Code and keeps these under review through a Governance Working Group, chaired by Nigel Scott.

The governing instrument for The Children's Trust is the Articles of Association, last updated on 7 October 2016. The charity's decision-making processes are encapsulated in a Delegation of Authority policy, setting out clear parameters for those decision-making powers retained by the Board. The day-to-day running of the charity is delegated to the Chief Executive, Dalton Leong (and through him, to his team). The charity maintains insurance policies for Trustees and for the Senior Leadership Team (and all staff) against liabilities in relation to the charity's activities.

The Children's Trust is a registered charity (number 288018) incorporated under the Companies Acts, being a company limited by guarantee not having share capital (1757875). The activities of The Children's Trust School are included within the activities of The Children's Trust.

### Significant events

As discussed previously, the significant event for the charity was the WHO designation of COVID-19 as a global pandemic, which occurred in the final quarter of the 2020 financial year.

The post-Balance Sheet effect of the COVID-19 pandemic has been significant in the first quarter of 2020/21. Fundraising and retail revenues dropped sharply, private patient income stopped completely and our rehabilitation work for the NHS became significantly more complex (on a fixed tariff) as hospitals discharged to us at an earlier date. Working capital was protected through a significant focus on debtor management and through the deferral of much of the new capital programme. Critically, we received £1.5m of NHS Hospice Grant, through the Government's emergency funding package for charities, whilst some £0.3m was received in the form of grant support to our retail operations. At the time of writing, our position overall is that we believe that we should be able to report a surplus (excluding any recovery in the value of our investment portfolio) by March 2021. However, much uncertainty remains, particularly in our ability to assess the longer-term impact on fundraising. Critically, our core business (rehabilitation and residential/school) remains strong.

### Investment policy and objectives

In January 2018, the Board appointed Investec Wealth & Investment as fund managers to the charity. All investment transfers were in place by January 2019.

The value of the investment portfolio was affected severely by the worldwide market collapse which followed the outbreak of the COVID-19 pandemic. Over the fourth quarter our portfolio lost £1.4m, however this loss was partially reversed in the first quarter of 2020/21.

The yield in 2019/20 was:

- Investment income: £220k (2018/19: £156k)
- Unrealised (loss)/gain on investments: (£819k) (2018/19: £61k). (10.9% of the opening value)

The results throughout the year are monitored by the Investment Committee. To December 2019, the target yield of 6.5% was being exceeded, but this changed completely in the final quarter.



## Statement on Section 172 of the Companies Act 2006

Section 172 (Statement of Director's Duties to Stakeholders) requires directors to act in good faith to promote the success of the charity for the benefit of its members, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the company.

In considering matters as a Board, and in agreeing the new strategy set out in this report, the Trustees have reflected on the charity's role in relation to its different stakeholders and will report its progress each year in meeting its goals. We have regard for these factors taking them into consideration when decisions are made. We behave responsibly, ethically and fairly at all times.

The Trustee Board sets, monitors and upholds the culture, values, standards, ethics, brand and reputation of the charity. Management embeds this culture throughout the organisation. This report sets out the issues that the Trustee Board have considered in its meetings including the effectiveness of the charity's services, the safeguarding of the families it supports and the financial management of the charity.

The Board has established mechanisms to communicate with its key stakeholders. Stakeholder engagement focuses on the families who use our services (see p4); our employees (see p16 for detail on all aspects including development, diversity and communication channels for staff); suppliers (we build strong working relationships overseen by our Senior Leadership Team and supplier-related activity is managed by our Procurement department); regulators (including CQC and Ofsted – see p2) and key partnerships such as the NHS and Surrey County Council – see p15). We directly consider the interests and views of children and young people. In all relevant matters the Board polices and decisions have also been scrutinized by our regulators. We acknowledge our responsibilities for environmental matters (see p14 for detail and p64 for our SECR Report).

Reference and administrative details of the charity, its Trustees and advisors is covered on p36; we hold frequent meetings for each Committee and our AGM is held typically in September each year and is open for all members to attend.

Further information can be found in our strategic objectives on p4; our new strategy on p28; our business plan 2019/20 on p29; and our Strategic Report on p32.

The current investment policy precludes any direct investment in tobacco companies and other companies that may harm or exploit children or young people.

### Key risks and handling strategies

The principal corporate risks were set by the Board at the beginning of the financial year, informed by the Business Plan for the year, all bar one (Brexit) rated as a high level of risk. There were nine such risks identified:

- **School development:** Managed to a medium risk, as the planning is now advanced, architects have been appointed and a financial strategy approved by the Board, showing strategic affordability. The next stage would have been the Board's approval of the business case, but this has been deferred due to COVID-19.
- **Management of serious incidents:** Managed to a medium risk, this reflects the fact, that at any given time, incidents are being reported and evaluated, with lessons being learned.
- **Replacement of IT systems:** Managed to a medium risk. We have recently moved many of our business applications to the cloud and have plans to implement a new electronic records system in the next 12 months as part of our digital strategy. We are alert to the increasing risk of cyber crime in the current climate and are continually reviewing and seeking to improve our cyber defences.
- **Regulatory compliance:** Managed to a medium risk, this reflects that, in spite of our very strong assessments by the CQC and by Ofsted Care, we continue to take these obligations very seriously.
- **Decline in statutory income:** Managed to a medium risk, this reflects the fact that, notwithstanding continued year-on-year increases in our NHS and Local Authority funding, the macroeconomic picture for the UK economy remains challenging.
- **Child safeguarding:** Managed to a medium risk, this reflects our position on Regulatory Compliance (above).

Subject access requests: 45  
(2018/19: 53; 2017/18: 26)

Safeguarding incidents: 46\*  
(2018/19: 19; 2017/18: 17)

Complaints (CYP/families, business operations): 25 (2018/19: 25; 2017/18: 23)

*\*There is an ongoing trend where staff continue to report every potential safeguarding incident; this is being explored within safeguarding supervision. Safeguarding standards at The Children's Trust remain high due to the quality of care and expectations placed on services to be responsive to child need.*

- **Brexit:** Managed to a low risk, given that the 'no-deal Brexit' did not happen in 2019. The commercial risks to this charity were low on this issue and were tracked during the year by a sub-group of the Senior Leadership Team.
- **Strategy & business model:** Managed to a low risk initially, as the Board approved a new five-year strategy in March 2020, this has been held at medium risk on account of COVID-19. In spite of the COVID-19 pandemic, the charity's view is that its core business is holding up during this period, with no reduction in the levels of referrals received. Although referrals are steady, admissions have slowed in the first quarter of 2020/21, due to the increased complexity of patients discharged to us at the outset of the COVID-19 pandemic; we expect this to have returned to normal levels by the middle of the second quarter.
- **People:** Managed to a medium risk, as we have successfully brought down our levels of staff turnover. Turnover of care staff remains high (although lower than sector benchmarks) and COVID-19 has exacerbated the pressures on our recruitment processes. Notwithstanding, we have latterly increased our recruitment resource and, at the time of writing, have been able to keep all of our facilities open.

A corporate risk report is updated monthly for the Senior Leadership Team and goes to the Audit and Risk Committee and to the Board.

