



Charity Registration No. 1018963

Charity Registration No. SC039052 (Scotland)

Company Registration No. 02779751 (England and Wales)

## **THE ADOLESCENT AND CHILDREN'S TRUST**

(A COMPANY LIMITED BY GUARANTEE)

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2025**

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

### LEGAL AND ADMINISTRATIVE INFORMATION

<b>Trustees</b>	Mr B. O'Donoghue (Chair) Mr M. Scott (Vice Chair & Treasurer) Mr. P. Woodman Mr P. Anderson Mrs J O'Connell Mr T, Bingham Mr F. Yeo Ms C. Okaro Mr R. Penney Ms L. Johnstone
<b>Chief Executive</b>	Mr A. Elvin
<b>Secretary</b>	Mr L. King
<b>Charity number (England and Wales)</b>	1018963
<b>Charity number (Scotland)</b>	SC039052
<b>Company number</b>	02779751
<b>Principal address and registered office</b>	98 Station Road, Sidcup, Kent, DA15 7BY
<b>Auditors</b>	HW Fisher Audit Acre House 11-15 William Road London NW1 3ER
<b>Bankers</b>	HSBC Plc Level 3 8 Canada Square London E14 5HQ
<b>Lawyers</b>	
<b>Corporate &amp; Employment</b>	Lee Bolton Monier-Williams, 1 The Sanctuary, London, SW1 3JT
<b>Social Care</b>	S. Carr & Co, 416 Mare Street, Hackney, London E8 1HP
<b>Property</b>	Meade King LLP, Springfield House, 45 Welsh Back, Bristol, BS1 4AG
<b>Contracts &amp; Charity</b>	DAC Beachcroft LLP, Portwall Place, Portwall Lane, Bristol, BS1 9HS
<b>Mergers &amp; Acquisitions</b>	DTM Legal Archway House, Station Road Chester Cheshire CH1 3DR

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# THE ADOLESCENT AND CHILDREN'S TRUST

*(A COMPANY LIMITED BY GUARANTEE)*  
TRUSTEES REPORT

## CHAIRMAN'S STATEMENT

It is my privilege to present the Annual Report and Financial Statements of The Adolescent and Children's Trust (TACT) for the year ended 31 March 2025. This has been a year of both consolidation and growth. Despite a highly challenging environment for foster carer recruitment and the ongoing pressures of the cost-of-living crisis, TACT has remained true to its mission: to provide high-quality, not-for-profit foster care where children and young people can thrive.

We are proud that all of TACT's services remain rated Good or Outstanding by our regulators. Alongside this, TACT was recognised as the fifth best charity to work for in 2024, securing our first ever three-star accreditation for world-class employee engagement. This reflects the dedication and professionalism of our staff and foster carers, who consistently go above and beyond for children in our care. Innovation has continued to define our work, with the expansion of TACT Connect, our lifelong community for care-experienced young people, receiving national awards for innovation and impact. We also piloted initiatives such as our Inclusive Weekend for families with children with disabilities, and further embedded trauma-informed practice across our organisation.

A particular highlight was the successful acquisition of Foster Care Values Limited in North Wales, bringing 27 carers and 46 children into the not-for-profit sector. This strengthens our presence in Wales and aligns with the Welsh Government's commitment to end profit in children's social care.

We have also strengthened the direct support available to children through our education and health services. In education, we worked with 240 young people this year, preventing exclusions, supporting exam success, and helping unaccompanied asylum-seeking children with tailored resources and advice. In health, we began redesigning our approach so that children facing long waits for CAMHS or struggling with traditional clinical models can receive timely and effective support. By focusing on self-harm, suicidal ideation, and other priority areas, we are building a service that addresses urgent needs and helps young people engage positively with their education and family life.

Financially, TACT delivered a surplus of £568k (2024: £1,174k). While this represents a reduction compared with last year, it was achieved alongside significant investment in carers and staff, including over £800k in enhanced support and reward packages. Free reserves rose to £9.7m, well above our minimum policy requirement, and cash balances closed the year at £8.1m. This strong position allows us not only to withstand sector headwinds but also to invest in opportunities for growth and impact.

