

Company Registration No. 09487106 (England and Wales)

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018



SLOUGH CHILDREN'S SERVICES TRUST LIMITED

COMPANY INFORMATION

Directors	R W Tapsfield M J Marsden J D Pettitt E Railton E F De Mello K Usmani K M Morris P McDonald	(Appointed 4 May 2017) (Appointed 2 November 2017) (Appointed 5 October 2017) (Appointed 1 July 2018) (Appointed 1 July 2018)
Company number	09487106	
Registered office	Ground Floor St Martin's Place 51 Bath Road Slough Berkshire SL1 3UF	
Auditor	Mercer & Hole Batchworth House Batchworth Place Church Street Rickmansworth Hertfordshire WD3 1JE	
Business address	Ground Floor St Martin's Place 51 Bath Road Slough Berkshire SL1 3UF	

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

CONTENTS

	Page
Strategic report	1 - 6
Directors' report	7 - 9
Directors' responsibilities statement	10
Independent auditor's report	11 - 12
Statement of income and retained earnings	13
Balance sheet	14
Statement of cash flows	15
Notes to the financial statements	16 - 21

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors are pleased to present the Strategic Report highlighting the progress made by the Trust over the year while we continue our improvement journey.

The Trust was created to improve services and outcomes for children and young people in Slough through innovative practice and greater collaborative working with partner organisations and the community.

The Trust is working towards its vision by operating in a systemic way with an emphasis on early intervention - to drive a preventative model for the longer term - and fundamentally ensure the children and young people of Slough are safe, secure and successful.

Fair review of the business

The Trust's services can be described as the provision of children's services including early intervention, specialist support and social care services, children's homes, youth offending services, family placement services, Independent Fostering Agency and Voluntary Adoption Agency for children and families in Slough.

The Trust works with Slough Borough Council and local partners to provide the best possible quality support for children, young people and families who need support in their daily lives, this includes work with our local partners in health, education, police and community organisations in Slough.

The business of the Trust is directed by the board which met formally on 12 occasions through the financial year, developing and progressing clear strategies, ensuring policies are implemented and adhered to, and managing risks appropriately.

The Trust board was supported by three committees in the year to 31 March 2018, with a focus on quality & innovation, workforce development and finance & resources.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Principal risks and uncertainties

Effective risk management is an essential part of the Trust's operation. Our approach focuses on intervention processes rather than being incident reactive. Our aim is to influence behaviour and develop a culture where risks are recognised and addressed.

The Trust's risk registers are reviewed on a quarterly basis by the finance & resource committee on behalf of the Trust's board, with recommendations being made to the board every six months.

The board of directors is responsible for ensuring that the Trust's approach to risk management is robust and appropriate.

Key risks that the Trust faces are:

- The Trust's current financial position of running at a loss.
- The Trust's ability to see improvements in the quality of its services in terms of an Ofsted rating.
- The Trust's main contract is with Slough Borough Council which, as a local authority, is subject to budget pressures.
- A demand led service that can be volatile and unpredictable which could result in pressure on high cost areas in the Trust.
- The Trust reliance on a specialist qualified workforce which is in short supply nationally.

The Trust is actively working to manage and mitigate the above risks and continually develops strategies to minimise their impact.

Financial losses;

The directors are negotiating with Slough Borough Council for additional funding to match increasing demands in service over the years. Progress has been made in reducing the cost base with reductions in the number of agency staff through permanent recruitment along with growth in in house provision of foster care at more cost effective rates.

Financial performance continues to be a key area of scrutiny by the directors of the Trust, with regular reviews of monthly management accounts and performance data in conjunction with medium term financial plans highlighting key areas of risk and actions required to improve upon the financial position. Regular meetings held between finance and budget managers has provided better intelligence around the financial position providing improved forecast projections to help inform decision making.

It is the opinion of the directors, having carefully considered the financial projections for the medium term in conjunction with an assessment of risks to the Trust and an assessment of the bank position at 31 March 2018 of £3.8m, that sufficient working capital exists with no material uncertainties that call into doubt the Trust's ability to meet the ongoing operational activity of the Trust for the foreseeable future. Accordingly the financial statements are prepared on the basis of a going concern.