### Future issues and opportunities

The priority at this time is to return the charity to 'normal', assuming an end to the most serious effects of the COVID-19 pandemic over the course of the second quarter of 2020/21. As discussed previously, this means a steady flow of new referrals and a stable healthy workforce. Our shops reopened from mid-June and we will have taken initial views on our fundraising baseline by June/July. Depending on the timing of the above, we hope to restart the 2020/21 business plan which, while approved in March, was delayed almost immediately.

The major decision facing the charity, assuming that all of the above are achieved, is the final business case decision on the new build and the timing of the related appeal launch. The Trustees currently aim to consider the business case in September 2020.

Finally, as with the wider sector, the COVID-19 pandemic has brought radical development in many areas: the need to source and maintain adequate stocks of PPE, the accelerated introduction of meeting technologies, the opportunity to re-assess radically options on working from home and a paradigm shift in what determines business continuity. The COVID-19 pandemic has redefined The Children's Trust's relationships – for the better – with key stakeholders such as the NHS and Local Authorities. Finally, we have seen that – in a crisis such as this – every team has had to shine. We now need to reflect on all of this learning.

### Best practice and compliance

The Children's Trust Financial Statements for 2020 and the 2019 comparative figures are constructed in line with best practice. Compliance with best practice extends to the need to address the 'public benefit' provided by the charity, in line with Charity Commission guidelines.

The Financial Statements comply with the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

### Auditor

Our external auditor RSM UK Audit LLP has indicated its willingness to continue in office.

This Report of the Trustees prepared under the Charities Act 2011, which also contains all information required in a Directors' report by the Companies Act 2006, and the incorporated Strategic Report prepared under the Companies Act 2006, were approved by the Board of Trustees on 11 September 2020 and signed on behalf of the Trustees by:



Duncan Ingram  
Chair of Trustees

Date: 11 September 2020

# Reference and administrative details of the charity, its Trustees and advisors

## Trustees



**Chair: Duncan Ingram**

Remuneration and Appointments Committees



**Toby Mullins**

Educational Governance Committee



**Vice Chair: Michael Gercke**

Honorary Treasurer, Finance, Fundraising and General Purposes, Audit and Risk, Investment, Remuneration and Appointments Committees



**Nigel Scott**

Finance, Fundraising and General Purposes, Audit and Risk, and Investment Committees



**Sarah Baker**

Clinical Governance and Safeguarding Committee



**Fiona Sheridan**

(Appointed 31 January 2020)

Finance, Fundraising and General Purposes, Audit and Risk, and Investment Committees



**Timothy Davies**

Finance, Fundraising and General Purposes, Audit and Risk, Investment and Educational Governance Committees



**Samuel Thomson**

Finance, Fundraising and General Purposes Committee



**Melissa Grigsby**

(Appointed 5 July 2019)

Educational Governance Committee



**Anne Walker**

Clinical Governance and Safeguarding, Finance, Fundraising and General Purposes and Audit and Risk Committees



**Denise Matthams**

Clinical Governance and Safeguarding Committee



## Senior Leadership Team



**Dalton Leong**  
Chief Executive



**Michael Maddick**  
Director of People and Culture



**Jayne Cooper**  
Director of Clinical Services



**Professor Gareth Morgan**  
Medical Director



**Paul Farthing**  
Director of Income Generation  
and Communications



**Samantha Newton**  
Director of Education



**Colin Kerr**  
Director of Finance



**Nicola Smith**  
Director of Strategy and Transformation

## Company Secretary

Colin Kerr

## Medical Advisor

Dr Sarah Aylett

## Members of The Children's Trust

The Trustees  
Paul Burgess  
Philip Davies  
Andrew Dick  
Christopher Dulley  
Dr Mary Greenway  
David Harrison  
Dr Margaret Mayston PhD MCSP  
Lady Jane Pickard  
Sir Roger Singleton CBE  
Dr Patricia Sonksen  
Simon Tate  
Millie Wentworth-Stanley MA LLM  
Sir Adrian White CBE DL  
Timothy Yeo

## Registered Office

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

## Advisors

### Bankers

Lloyds Bank  
4th Floor  
125 London Wall  
London EC2Y 5AS

### Auditor

RSM UK Audit LLP  
25 Farringdon Street  
London EC4A 4AB

### Solicitors

DAC Beachcroft  
100 Fetter Lane  
London EC4A 1BN

### Investment Managers

Investec Wealth & Investment  
30 Gresham Street  
London EC2V 7QP

## Ambassadors

Amanda Burton  
Jenni Falconer  
Jacqueline Gold CBE  
Richard Hammond  
Adam Hills  
Harry Judd  
Izzy Judd  
Nicholas Owen  
Elaine Paige OBE  
Joely Richardson  
Phil Tufnell  
Holly Valance  
David Walliams OBE  
Sophia Warner BEM



## Statement of Trustees' responsibilities

### For the year ended 31 March 2020

The Trustees (who are also directors of The Children's Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

In so far as the Trustees are aware:

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

## Annual Statement of Internal Controls

The Board of Trustees retains ultimate responsibility for the charity's system of risk management and internal control and has undertaken an annual review of its effectiveness. We summarise below the key components of the internal control system and the elements which have been in place at The Children's Trust during the course of the financial year ended 31 March 2020.

### Control environment

- Robust governance arrangements including formal sub-committees of the Board of Trustees each with its own terms of reference;
- Clear organisational structure, management accountability and business objectives;
- Delegated authorities;
- Formal organisational policies and procedures;
- Oversight of business performance and monitoring of KPIs;
- Performance management procedures.

### Control activities and monitoring

- Designed, implemented and monitored by management;
- Financial controls to prevent fraud, inefficient use of charity assets or financial misstatement;
- Monitoring and assurance via dedicated control functions and committees, eg Clinical and Educational Governance, Quality and Compliance; Information Governance, Health and Safety and Governance Working Group;
- Reporting of incidents, root cause analyses and control deficiencies via relevant board sub-committee;
- Internal and external legal support to minimise contract risk;
- Formal capital expenditure approval process;
- Internal and independent external audit and assurance.

### Risk assessment

- Board of Trustees responsible for defining risk appetite and approving the charity's risk management policy and procedure;
- Annual reassessment of corporate risks alongside strategic review;
- Ongoing risk assessment as part of business as usual across all areas;
- Risk assessment integral to all corporate projects.

### Information and communications

- Financial reporting including key judgements;
- Updates on strategy and business performance;
- Results of internal and external audit;
- Risk reporting;
- Compliance reporting;
- Whistleblowing.

On the basis of this assessment, the Audit and Risk Committee has concluded that the system of internal control and risk management is effective and fit for purpose.