The fostering sector continues to face acute pressures. The loss of experienced carers, combined with the challenges of recruiting new ones, remains the most significant risk to meeting children's needs. TACT is addressing this with a transformed recruitment approach, a renewed rewards framework, and a focus on well-being, education and health expertise to strengthen the support we provide to families. We also remain alert to the wider economic environment. Inflation and

funding constraints for local authorities continue to place pressure on foster carers and on the sustainability of provision. Our strong reserves give us confidence that TACT can remain resilient, but we must also continue to adapt and advocate for systemic reform.

I would like to thank my fellow Trustees, our Chief Executive, Andy Elvin, and the dedicated staff and foster carers across TACT. Their commitment ensures that thousands of children and young people have

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**TRUSTEES REPORT**

stability, care, education, health support, and opportunities to flourish. TACT remains determined to provide value-driven, ethical fostering, reinvesting every pound into improving lives. With a strengthened financial base, a clear strategic direction, and a community united by purpose, I am confident that we will continue to make a lasting difference.

*Bert O'Donoghue*

**Bert O'Donoghue**

**Chair**

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**TRUSTEES REPORT**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Board presents its report with the financial statements and the auditor’s report for the financial year ended 31 March 2025. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) (effective 1 January 2019).

**LEGAL STATUS**

The Adolescent and Children’s Trust (TACT) was incorporated as a company limited by guarantee, on the 14 January 1993. On the 19 March 1993, TACT sought and obtained charitable status.

TACT is described as an ‘incorporated’ charity with company registration number of 0277951 and charity registration number 1018963. On the 8 April 2008, TACT was formally registered as a charity in Scotland (Reg No: SC039052).

**THE ORGANISATIONAL AND DECISION-MAKING STRUCTURE**

**The Board of Trustees**

The Trustees who served during the year were:

Name	Occupation	Appointed	Resigned
Bert O Donoghue	Retired Business Director	27/03/2024	
Michael Scott	Retired	23/09/2020	
Philip B. Woodman	Accountant	05/12/2023	
Paul Anderson	Social Worker	26/01/2021	
Jennifer O’Connell	Global Legal, Regulatory, and Compliance Lead (former Lawyer)	21/09/2021	
Tom Bingham	Retired Marketing and Communications Director	30/11/2021	
Richard Penney	Finance Director	19/06/2024	
Chizoma Okaro	Director of Human Resources	19/06/2024	
Francisco Yeo	Chief Information & Technology Officer	19/06/2024	
Lorraine Johnstone	Consultant Clinical and Forensic Psychologist	11/09/2024	
Lisa Waterman-Glasgow	Communications Director	30/06/2015	19/06/2024
Marium Shafique	Service Manager	11/09/2024	31/01/2025

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### TRUSTEES REPORT

#### Structure

At 31 March 2025, the Board of Trustees comprised ten members.

The Board of Trustees govern the Charity and manage its resources so that it can meet its charitable objectives. They review the mission, vision and values regularly and have concluded that they are still relevant.

To effectively undertake its governance responsibility, the Board delegates detailed scrutiny to: *(i) the Finance, Audit and Risk Committee; (ii) the Children's Services and Safeguarding Committee; (iii) the People & Culture Committee. The membership of each Committee is as follows:*

Finance, Audit and Risk (FARC) Committee	Children's Services and Safeguarding Committee	People & Culture Committee
M Scott (Chair) T Bingham P Woodman F Yeo R Penney	T Bingham (Chair) P Anderson	C Okaro (Chair) B O Donoghue

The Chair of each Committee reports to the Board, and this informs the decision making at that level. All new Trustees undergo an induction process, which includes TACT's governance arrangements, and clarifies the Trustees duties and responsibilities and sets out its key organisational policies. Ongoing training is provided for Trustees as need identified through annual performance review discussions.

The Board of Trustees is always keen to evaluate its effectiveness and to find varying ways to add value to the Charity. Every year, the Trustees undertake an 'Away Day'. The intent is to enable them to consider their inter-relationships at Board level, the degree of cohesiveness and how these factors influence 'decision making', especially on matters of critical strategic significance.