Quality of services;

Ofsted completed their sixth monitoring visit in April 2018. Feedback from the monitoring visits consistently references the progress being made by the Trust, however recognising a number of areas still for improvement, specifically around management oversight and consistency in practice. Detailed work plans are continually being developed to address these areas to improve standards. Progress against the work plan is reviewed on a monthly basis at the performance board and is scrutinised by the quality & innovation committee. In addition to the performance board, weekly team performance reviews are undertaken based on the latest performance data, to show areas of improvement and areas requiring further attention. Progress is overseen through the joint improvement board, represented by the Trust, Slough Borough Council and the Department for Education.

The DfE have appointed Essex County Council as improvement partners to help the Trust develop best practice and assist with the delivery against the plans.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Budgetary pressures faced by local authorities

Slough Borough Council recognise the importance of delivering quality services to children in Slough, with the children of Slough being the number one strategic priority in the 5 year plan.

The Trust negotiated a three year settlement with Slough Borough Council to 2019/20, providing a level of protection to the Trust against cuts in funding to local authorities. In addition, the service delivery contract with Slough Borough Council has provisions, subject to negotiations, for increased funding in the event that Trust experiences significant increases in demand on services which the Trust is unable to manage itself as highlighted above.

Demand led services

The Trust has made significant investment in early intervention procedures through the year. Programmes such as Pause, Innovation Hub and Home-Start are innovative ways of approaching early intervention helping to stabilise the lives of the families and women the Trust are working with, the expectation being for reductions in demands in the future. A key aspect to this work is working in partnership with police, health, housing and drug and alcohol specialists. Developing relationships with communities to help support families in crisis and Slough Borough Council to offer activities for young people.

The Trust recognises it is a small entity and low numbers of children in care compared to other larger county councils, as such has limited buying power. Through the year the Trust has explored collaboration agreements with other authorities to procure sufficient residential places allowing for more choice at a better price should a young person require an external residential placement.

Short supply of specialist workforce

The Trust launched its website early in the year, a powerful medium to help inform prospective new staff to the Trust. The website being one area of marketing exploited through the year, but advertising in key social worker journals, along with a number of published articles regarding the Trust, have helped promote the Trust as an employer of choice.

The Trust also invested in a dedicated recruitment team to focus on bringing new people into the Trust, working with recruitment specialists and trade magazines to help target a recruitment campaign.

Recruiting new staff is only part of the answer, the retention of staff is equally as important. The Trust is continually developing its induction programme, ensuring staff have the knowledge and tools on joining the organisation to enable them to fulfil their roles well. Part of the retention strategy is providing career development opportunities. The Trust has been successful in recruiting newly qualified social workers into the Trust and offering them permanent employment following their assessed and supported year in employment.

The Trust has invested in systemic practice and continues to support staff in their ongoing professional development. There has been a proactive recruitment drive to attract new staff to the Trust. The Trust is building a culture of passion within its workforce, developing a good reputation which will attract more workers to Slough, offering market competitive salaries alongside development opportunities.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Development and performance

The Trust has continued to make progress against improvement plans during the year as highlighted through the Ofsted monitoring visits which have all shown that improvements have been made and the Trust is now providing a much better service to children, young people and families in Slough.

The Trust is working to a plan to be 'Good' as an Ofsted rating in the coming years. The next Ofsted inspection is expected in Autumn 2018 with the Trust expected to achieve significant improvements from the last inadequate rating in 2015.

Progress has been made on a number of fronts against the plan. The Trust:

- Has been successful in attracting and recruiting permanent staff. As at 31 March 2018, 84% of staff were recorded as permanent compared to 80% at the same point last year, helping to create stability in the workforce.
- Has placed children closer to Slough with 75% of placements now within 20 miles, and a 40% increase in the numbers placed in Slough. This helps reduce any potential disruption to the child from being further away, and allows them to be more stable in their placement.
- Created a care leaver service which previously had not existed and invested in personal advisors to support care leavers on their journey to adulthood. Every care leaver now has an allocated worker and a pathway plan helping to expand their opportunities once they reach adulthood.
- Has significantly increased the percentage of children in care who participated in their review from 88.7% in 2016/17 to 97% in 2017/18.
- Invested in first contact to ensure a proficient triage service and engagement with partner agencies to ensure contacts are dealt with effectively and in a timely manner.
- Has increased the percentage of children returning to the care of their parents each year for the last three years, from 29.6% in 2015/16, 37.6% in 2016/17 to 39.4% in 2017/18. This signifies better partnerships with birth families, better use of the NSPCC reunification guidelines and better use of Placement with Parent regulations.
- Created a Local Area Designated Officer (LADO) post and function to ensure safeguarding of children in the wider Slough workforce.
- Strengthened the sexual exploitation and missing risk assessment conference (SEMRAC) to ensure young people are not at risk of sexual exploitation.
- Expanded services in our respite unit, Breakaway, to include residential placements seven days a week, offering more services to more children with disabilities in Slough.
- During the year the Trust has successfully increased the utilisation of our residential unit, Mallards, to greater effect. Mallards was considered for closing on the basis it was a costly service with little utilisation, however the unit was near full capacity through the year, with the prospect of expansion of a further bed following investment from Slough Borough Council.
- Increased the number of in-house carers by 40% when most authorities are losing carers. The numbers of children now placed with in-house carers exceeded that of external foster carers, returning on the investment to save monies made by SBC.
- Engaged successfully with Health to acknowledge continued health care for our young people, delivering reductions in the Trust's cost base but ensuring the child is receiving the right care at the right time.
- Created the Innovation Hub working with domestic abuse cases following successful bidding for DfE innovation funds, with the number of repeat referrals falling from families who have participated in the scheme.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Key performance indicators

The number of contacts leading to a referral have reduced to 13.2% in the year (8.4% in March) compared to 22.5% in the prior year, reflecting a growing effectiveness of the Multi Agency Safeguarding Hub (MASH) and Early Intervention Service. The development of early help strategies in Slough Borough Council are expected to reduce the number of contacts received by the Trust going forward.

87% of referrals received had a decision and authorisation within one day by March 2018 compared to 95% for the same period last year. This is partly deliberate allowing more time to consider and reflect on the right course of action to be taken.

As at 31 March 2018, there were 162 children subject to a child protection plan. Of these, only two, or 1.2% had been on a plan for more than two years, lower than the statistical neighbours average of 2.8%. The number of children on a repeat plan within two years has fallen from 9.2% to 8.3%, compared to the English average of 18.7% with numbers per 10,000 population at 38.4 compared to 49.7 for statistical neighbours.

74.3% of Initial Child Protection Conferences are held within the statutory timescales, (70.6% in March), this is lower than our statistical neighbours at 75.6%, and is a reduction on 17/18 of 82.2%. There have been a variety of reasons for this, namely lack of available interpreters and the size of the conferences due to the number of siblings often involved.

The number of children looked after has increased by 16 through the year to 206 as at 31 March 2018. Per 10,000 population Slough are below statistical neighbours and England averages with 48.8 compared to 59 and 62 respectively.

24.9% of children looked after were placed over 20 miles away. This is an improvement on 16/17 (31.7%) and is in part due to the increasing availability of in-house foster carers and placing children with family or friend carers.

62.4% of care leavers were in education, employment or training during 17/18. At March this was 67.3%, a significant improvement on 16/17 performance of 44.2%, and higher than statistical neighbours and the England average.

Position at the year end

The Trust delivered a loss for the year to 31 March 2018 of £1.9m. There are three main areas contributing to the losses. Placement costs were behind plan, a combination of 8 placements above plan on average through the year due to unprecedented levels of remand cases, a rise in mother and baby cases and growth in external fostering cases in the year. Even though significant progress was made in the recruitment of in house carers, the Trust did not meet full expectations.

Legal fees were behind plan as a result of increasing numbers of proceedings through 2017/18, an increase of 27% in cases from 2016/17.

Plans to reduce agency staff did not fully come through to fruition, a result of ensuring safe practice with increased demands on services in the second half of the year.

The directors have considered the position regarding ongoing concern which is articulated further under Principle Risks and Uncertainties.

The Trust has net liabilities of £4.2m at 31 March 2018, taking account of the losses for the year in addition to the carried forward losses as at 31 March 2016 of £2.3m.