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

### For the year ended 31 March 2020

#### Opinion

We have audited the financial statements of The Children's Trust (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

#### Other information

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

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

information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

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

### For the year ended 31 March 2020

#### Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

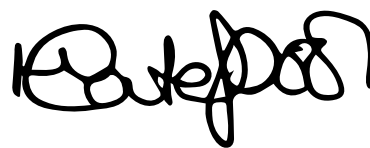
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

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](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

#### Use of our report

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



Hannah Catchpool  
(Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP,  
Statutory Auditor

Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

Date: 11 September 2020



## Statement of financial activities (incorporating an income and expenditure account)

### For the year ended 31 March 2020

	Note	Unrestricted £'000	Restricted £'000	Endowment £'000	2020 Total funds £'000	2019 Total funds as restated £'000
<b>Income and endowments from:</b>						
Charitable activities	2	18,296	-	-	18,296	17,112
Donations and legacies	3	3,039	1,110	-	4,149	4,764
Other trading activities						
– Events		542	-	-	542	571
– Charity shops		1,826	-	-	1,826	1,785
– Lottery		148	-	-	148	143
	4	2,516	-	-	2,516	2,499
Investment income	5	197	-	33	230	156
Other income	6	486	-	-	486	736
<b>Total income</b>		<b>24,534</b>	<b>1,110</b>	<b>33</b>	<b>25,677</b>	<b>25,267</b>
<b>Expenditure on:</b>						
Raising funds						
– Costs of donations & legacies		1,730	-	-	1,730	1,622
– Investment in future income		56	-	-	56	804
– Events		503	-	-	503	766
– Charity shops		2,021	-	-	2,021	2,050
– Lottery		144	-	-	144	176
	8	4,454	-	-	4,454	5,418
Charitable activities	7	21,209	708	-	21,917	20,327
<b>Total expenditure</b>	<b>8</b>	<b>25,663</b>	<b>708</b>	<b>-</b>	<b>26,371</b>	<b>25,745</b>
Net (expenditure) before gains (losses)		(1,129)	402	33	(694)	(478)
Net unrealised (loss)/gain on investments	15	(674)	-	(145)	(819)	61
Net (expenditure)		(1,803)	402	(112)	(1,513)	(417)
Transfers	21	314	(281)	(33)	-	-
<b>Net movement in funds</b>		<b>(1,489)</b>	<b>121</b>	<b>(145)</b>	<b>(1,513)</b>	<b>(417)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		25,145	2,550	820	28,515	28,932
<b>Total funds carried forward</b>		<b>23,656</b>	<b>2,671</b>	<b>675</b>	<b>27,002</b>	<b>28,515</b>

The statement of financial activities includes all gains and losses recognised in the year.

The accompanying accounting policies and notes form an integral part of these Financial Statements.

## Reconciliation of 2019 Statement of Financial Activities, with revised cost allocation policies

	2019 Original £'000	A £'000	B £'000	C £'000	D £'000	E £'000	F £'000	2019 Revised £'000
<b>Income and endowments from:</b>								
Charitable activities	17,530	-	38	-	-	(23)	1	17,546
Donations and legacies	4,858	-	-	-	(94)	-	-	4,764
Other trading activities								
– Events	571	-	-	-	-	-	-	571
– Charity shops	1,691	-	-	-	94	-	-	1,785
– Lottery	143	-	-	-	-	-	-	143
	2,405	-	-	-	94	-	-	2,499
Investment income	156	-	-	-	-	-	-	156
Other income	340	-	(38)	-	-	-	-	302
<b>Total income</b>	<b>25,289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23)</b>	<b>1</b>	<b>25,267</b>
<b>Expenditure on:</b>								
Raising funds								
– Costs of donations & legacies	1,464	142	-	17	-	(1)	-	1,622
– Investment in future income	804	-	-	-	-	-	-	804
– Events	685	75	-	6	-	-	-	766
– Charity shops	1,623	407	-	21	-	(1)	-	2,050
– Lottery	110	64	-	2	-	-	-	176
	4,686	688	-	46	-	(2)	-	5,418
Charitable activities	21,081	(688)	-	(46)	-	(21)	1	20,327
<b>Total expenditure</b>	<b>25,767</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(23)</b>	<b>1</b>	<b>25,745</b>
Net expenditure	(478)	-	-	-	-	-	-	(478)

### Key

A: Support cost allocation on 2020 basis

B: Community income broken out

C: Marketing into support costs (formerly in direct costs)

D: Retail Gift Aid into Charity Shops (formerly in Donations & Legacies)

E: 2019 reclassifications, now reversed, to be consistent with 2020

F: Rounding corrections

## Balance sheet

As at 31 March 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Fixed assets</b>					
Intangible fixed assets	14a	1,496		-	
Tangible fixed assets	14	14,371		14,234	
Tadworth Court	14	1,519		1,572	
			17,386		15,806
Investments	15		6,370		7,519
			23,756		23,325
<b>Current assets</b>					
Stocks		183		162	
Debtors	16	5,481		4,487	
Short term deposits		-		2,004	
Cash at bank and in hand		282		603	
		5,946		7,256	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(2,700)		(2,066)	
Net current assets			3,246		5,190
<b>Net assets</b>			<b>27,002</b>		<b>28,515</b>
<b>The funds of the charity</b>					
Unrestricted funds:					
General funds			7,789		10,911
Designated			15,867		14,234
			<b>23,656</b>		<b>25,145</b>
Restricted funds			2,671		2,550
Endowment funds			675		820
<b>Total Funds</b>			<b>27,002</b>		<b>28,515</b>

The financial statements were approved by the Trustees and authorised for issue on 11 September 2020.

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

Company Number: 1757875



**Duncan Ingram**  
Chair of Trustees



**Michael Gercke**  
Honorary Treasurer & Vice Chair of Trustees

## Cash flow statement

For the year ended 31 March 2020

	Note	2020 £'000	2019 £'000
<b>Net expenditure for the reporting period</b>		(1,513)	(417)
<b>Adjustments for:</b>			
Interest and investment income		(214)	(156)
Depreciation and amortisation	14, 14a	1,429	1,269
Loss/(gain) in market value of investments	15	819	(61)
Loss on disposal of tangible assets		-	(1)
Increase in stocks		(21)	(85)
Increase in debtors		(994)	(539)
Increase/(decrease) in creditors		634	(477)
<b>Net cash used in operating activities provided by/(used in)</b>		<b>140</b>	<b>(467)</b>
<b>Cash flows from investing activities</b>			
Investment income received	15	220	156
Investment income reinvested	15	(220)	(73)
Capital expenditure	14, 14a	(3,009)	(2,226)
Proceeds from sale of investments	15	544	-
Purchase of investments	15	-	(5,000)
<b>Net cash (used) by investing activities</b>		<b>(2,325)</b>	<b>(7,143)</b>
<b>Change in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year		2,607	10,217
<b>Cash and cash equivalents at end of year</b>		<b>282</b>	<b>2,607</b>

The accompanying accounting policies and notes form an integral part of these Financial Statements.

	2020 £'000	2019 £'000
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	282	603
Short term deposits	-	2,004
<b>Total cash and cash equivalents</b>	<b>282</b>	<b>2,607</b>





## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 1. Accounting policies

##### 1.1 Basis of accounting

These Financial Statements are prepared on a going concern basis under the historical cost convention as modified by the revaluation of investments being measured at fair value through income and expenditure within the statement of financial activities.

The Financial Statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charitable company is a public benefit entity for the purposes of FRS 102. The charity also prepared its Financial Statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102 Charities SORP effective January 2019) and the Companies Act 2006.