#### SENIOR MANAGEMENT STRUCTURE

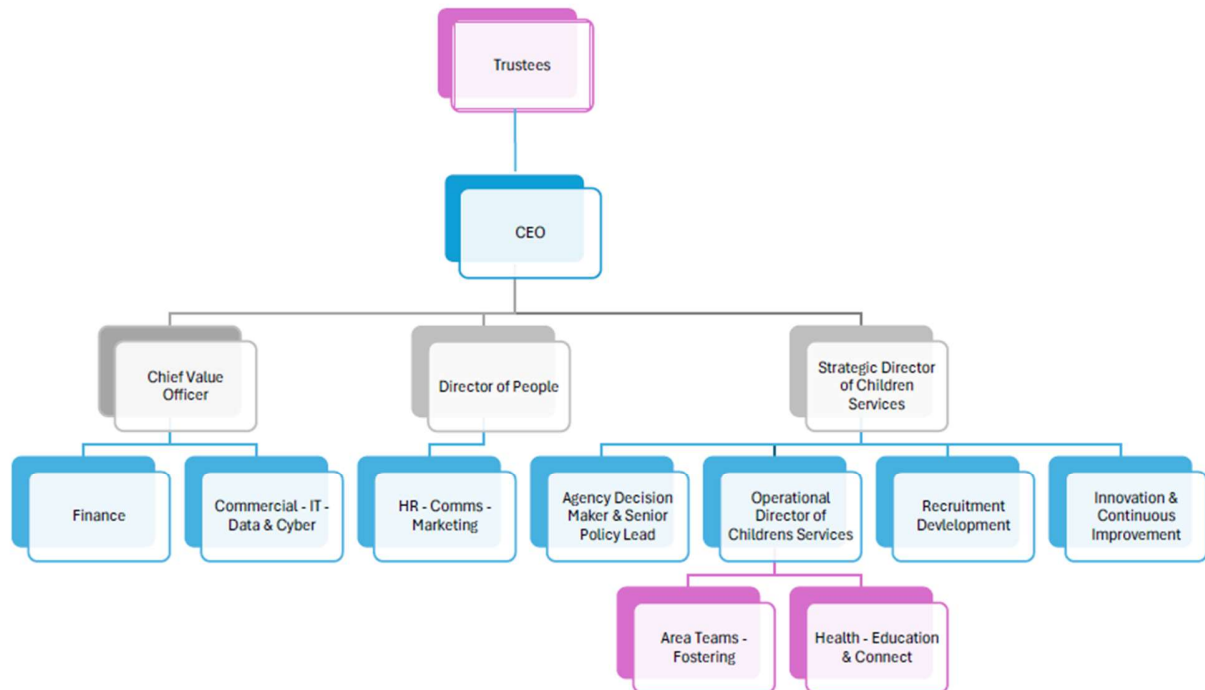
The Executive Board has been led by Mr Andy Elvin CEO since September 2014 and is responsible for driving the strategy delineated in the strategic plan, agreed by the Board. The Senior Management Team (SMT), comprising Area Managers and led by the Executive Directors, manage the processes which underpin the strategy and monitor the outcomes.

Executive Board pay is predicated on the latest job description and person specification, which is used as a basis for an evaluation by, Reward Connected, an independent agency. Each job is ranked using a matrix which utilises a set of factors including but not exclusively, skills, intellectual

demands, judgement and use of resources set against the scope and difficulty of the work involved. The evaluation score emerging from this exercise is set against an agreed 'TACT Pay and Remuneration Table', from which the salary and/or salary range is determined.