The main asset of the Trust being the cash at bank balance of £3.8m.

Slough Borough Council made a payment in advance on the contract to provide sufficient working capital to the Trust to operate on a daily basis. The advance payment is repayable at the end of the 6 year contract with Slough Borough Council and therefore the liability of £4.2m shows as falling due after one year.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Other information and explanations

Employee matters

The company continues to develop staff through a wide and varied training programme, ensuring our staff have the right skills to perform their roles and develop their careers. The company remains an equal opportunities employer, giving full and fair consideration to disabled persons applying for positions within the company, and implements rigorous health and safety management processes.

Environmental matters

The company is committed to minimising the impact of its activities on the environment and to continually improve its environmental performance through initiatives such as the use of electric cars for local business travel and the use of tablet technology to reduce reliance on paper.

Statement of internal control

The Trust has an ultimate responsibility to ensure financial information is accurate, as are accounting records, and that there are mechanisms in place to mitigate identified risk. The Trust uses external auditors to advise on operational control matters and has recently engaged the services of internal auditors to develop greater internal controls and risk management protocols.

The Trust continues to develop and embed systems of internal control. These include:

- Policies and procedures regarding key systems – finance, payroll and children in care payment services.
- Development and recruitment of experienced and suitably qualified staff. Regular supervision along with annual appraisals to identify development needs will be used to maintain standards of performance.

On behalf of the board



R W Tapsfield

Director

18 October 2018

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their annual report and financial statements for the year ended 31 March 2018.

Principal activities

The principal activity of the company continued to be that of providing support and social care services for children, young people and families in Slough.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

R W Tapsfield	(Appointed 4 May 2017)
N J Clemo	(Resigned 27 April 2018)
M J Marsden	
J D Pettit	
E Railton	
D Wilkins	(Resigned 31 January 2018)
E V Simpson	(Resigned 1 May 2017)
E F De Mello	(Appointed 2 November 2017)
K Usmani	(Appointed 5 October 2017)
K M Morris	(Appointed 1 July 2018)
P McDonald	(Appointed 1 July 2018)

Results and dividends

The results for the year are set out on page 13.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Future developments

The directors are focused on the Trust securing an Ofsted judgement of 'Good' in the coming years but with an expectation of seeing significant improvement from the Inadequate rating back in 2015 after the imminent inspection expected in the Autumn of 2018. In developing the Trust business strategy, six key strategic aims have been identified and are being worked to:

1. Developing a child and family centred service which will deliver the right outcomes for children and meet Ofsted's requirements.
2. Being an employer of choice – excellent staff deliver excellent services – making the Trust a great place to work, building on behaviours and culture within the Trust to maintain a focus on improving quality, learning, information and workforce.
3. Modelling strong and inspiring leadership throughout the organisation – ensuring we are focused as an organisation and delivering against plans.
4. Encouraging innovation in our workforce to think differently to get the right solutions for our children and families
5. Partnerships – ensuring close working relationships with key partners including Slough Borough Council, police, health, schools, and a focus on community groups to deliver on the early intervention model
6. Sustainable – by developing a business model that allows the Trust to continue to operate into the future within the funding available.

The directors are optimistic for the future success and sustainability of the Trust on the basis negotiations with Slough Borough Council prove successful. The Trust are developing a three year business plan to underpin the business strategy, to ensure requirements are clearly understood and owned in the Trust to develop and enhance services at a more cost effective rate to ensure a continued ability to provide excellent services to children and families in Slough.

The Trust are working with Essex County Council as appointed improvement partners to develop service areas to ensure they are fit for purpose and at standards in readiness for the next Ofsted inspection.

The Trust has invested in its learning and development team to create a training programme to raise the quality of output from the workforce and delivers consistency in practice. Providing the tools and mechanisms for managers to performance manage effectively.

The Trust is working in partnership with Slough Borough Council to reduce the need for children to come into care, working with families, schools, police and health to ensure partners understand support available in the community for children and families, enabling the Trust to focus on supporting children and families who are most in need.

The Trust is developing its commissioning function, to develop markets to meet the demands on services within the Trust. Ensuring there is sufficient supply now and in the future to meet projected demands in a cost effective manner. Developing framework agreements with other local authorities to increase buying power to deliver more cost effective rates.