The Financial Statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts in these Financial Statements are rounded to the nearest one thousand pounds.

The charity meets the definition of a public benefit entity.

The principal accounting policies adopted in the preparation of the Financial Statements are set out below.

##### 1.2 Preparation of the accounts on a going concern basis

In March 2020, the Board approved a five-year strategy for the charity, with an operating surplus of £0.4m in 2020/21, rising to £1.5m in 2021/22 and remaining at that level (all figures excluding investment market gains or losses). Within these assumptions are a modest increase in core work (rehabilitation and residential care), rebased fundraising (with a "new build" appeal from 2021) and a strict control of corporate costs. The surpluses generated will largely go towards the planned construction of a new school facility, roughly half of which will be funded by the appeal. Sitting behind this is £6.4m of investments.

The organisation has received, after the year end, £1.5m of grant funding under the Government's emergency hospice funding for charities. This has provided additional support over the lockdown period and has ensured that both revenue and cash have been stabilised over that period. With this funding in place, we are confident that we can achieve the original 2020/21 financial targets.

Taking into account the impact of the COVID-19 pandemic we have modelled "worst case" numbers for 2020/21 and for 2021/22. We have shown that we can absorb such deficits within available working capital and without any recourse either to our investment portfolio or to external debt.

Based on this, the Trustees consider that adequate resources exist to continue in operational existence for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the financial statements.

##### 1.3 Income

All income is accounted for in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Collections made by third parties on behalf of the charity are accounted for when received.

Income from government and other grants, whether "capital" grants or "revenue" grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacy income, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted or the estate has been finalised and notification has been made by the executors that a distribution will be made. Receipt of a legacy is only considered probable when the amount can be measured reliably, and the charity had been notified of the executor's intention to make a distribution.

Funds received for capital projects are accounted for as restricted income. The treatment of the assets provided depends upon the restrictions imposed by the grant and if the fixed asset acquisition discharges the restriction then the asset will be held in unrestricted funds. A corresponding transfer of the associated restricted income will be made to the unrestricted fund.

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

On receipt donated services/goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit on the open market.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 1.4 Expenditure

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

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

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

Support costs, including governance costs, are those costs that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the chargeable activity.

Where support costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources. The basis of allocation has been explained in Note 9 to the accounts.

Governance costs include audit fees and a proportion of senior management costs.

Any irrecoverable VAT is included as part of the cost to which it relates. The amount incurred in the year is disclosed in Note 1.

#### 1.5 Fund accounting

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

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

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

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

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

Any capital gains or losses arising on the investments are allocated to the related funds. Further explanation of the nature and purpose of each fund is included in Note 21.

#### 1.6 Fixed assets

##### *Tangible fixed assets*

Tangible fixed assets costing more than £1,000 are capitalised and included at cost. Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over the expected useful lives as follows:

Freehold land	Not depreciated
Freehold and leasehold property	4%, 10% and 20%
Tadworth Court	2%
Plant and office expenditure and equipment	10%-20%
Residential houses furniture and equipment	20%
Computer equipment	33%
Motor vehicles	20%
Motor vehicles – vans	14%
Motor vehicles – minibuses	13%

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

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

##### *Intangible fixed assets*

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated to write off the cost of intangible fixed assets by equal annual instalments over the expected useful lives as follows:

Computer software	33%
Computer software – major systems	17%

#### 1.7 Tadworth Court

This balance represents the freehold of Tadworth Court. It houses our pharmacy, catering, meeting and administrative facilities. The asset is stated at cost and is depreciated over 50 years. The Trustees ensure that the building is carefully maintained and is fit for purpose. Any significant expenditure which is required to preserve or prevent deterioration is capitalised when it is incurred.

#### 1.8 Investments

Quoted investments are included at market value (bid/selling price). Investment in subsidiaries are stated at cost. Realised and unrealised gains and losses are shown in the appropriate section of the SOFA.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 1.9 Stock

Stock is stated at the lower of cost and net realisable value.

#### 1.10 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

#### 1.11 Pension costs

Certain of the charity's clinical and teaching staff are members of the NHS pension scheme or Teachers' Pension Scheme respectively, both of which are defined benefit schemes. The schemes are not designed to be run in a way that would enable individual employer bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the schemes are accounted for as if they are a defined contribution scheme: the cost of participating in the schemes is taken as being equal to the contributions payable to the scheme for the accounting period.

Other staff are able to join the Charity's defined contribution pension scheme. The employer contributions are included within resources expended and represent the amount of contribution payable to the schemes in respect of the accounting period.

#### 1.12 Operating lease payments

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

#### 1.13 Consolidation

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

#### 1.14 Critical accounting estimates and areas of judgement

In preparing the Financial Statements it is necessary to make certain judgements, estimates and assumptions that affect the amount recognised in the Financial Statements. No material estimates were required at March 2020.

In deciding the basis of allocation of support costs, management have made a judgement that direct costs is the most appropriate basis of apportioning support costs over the charity's activities.

#### 1.15 Cash and cash equivalents

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

#### 1.16 Creditors

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

#### 1.17 Financial instruments

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

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See Notes 16 and 17 for the debtors and creditors notes.

#### 1.18 Employee benefits

The cost of short-term benefits such as accrued holiday are recognised as a liability and an expense.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.19 Significant events

The significant event for the charity was the WHO designation of COVID-19 as a global pandemic, which occurred in the final quarter of the 2020 financial year.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 2. Charitable activities

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted as restated £'000	Restricted £'000	2019 Total as restated £'000
Care and rehabilitation services	10,793	-	10,793	10,242	-	10,242
The Children's Trust School	7,447	-	7,447	6,832	-	6,832
Community services	56	-	56	38	-	38
<b>Total charitable activities</b>	<b>18,296</b>	<b>-</b>	<b>18,296</b>	<b>17,112</b>	<b>-</b>	<b>17,112</b>

#### 3. Donations and legacies

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted as restated £'000	Restricted £'000	2019 Total as restated £'000
Donations	2,462	1,110	3,572	2,564	1,359	3,923
Legacies	577	-	577	841	-	841
<b>Total donations and legacies</b>	<b>3,039</b>	<b>1,110</b>	<b>4,149</b>	<b>3,405</b>	<b>1,359</b>	<b>4,764</b>

Included in donations is a grant of £165,379 (2019: £151,597) received from NHS England for palliative care. Other substantial support was received from BBC Children In Need and The Wellcome Trust.

#### 4. Other trading activities

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted as restated £'000	Restricted £'000	2019 Total as restated £'000
Events	542	-	542	571	-	571
Charity shops	1,826	-	1,826	1,785	-	1,785
Lottery	148	-	148	143	-	143
<b>Total other trading activities</b>	<b>2,516</b>	<b>-</b>	<b>2,516</b>	<b>2,499</b>	<b>-</b>	<b>2,499</b>

Charity shop gift aid is now included in Charity shops.



## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 5. Investment income

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted £'000	Restricted £'000	2019 Total £'000
Dividends & Interest: UK	143	25	169	137	-	137
Dividends & Interest: Foreign	44	8	51			
Bank Interest	10	-	10	19	-	19
<b>Total investment income</b>	<b>197</b>	<b>33</b>	<b>230</b>	<b>156</b>	<b>-</b>	<b>156</b>

Foreign dividends and interest were combined with UK equivalents in 2019.

#### 6. Other income

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted as restated £'000	Restricted £'000	2019 Total as restated £'000
Lettings – both staff and parents	124	-	124	126	-	126
Catering	129	-	129	111	-	111
Nursery	113	-	113	81	-	81
Other	120	-	120	417	1	418
<b>Total other income</b>	<b>486</b>	<b>-</b>	<b>486</b>	<b>735</b>	<b>1</b>	<b>736</b>

#### 7. Expenditure on charitable activities

	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted as restated £'000	Restricted £'000	2019 Total as restated £'000
Charitable activities	21,209	708	21,917	19,394	933	20,327
<b>Total other income</b>	<b>21,209</b>	<b>708</b>	<b>21,917</b>	<b>19,394</b>	<b>933</b>	<b>20,327</b>

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 8. Expenditure on:

	Direct costs £'000	Support costs £'000 (Note 9)	Governance costs £'000 (Note 9a)	2020 Total £'000
<b>Charitable activities</b>				
Care and rehabilitation services	8,522	3,632	176	12,330
The Children's Trust School	6,057	2,608	124	8,789
Community services	553	234	11	798
	<b>15,132</b>	<b>6,474</b>	<b>311</b>	<b>21,917</b>
<b>Raising funds</b>				
Costs of generating donations and legacies	1,124	583	23	1,730
Investment in future income	56	-	-	56
Events	326	169	8	503
Charity shops	1,494	497	30	2,021
Lottery	93	48	3	144
	<b>3,093</b>	<b>1,297</b>	<b>64</b>	<b>4,454</b>
<b>Total expenditure</b>	<b>18,225</b>	<b>7,771</b>	<b>375</b>	<b>26,371</b>

	Direct costs as restated £'000	Support costs as restated £'000	Governance costs as restated £'000	2019 Total as restated £'000
<b>Charitable activities</b>				
Care and rehabilitation services	8,028	3,504	83	11,615
The Children's Trust School	5,572	2,396	57	8,025
Community services	458	224	5	687
	<b>14,058</b>	<b>6,124</b>	<b>145</b>	<b>20,327</b>
<b>Raising funds</b>				
Costs of generating donations and legacies	1,132	479	11	1,622
Investment in future income	804	-	-	804
Events	521	240	5	766
Charity shops	1,471	563	16	2,050
Lottery	94	80	2	176
	<b>4,022</b>	<b>1,362</b>	<b>34</b>	<b>5,418</b>
<b>Total expenditure</b>	<b>18,080</b>	<b>7,486</b>	<b>179</b>	<b>25,745</b>

Expenditure on raising funds is unrestricted in both years.

Community services (BICS) was included under Care and Rehabilitation services in 2019.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 9. Allocation of support costs

	Care and rehabilitation services £'000	School £'000	Community £'000	Fundraising £'000	Retail £'000	2020 Total £'000
Marketing	133	93	8	26	22	282
Communications	213	150	14	41	36	454
Facilities management	705	495	45	136	120	1,501
Human resources	611	429	39	117	103	1,299
Finance	309	273	25	155	66	828
Procurement	485	340	31	94	82	1,032
IT	262	184	17	51	44	558
Chief Executive's office	88	62	6	17	14	187
Depreciation: Tadworth site	665	469	39	131	-	1,304
Depreciation: IT/vehicles	59	41	4	11	10	125
Historic water bill	102	72	6	21	-	201
<b>Total support costs allocated (Note 8)</b>	<b>3,632</b>	<b>2,608</b>	<b>234</b>	<b>800</b>	<b>497</b>	<b>7,771</b>

	Care and rehabilitation services as restated £'000	School as restated £'000	Community as restated £'000	Fundraising as restated £'000	Retail as restated £'000	2019 Total as restated £'000
Marketing	109	76	7	25	21	238
Communications	224	156	15	48	44	487
Facilities management	1,224	852	80	266	239	2,661
Human resources	570	397	37	124	112	1,240
Finance	415	289	27	90	81	902
IT	233	162	15	51	46	507
Chief Executive's office	84	58	5	19	16	182
Depreciation: Tadworth site	625	392	37	172	-	1,226
Depreciation: IT/vehicles	20	14	1	4	4	43
<b>Total support costs allocated</b>	<b>3,504</b>	<b>2,396</b>	<b>224</b>	<b>799</b>	<b>563</b>	<b>7,486</b>

#### Basis of allocation

Support costs are recharged relative to the proportions of direct costs. In 2019 the basis was headcount; it is now felt that direct costs provide a more realistic basis. 2019 numbers have now been restated.

Community services (the BICS project) has been broken out this year as it is now a key component of the charity's future strategy. 2019 has been restated.

Following internal management changes in 2020:

- Procurement line now created, combining elements of Finance and Facilities
- Risk and Governance line now created (see Note 9a), combining Health & Safety and elements of Finance

#### Historic water bill note

The charity incurred a charge of £201k in relation to historic water costs. This arose from an updated meter reading being undertaken by the water company, covering a two-year period and including an incident where a water pipe had burst. Management processes have now been improved to ensure there could be no repetition of this.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 9a. Allocation of governance costs

	2020 £'000	2019 as restated £'000
Risk and governance	344	140
External audit	31	39
<b>Total</b>	<b>375</b>	<b>179</b>

#### 10. Net income/expenditure for the year is stated after charging:

	2020 £'000	2019 £'000
Depreciation and amortisation	1,429	1,269
Payments under operating leases:		
• Retail properties	459	456
• Equipment	36	21
Auditor remuneration:		
• Audit of the Financial Statements	31	28
• Other audit services	1	11
• Tax advisory	3	-

#### 11. Gift Aid

For the year ended 31 March 2020, the charity received Gift Aid payments of £346k (2019: £366k). Against this, the charity sustained irrecoverable VAT of £858k (2019: £989k).





## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 12. Staff Remuneration and Pensions

	2020 £'000	2019 £'000
Salaries	15,826	15,403
Social security costs	1,513	1,386
Pension costs	1,121	743
Temporary staff costs	398	291
Agency staff costs	1,179	998
	<b>20,037</b>	<b>18,821</b>

The year-end head count was 647 staff (2019: 656 staff). This figure includes permanent, fixed term and active bank workers and the average monthly number of full-time employees during the year were as follows:

	2020 FTEs	2019 FTEs
Charitable activities	410	428
Fundraising	30	28
Charity shops	36	33
Support	61	19
Governance	7	1
	<b>544</b>	<b>509</b>

Key management personnel include the Trustees, Chief Executive and senior staff reporting to the Chief Executive. The total employee benefits of the charity's key management personnel were £923k (2019: £926k). (Trustees: nil in both years). This comprises gross pay, employer pension contributions and Employer's National Insurance.