The Trust has recently appointed internal auditors with the aim of tightening up governance arrangements and embedding a robust risk management framework.

The Trust continues to seek additional funding opportunities to build on current creative approaches to children's care service and is in the process of bidding for additional support for families with alcohol issues.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

Auditor

Mercer & Hole were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

Having reviewed the company's financial forecasts, their current and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the going concern basis has been adopted in preparing the financial statements for the year ended 31 March 2018.

Employees

The Trust has an establishment of 314 full-time equivalents or 314 posts, and employed 271 permanent staff and 40 agency workers as at 31 March 2018. 22% of the workforce are qualified front line practitioners.

The Trust is an equal opportunities employer, 81% of the workforce is female and 19% male. The mean gender pay gap reported stands at 7.2%, well below the national average.

On behalf of the board



R W Tapsfield

Director

Date: 18 October 2018

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SLOUGH CHILDREN'S SERVICES TRUST LIMITED

Opinion

We have audited the financial statements of Slough Children's Services Trust Limited (the 'company') for the year ended 31 March 2018 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Other information

The directors 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
 - the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.
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SLOUGH CHILDREN'S SERVICES TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SLOUGH CHILDREN'S SERVICES TRUST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Steve Robison

Steve Robison FCA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole

29 October 2018

Chartered Accountants
Statutory Auditor

Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

SLOUGH CHILDREN'S SERVICES TRUST LIMITED
 STATEMENT OF INCOME AND RETAINED EARNINGS
 FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Income	3	31,853,796	35,268,779
Administrative expenses		(33,776,413)	(37,373,983)
Operating deficit	4	(1,922,617)	(2,105,204)
Interest receivable and similar income	7	4,537	9,703
Deficit before taxation		(1,918,080)	(2,095,501)
Tax on deficit	8	-	-
Deficit for the financial year		(1,918,080)	(2,095,501)
Retained earnings brought forward		(2,285,869)	(190,368)
Retained earnings carried forward		(4,203,949)	(2,285,869)

The Income and Expenditure Account has been prepared on the basis that all operations are continuing operations.

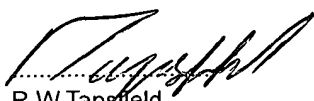
SLOUGH CHILDREN'S SERVICES TRUST LIMITED

BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	10	796,024		1,908,263	
Cash at bank and in hand		3,813,621		5,348,172	
		4,609,645		7,256,435	
Creditors: amounts falling due within one year	11	(4,788,038)		(5,516,748)	
Net current (liabilities)/assets			(178,393)		1,739,687
Creditors: amounts falling due after more than one year	12		(4,025,556)		(4,025,556)
Net liabilities			(4,203,949)		(2,285,869)
Reserves					
Income and expenditure account	15		(4,203,949)		(2,285,869)

The financial statements were approved by the board of directors and authorised for issue on 18 October 2018 and are signed on its behalf by:



R W Tapsfield
Director

Company Registration No. 09487106

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018		2017	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(1,539,088)		68,364
Investing activities					
Interest received		4,537		9,703	
Net cash generated from investing activities			4,537		9,703
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(1,534,551)		78,067
Cash and cash equivalents at beginning of year			5,348,172		5,270,105
Cash and cash equivalents at end of year			<u>3,813,621</u>		<u>5,348,172</u>

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

Company information

Slough Children's Services Trust Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Ground Floor, St Martin's Place, 51 Bath Road, Slough, Berkshire, SL1 3UF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

This matter is further detailed in the principal risks and uncertainties section of the strategic report.

1.3 Income and expenditure

The Trust's income relates principally to revenues receivable from Slough Borough Council for provision of Children's Services within the borough, but also includes grant income from the Department of Education and other smaller bodies.

Contract and grant income is recognised on an accrual accounting basis. Grant income is recognised only when there are reassurances that the Trust has complied with the conditions attached to the grant and that the grant will be received. In addition grant income is recognised as income over the period necessary to match them with related costs for which they are intended to compensate.