The number of employees whose emoluments fell within the following ranges are set out below. The number of current employees earning over £60,000 has been split between clinical and executive staff. The Chief Executive's emoluments fall into the £110,001-£120,000 band.

	2020 clinical	2019 clinical	2020 executive	2019 executive	2020 total	2019 total
£60,001-£70,000	2	2	2	1	4	3
£70,001-£80,000	-	-	-	2	-	2
£80,001-£90,000	1	1	2	2	3	3
£90,001-£100,000	-	-	1	-	1	-
£100,001-£110,000	-	-	-	-	-	-
£110,001-£120,000	-	-	1	1	1	1
£180,001-£190,000	-	1	-	-	-	1
£190,001-£200,000	1	-	-	-	1	-
	<b>4</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>10</b>	<b>10</b>

During the year, the charity made payments to 9 staff (2019: 21 staff) in respect of redundancy and termination totalling £71k (2019: £141k), of which £50k was made ex-gratia. These ex-gratia payments were awarded to staff at the discretion of management when they left employment of the charity.

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### Pensions

The charity has contributed to both defined benefit and defined contribution schemes during the year. Defined benefit schemes are accounted for as if they were defined contribution schemes as required by FRS102 Section 28 (“Employee Benefits”).

The total cost to the charity for the year ended 31 March 2020 in respect of pension contributions, which have been allocated between resources expended categories in proportion to staff costs and charged to the Statement of Financial Activities as appropriate, is as follows:

	2020 £'000	2019 £'000	2020 Number	2019 Number
TCT Group Pension Plan	748	403	480	453
Teachers' Pension Scheme	70	62	8	10
NHS Pension Scheme	303	278	66	58

#### The Children's Trust Group Pension Plan

The charity's Group Pension Plan is a defined contribution scheme administered by Legal and General Assurance as personal pension plans for the benefit of employees.

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

#### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory contributory defined benefit scheme governed by the Teachers' Pension Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a “pay as you go” basis. These contributions along with those made by employers are credited to the exchequer. The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme on as a defined benefit plan. So it is accounted for as a defined contribution plan.

#### Valuation of the Teachers' Pension Scheme

Not less than every four years, the Government Actuary using normal actuarial principles conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits, and many other factors. The latest actuarial valuation was carried out as at 31 March 2016 in accordance with The Public Service Pensions (Valuation and Employer Cost Cap) Directions 2014, except it has been prepared following the government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending.

The valuation report was published in April 2019. The key results of the valuation and subsequent consultation are:

- Total scheme liabilities for service pension (pensions currently payable and the estimated cost of future benefits) of £218 billion.
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion.
- Notional post service deficit of £22 billion.
- Discount rate is 2.4% in excess of CPI.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). DfE has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

The pension costs paid to TPS in 2020 amounted to £70k (2019: £62k).

#### National Health Service Pension Scheme

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

The cost represents the contributions advised by the NHS Pensions Agency. The charity is not liable for past service costs beyond these contributions. Contributions were 14.3% in 2020 (2019: 14.3%).

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 13. Trustee emoluments and reimbursed expenses

No emoluments nor expenses were paid to the Trustees in either year. The charity purchased insurance costing £3,302 (2019: £3,302), included in governance costs, to protect it from loss arising from neglect or default of the Trustees and to indemnify the Trustees against the consequences of neglect or default on their part.

#### 14. Tangible fixed assets

	Tadworth Court £'000	Freehold land £'000	Freehold & leasehold buildings £'000	Plant, furniture & equipment £'000	Computer software £'000	Motor vehicles £'000	Assets under construction £'000	Total £'000
<b>Cost</b>								
At 1 April 2019	2,697	750	22,814	3,730	712	406	-	31,109
Reclassification	-	-	-	-	(712)	-	-	(712)
Additions	-	-	324	239	-	67	1,111	1,741
Disposals	-	-	-	-	-	(42)	-	(42)
At 31 March 2020	<b>2,697</b>	<b>750</b>	<b>23,138</b>	<b>3,969</b>	<b>-</b>	<b>431</b>	<b>1,111</b>	<b>32,096</b>
<b>Depreciation</b>								
At 1 April 2019	1,125	-	10,691	2,857	403	227	-	15,303
Reclassification	-	-	-	-	(403)	-	-	(403)
Charge for the year	53	-	912	339	-	44	-	1,348
Disposals	-	-	-	-	-	(42)	-	(42)
At 31 March 2020	<b>1,178</b>	<b>-</b>	<b>11,603</b>	<b>3,196</b>	<b>-</b>	<b>229</b>	<b>-</b>	<b>16,206</b>
<b>Net book value at 31 March 2020</b>	<b>1,519</b>	<b>750</b>	<b>11,535</b>	<b>773</b>	<b>-</b>	<b>202</b>	<b>1,111</b>	<b>15,890</b>
<b>Net book value at 31 March 2019</b>	<b>1,572</b>	<b>750</b>	<b>12,123</b>	<b>873</b>	<b>309</b>	<b>179</b>	<b>-</b>	<b>15,806</b>

Tadworth Court is a Grade 1 listed mansion building. It houses our pharmacy, catering, meeting and administrative facilities. Parts of the building and grounds are open to the public on several days in the year. Department of Health grants in respect of the Grade 1 listed building are secured by way of a legal charge over the freehold property (see Note 21 in respect of restricted funds).

#### 14.a Intangible fixed assets

	Computer software £'000	Assets under construction £'000	Total £'000
<b>Cost</b>			
At 1 April 2019	-	-	-
Reclassification	712	-	712
Additions	984	284	1,268
Disposals	-	-	-
At 31 March 2020	<b>1,696</b>	<b>284</b>	<b>1,980</b>
<b>Amortisation</b>			
At 1 April 2019	-	-	-
Reclassification	403	-	403
Charge for the year	81	-	81
Disposals	-	-	-
At 31 March 2020	<b>484</b>	<b>-</b>	<b>484</b>
<b>Net book value at 31 March 2020</b>	<b>1,212</b>	<b>284</b>	<b>1,496</b>
<b>Net book value at 31 March 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 15. Investments at market value

	2020 £'000	2019 £'000
Market value at 1 April 2019	7,519	2,385
Investment additions	-	5,000
Cash transferred	(544)	-
(Decrease)/increase in market value	(819)	61
Investec Wealth and Investment dividends re-invested	220	87
Fees/charges	(6)	(14)
<b>Market value at 31 March 2020</b>	<b>6,370</b>	<b>7,519</b>
Historical cost as at 31 March 2020	6,275	6,819

	2020 £'000	2019 £'000
Fixed investments	986	959
Listed equities	4,567	5,484
Property	399	314
Alternatives	273	186
Cash	145	576
<b>Total</b>	<b>6,370</b>	<b>7,519</b>

£75,000 received originally from the Victoria Convalescent Fund is currently invested through Investec. The market value at 31 March 2020 was £63k (2019: £73k).

£546,267 received originally from The Tadworth Court Children's Hospital Appeal Fund is currently invested through Investec. The market value at 31 March 2020 was £612k (2019: £747k).

At 31 March 2020, the charity held 100% of the issued share capital of The Children's Trust Trading Company Limited, an unquoted investment, the cost of which is £2 (2019: £2). The company has not traded since 2002, but commenced trading on 1 April 2020.

#### 16. Debtors

	2020 £'000	2019 £'000
Trade debtors	4,267	3,041
Accrued income/other debtors	953	542
Prepayments	261	889
HMRC debtors	-	15
	<b>5,481</b>	<b>4,487</b>



## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 17. Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	1,268	1,074
Accruals	616	329
Other creditors	48	118
Deferred income	380	187
Social security and other taxation	388	358
	<b>2,700</b>	<b>2,066</b>

#### Analysis of Deferred Income

Income is deferred where it relates to future events or services for which monies had been received prior to the year end.

	2020 £'000	2019 £'000
Balance as at 1 April 2019	187	713
Amount released to income	(187)	(713)
Amount deferred in year	380	187
<b>Balance as at 31 March 2020</b>	<b>380</b>	<b>187</b>

#### 18. Financial and capital commitments

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

	2020 £'000	2019 £'000
Leasehold buildings – up to 1 year	277	387
Leasehold buildings – 1-5 years	539	722
Leasehold buildings – over 5 years	200	323
Other – up to 1 year	14	14
Other – 1-5 years	0	19
	<b>1,030</b>	<b>1,465</b>

At 31 March 2020, capital commitments authorised and contracted for (net of payment to date on account) amounted to £127k (2019: £249k). No other expenditure was authorised but not contracted for (2019: Nil).

## Notes to the Financial Statements

### For the year ended 31 March 2020

#### 19. Government grants

	2020 £'000	2019 £'000
NHS England children's palliative care grant	165	152
Devolved capital grant	22	6
School allocations grant	-	19
Department for Education grant	17	19

There are no unfulfilled conditions that would require the repayment of grants.

#### 20. Related party transactions

There were no related party transactions in either year.

#### 21. Capital and reserves

a(i) Movement on funds	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2020 £'000
<b>Unrestricted general funds:</b>						
Undesignated	10,850	24,534	(25,663)	(674)	(1,258)	7,789
Investment revaluation	61	-	-	-	(61)	-
	<b>10,911</b>	<b>24,534</b>	<b>(25,663)</b>	<b>(674)</b>	<b>(1,319)</b>	<b>7,789</b>
<b>Designated funds:</b>						
Tangible & intangible fixed assets	14,234	-	-	-	1,633	15,867
	<b>14,234</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,633</b>	<b>15,867</b>
<b>Total unrestricted</b>	<b>25,145</b>	<b>24,534</b>	<b>(25,663)</b>	<b>(674)</b>	<b>314</b>	<b>23,656</b>
<b>Restricted funds:</b>						
Operational	660	1,110	(708)	-	(228)	834
Grants	318	-	-	-	-	318
DoH grant	1,572	-	-	-	(53)	1,519
	<b>2,550</b>	<b>1,110</b>	<b>(708)</b>	<b>-</b>	<b>(281)</b>	<b>2,671</b>
<b>Endowment funds:</b>						
1983 Appeal Fund	747	30	-	(132)	(33)	612
Victoria Convalescent	73	3	-	(13)	-	63
	<b>820</b>	<b>33</b>	<b>-</b>	<b>(145)</b>	<b>(33)</b>	<b>675</b>
<b>Total funds</b>	<b>28,515</b>	<b>25,677</b>	<b>(26,371)</b>	<b>(819)</b>	<b>-</b>	<b>27,002</b>

## Notes to the Financial Statements

### For the year ended 31 March 2020

a(ii) Movement on funds	At 1 April 2018 £'000	Income £'000	Expenditure £'000	Gains/(losses) £'000	Transfers £'000	At 31 March 2019 £'000
<b>Unrestricted general funds:</b>						
<b>Undesignated funds:</b>						
Undesignated	10,414	23,929	(24,834)	54	1,287	10,850
Investment revaluation	209	-	-	-	(148)	61
	<b>10,623</b>	<b>23,929</b>	<b>(24,834)</b>	<b>54</b>	<b>1,139</b>	<b>10,911</b>
<b>Designated funds:</b>						
Tangible fixed assets	13,121	-	-	-	1,113	14,234
Building and Service	1,177	-	-	-	(1,177)	-
	<b>14,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(64)</b>	<b>14,234</b>
<b>Restricted funds:</b>						
Operational	1,010	1,359	(880)	-	(829)	660
Grants	458	-	-	-	(140)	318
DoH grant	1,727	-	(53)	-	(102)	1,572
Victoria Convalescent	2	1	-	-	(3)	-
	<b>3,197</b>	<b>1,360</b>	<b>(933)</b>	<b>-</b>	<b>(1,074)</b>	<b>2,550</b>
<b>Endowment funds:</b>						
1983 Appeal Fund	741	-	-	6	-	747
Victoria Convalescent	73	-	-	1	(1)	73
	<b>814</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>(1)</b>	<b>820</b>
<b>Total funds</b>	<b>28,932</b>	<b>25,289</b>	<b>(25,767)</b>	<b>61</b>	<b>-</b>	<b>28,515</b>

#### Designated funds

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

#### Restricted funds

These are set out subsequently.

#### Endowment funds

The Tadworth Court Children's Hospital Appeal Fund (referred to previously as The Gardiner Fund) was established in 1983. The Fund was united with the charity in 2004 by the Charity Commission, at the request of the Fund's Trustees. Any income generated can be allocated to unrestricted funds.

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

## Notes to the Financial Statements

### For the year ended 31 March 2020

b(i) Analysis of restricted funds	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Capital £'000	Transfers £'000	At 31 March 2020 £'000
<b>Operational:</b>						
ECR System	-	331	-	-	-	331
Mansion lift	67	-	-	(50)	-	17
Central stores	65	-	-	(48)	-	17
Jasmine House	34	22	(3)	-	-	53
Chestnut House	37	12	(2)	-	-	47
Willow House	-	6	(1)	-	-	5
Maple House	-	35	(1)	(4)	-	30
Oak House	17	36	(4)	(4)	-	45
Mulberry House	22	27	(1)	-	-	48
Hawthorn House	13	12	-	-	-	25
Camellia House	5	6	(2)	-	-	9
Community	13	90	(103)	-	-	-
Early years	110	21	(37)	-	(94)	-
Cheyne Centre	-	69	-	(19)	-	50
Music therapy	18	40	(40)	-	-	18
Play therapy	10	121	(131)	-	-	-
Volunteers	65	50	(109)	-	-	6
Other	184	232	(274)	(9)	-	133
<b>Sub total</b>	<b>660</b>	<b>1,110</b>	<b>(708)</b>	<b>(134)</b>	<b>(94)</b>	<b>834</b>
<b>Grants</b>						
School standards	318	-	-	-	-	318
<b>Sub total</b>	<b>318</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>318</b>
<b>Department of Health</b>	<b>1,572</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(53)</b>	<b>1,519</b>
<b>Total</b>	<b>2,550</b>	<b>1,110</b>	<b>(708)</b>	<b>(134)</b>	<b>(147)</b>	<b>2,671</b>

The transfers above, totalling £94k, reflect capital expenditure and the correction of an omitted recharge from 2018/19. The capital amounts reflect expenditure consistent with the restricted donations.