1.4 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through surplus and deficit, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in surplus or deficit.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in surplus or deficit.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Taxation

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

1 Accounting policies

(Continued)

The tax currently payable is based on taxable surplus for the year. Taxable surplus differs from net surplus as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

The company has received admitted body status into the Royal County of Berkshire pension fund. As part of this agreement Slough Borough Council ("SBC") retain the liability for employer transferring into Slough Children's Services Trust Limited ("SCST") and in the event that the services provided by SCST are transferred back to SBC, all assets and liabilities are also transferred back to SBC. The directors therefore believe their participation in the scheme is more fairly presented as a defined contribution scheme with payments being charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

No management judgements in applying the accounting policies of the Company were made that have a significant effect on the financial statements.

3 Income

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in England and Wales.

4 Operating deficit

	2018	2017
	£	£
Operating deficit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	18,503	21,621
	<u>18,503</u>	<u>21,621</u>

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018	2017
	Number	Number
Senior management team	21	22
Corporate services	32	30
Operations staff	225	228
	<u>278</u>	<u>280</u>

Their aggregate remuneration comprised:

	2018	2017
	£	£
Wages and salaries	10,754,260	9,439,115
Pension costs	989,476	773,222
	<u>11,743,736</u>	<u>10,212,337</u>

6 Directors' remuneration

	2018	2017
	£	£
Remuneration for qualifying services	492,826	294,416
Company pension contributions to defined contribution schemes	41,442	20,033
	<u>534,268</u>	<u>314,449</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2017 – 2).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2018	2017
	£	£
Remuneration for qualifying services	138,613	128,483
Company pension contributions to defined contribution schemes	16,634	15,756
	<u>155,247</u>	<u>144,239</u>

Key management personnel are considered to consist of only the directors mentioned on the company information page.

SLOUGH CHILDREN'S SERVICES TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

7 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	4,537	9,703
	<u>4,537</u>	<u>9,703</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through surplus or deficit	4,537	9,703
	<u>4,537</u>	<u>9,703</u>

8 Taxation

No liability to UK corporation tax arose on ordinary activities for the period.

9 Financial instruments

	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	325,114	318,157
	<u>325,114</u>	<u>318,157</u>
Carrying amount of financial liabilities		
Measured at amortised cost	4,504,161	5,266,800
	<u>4,504,161</u>	<u>5,266,800</u>

10 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	325,114	318,157
Other debtors	-	150,314
Prepayments and accrued income	470,910	1,439,792
	<u>796,024</u>	<u>1,908,263</u>

11 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	478,136	1,004,238
Other taxation and social security	283,877	249,948
Other creditors	573,400	469,752
Accruals and deferred income	3,452,625	3,792,810
	<u>4,788,038</u>	<u>5,516,748</u>

SLOUGH CHILDREN'S SERVICES TRUST LIMITED
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE YEAR ENDED 31 MARCH 2018

12 Creditors: amounts falling due after more than one year		2018	2017
	Notes	£	£
Deferred income		4,025,556	4,025,556
		<u> </u>	<u> </u>

13 Retirement benefit schemes		2018	2017
Defined contribution schemes		£	£
Charge to profit or loss in respect of defined contribution schemes		989,476	773,222
		<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions of £138,993 (2017 - £115,247) were outstanding at the balance sheet date.

The company has received admitted body status into the Royal County of Berkshire pension fund. As part of this agreement Slough Borough Council ("SBC") retain the liability for employer transferring into Slough Children's Services Trust Limited ("SCST") and in the event that the services provided by SCST are transferred back to SBC, all assets and liabilities are also transferred back to SBC. The directors therefore believe their participation in the scheme is more fairly presented as a defined contribution scheme with payments being charged as an expense as they fall due.

14 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

15 Income and expenditure account

Income and expenditure account represents cumulative profits and losses.

16 Cash generated from operations		2018	2017
		£	£
Deficit for the year after tax		(1,918,080)	(2,095,501)
Adjustments for:			
Investment income		(4,537)	(9,703)
Movements in working capital:			
Decrease in debtors		1,112,239	7,488,352
(Decrease) in creditors		(728,710)	(5,314,784)
Cash (absorbed by)/generated from operations		<u>(1,539,088)</u>	<u>68,364</u>