The Department of Health made grants to the charity in 1995 in relation to the transfer of Tadworth Court. These grants, originally totalling £2.85m, were applied to the freehold (£0.75m), with the balance to repairs. In the opinion of the Trustees, the repayment of the grant is unlikely to arise.



## Notes to the Financial Statements

### For the year ended 31 March 2020

	At 1 April 2018 £'000	Income £'000	Expenditure £'000	Capital £'000	Transfers £'000	At 31 March 2019 £'000
<b>b(ii) Analysis of restricted funds</b>						
<b>Operational:</b>						
Brain Injury Community Service (Tadworth)	302	265	(288)	-	(266)	13
Play services	50	108	(148)	-	-	10
Transport	97	92	(73)	(97)	-	19
Willow House	94	1	(1)	(97)	3	-
Music therapy	59	40	(81)	-	-	18
BICS (St George's)	24	70	(73)	-	-	21
Classrooms	27	6	(8)	(6)	-	19
Jasmine House	32	19	(11)	(6)	-	34
Chestnut House	28	19	(8)	(2)	-	37
Mulberry House	22	4	(4)	-	-	22
Occupational therapy	23	5	(8)	(8)	-	12
Placements	20	-	-	-	-	20
Mansion ramp	-	185	-	(235)	50	-
Other	232	545	(177)	(186)	21	435
<b>Sub total</b>	<b>1,010</b>	<b>1,359</b>	<b>(880)</b>	<b>(637)</b>	<b>(192)</b>	<b>660</b>
<b>Grants</b>						
School Standards Fund	318	-	-	-	-	318
Devolved Capital Grant	140	-	-	(140)	-	-
<b>Sub total</b>	<b>458</b>	<b>-</b>	<b>-</b>	<b>(140)</b>	<b>-</b>	<b>318</b>
Department of Health	1,727	-	(53)	-	(102)	1,572
Victoria Convalescent Fund	2	1	-	-	(3)	-
<b>Sub total</b>	<b>1,729</b>	<b>1</b>	<b>(53)</b>	<b>-</b>	<b>(105)</b>	<b>1,572</b>
<b>Total</b>	<b>3,197</b>	<b>1,360</b>	<b>(933)</b>	<b>(777)</b>	<b>(297)</b>	<b>2,550</b>

## Notes to the Financial Statements

### For the year ended 31 March 2020

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2020 £'000
<b>c. Analysis of net assets between funds</b>				
Fund balances at 31 March 2020 are represented by:				
Fixed assets	15,867	1,519	-	17,386
Investments	5,695	-	675	6,370
Current assets	4,794	1,152	-	5,946
Current liabilities	(2,700)	-	-	(2,700)
<b>Total funds</b>	<b>23,656</b>	<b>2,671</b>	<b>675</b>	<b>27,002</b>

	Unrestricted £'000	Restricted £'000	Endowment £'000	March 2019 £'000
<b>c. Analysis of net assets between funds</b>				
Fund balances at 31 March 2019 are represented by:				
Fixed assets	14,234	1,572	-	15,806
Investments	6,699	-	820	7,519
Current assets	6,278	978	-	7,256
Current liabilities	(2,066)	-	-	(2,066)
<b>Total funds</b>	<b>25,145</b>	<b>2,550</b>	<b>820</b>	<b>28,515</b>

## 22. Financial instruments

	2020 £'000	2019 £'000
Financial instruments measured at fair value are as follows:		
<b>Investment portfolio</b>	<b>6,370</b>	<b>7,519</b>



## SECR – environmental reporting

### Streamlined Energy and Carbon Report

Start date for SECR period:

1 April 2019

End date for SECR period:

31 March 2020

### Methodology

All the SECR data requirements for unquoted 'large' companies have been met and the energy consumption and emissions are reported below. This includes UK consumption of electricity, gas and transport fuels where the company is responsible for the fuels.

The methodology used to calculate emissions is the WBCSD/WRI Greenhouse Gas Protocol: a corporate accounting standard: revised edition. UK Government greenhouse gas emissions conversion factors for 2019 have been applied. An operational control approach has been taken.

Scope 2 emissions from purchased electricity have been calculated using the location-based approach only.

### Third party verification

No third party data verification of the emissions data has been carried out.

Reported emissions (and carbon offsets)	Tonnes CO2e
Total gross emissions (Scope 1,2 and 3)	805.8
Total direct and indirect emissions (scope 1 and 2)	789.5
Total direct (scope 1) emissions	356.6
Direct emissions (scope 1) stationary combustion	305.3
Direct emissions (scope 1) mobile combustion	51.4
Direct emissions (scope 1) from transport mobile combustion	51.4
Direct emissions (scope 1) from other mobile combustion	0.0
Total indirect emissions (scope 2)	432.9
Indirect emissions (scope 2) from electricity	432.9
Total other indirect emissions (scope 3)	16.3
Other indirect (scope 3) emissions from business travel	16.3
Other indirect (scope 3) emissions from business travel where company is responsible for purchasing fuel	16.3

Energy Consumption	kWh
Total energy consumption used to calculate emissions	3,633,861
Energy consumption, combustion of gas	1,660,325
Energy consumption, electricity	1,693,614
Energy consumption, combustion of transport fuel	279,922
Energy consumption, other	0

Intensity ratio	tCO2e/FTE
Intensity ratio	1.6
The reported emissions intensity ratio is the total gross emissions (scope 1,2 and 3) per Full Time Employee (FTE).	
Intensity ratio based solely on mandatory data	True

## SECR – environmental reporting

### Energy efficiency action report

1. Campaign for the environment, including energy promotions on switching off equipment at the end of the day; this was then reinforced by a short in-house video, reinforcing the messaging.
2. Less expenses due to a smaller community fundraising team; charity box collecting is done using company vehicles now. Introduction of technology including Skype and Microsoft Teams, for video conferencing – coming in late in the financial year.
3. Lockdown (COVID-19 pandemic), with lots of non-essential staff working from home, reduction in travel and outings for children as well as staff.
4. Increased use of trains for travel.
5. Change from Mobile Shop Managers to Bank Shop Managers, resulting in less expenses being claimed for mileage. Staffing rotas planned to minimise travel.
6. Reduction in our pool plant running times – in line with the lockdown.
7. We are gradually investing in infrastructure (Building Management System) in order to eventually be able to monitor our building controls including utilities.

### Operational boundaries

Name of controlled legal entity or facility: The Children's Trust (01757875)

Operational control of legal entity or facility: True

This energy audit is submitted by Carbon Trust Advisory Services Ltd as part of its SECR support to The Children's Trust.





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Tadworth  
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Charity registration number: 288018  
Company registration number: 1757875



The Children's Trust is registered with the Fundraising Regulator, accredited by CHKS with ISO 9001 certification (for organisational and clinical management systems), inspected and rated 'Outstanding' by CareQuality Commission and rated an 'Outstanding Provider' by Ofsted Care (for residential houses). The Children's Trust School is rated a 'Good Provider' by Ofsted Education. TCT\_499 09/19.