# THE ADOLESCENT AND CHILDREN'S TRUST (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

## Organisational Structure



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**TACT'S STRATEGIC PLAN**

2023 - 2028

TACT's strategic plan for 2023-2028 will focus on ensuring that children, young people and care experienced adults have the

**BEST LIVES**



**OUR STRATEGIC PRIORITIES**

- ★ To begin our journey to become a fully **TRAUMA INFORMED** organisation.
- ★ To be the fostering **CHARITY OF CHOICE** for foster carers, staff and stakeholders.
- ★ To ensure we have the resources to enable TACT to **INNOVATE AND GROW.**
- ★ To be trailblazers in being there for our **CHILDREN FOR LIFE** and ensuring that all our children **HAVE THE BEST CHILDHOOD** and access to a lifelong caring community.



**TACT'S MISSION & VALUES**

**CONNECTED & INCLUSIVE**



**CARING & COMPASSIONATE**



**CREATING BETTER LIVES**  
FOR CHILDREN,  
YOUNG PEOPLE  
& CARE EXPERIENCED  
ADULTS



**CHILD & PEOPLE CENTRED**



**CHARITABLE & FAIR**



# THE ADOLESCENT AND CHILDREN'S TRUST (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

## ★ BETTER LIVES

Give children, young people and care experienced adults the **best lives**.

## ★ OUTSTANDING PEOPLE

Provide staff and foster carers with the **skills and support** they need to enable our children and young people to reach their full potential.

## ★ BE THE BEST

Be the **leading voice** in the fostering sector and the first choice for those who want to foster. Be a **model of excellence** in the care and support we provide children and young people.

## TACT'S Aims



## ★ STRONG FINANCES

Ensure the organisation has the **resources it needs to create better lives** for children, young people and care experienced adults.

## ★ SPEAK UP

Stand with children, young people and care experienced adults, making sure their **voices are heard** and **choices are respected**.

## ★ INNOVATIVE & EMPOWERING

Be **open to new ideas** to better support our children, young people and care experienced adults.

## ★ A COMMUNITY FOR LIFE

Support those we **care** for **throughout their entire life**, not just until they move out of their foster homes to live independently.

# THE ADOLESCENT AND CHILDREN'S TRUST (A COMPANY LIMITED BY GUARANTEE) TRUSTEES REPORT

## STRATEGIC REPORT

### ORGANISATIONAL AND ACTIVITY REVIEW

Highlights of 2024/25

#### Inspection Reports and Activity

TACT represents 14% of the total Voluntary sector provision, all of TACT's services are rated Good or Outstanding, in 24/25 we achieved 3 Good ratings. Attracting new carers remains challenging, however we launched a community-based strategy at the end of 2024/25 and are excited to see the impact.

#### TACT named fifth best charity to work for (best companies <sup>TM</sup>)

In September 2024, TACT was named the fifth best charity to work for following its annual Best Companies Survey by bHeard. We rose 11 places and were also ranked the 17<sup>th</sup> best medium-sized organisation to work for. In addition, we achieved our first three-star accreditation – the highest possible result – representing world class levels of employee engagement. This was thanks to improvements in seven of the eight core areas, measured entirely by colleague feedback, and is testament to everyone's hard work and commitment in making TACT a great place to work.

#### Carer satisfaction levels remained high

165 carers completed our annual carer satisfaction survey in 2024, and the results found that satisfaction levels remained high. 92% of respondents were satisfied with being a TACT foster carer and 94% told us they were satisfied with the level of support we provide. 77% agreed that positive changes have happened as a result of their feedback in previous years. We also gathered feedback on our carer communication channels and approaches, and 90% were satisfied with the ways in which they get their news and updates from us.

#### Inclusive Weekend

Our first inclusive weekend for children with disabilities and their carers took place, with 8 families enjoying a weekend in May together exclusively at a specialist holiday centre in Lincolnshire. The families greatly enjoyed sharing time together with families with similar needs. The activity was funded through additional activity funding made available by our Trustees.

#### TACT Carers Recognition

Barbara and Rob Colombo, foster carers since 2011 with TACT, have been awarded an MBE for their dedication to fostering. Julia and Adan, two of our foster carers in Wales, have been honoured with the prestigious 'Outstanding Carers of the Year' award at the Cardiff Bright Sparks Awards.

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### TACT West Midlands Children's Awards

TACT West Midlands held their first Children's Celebration Awards Ball. It was an amazing day and thoroughly enjoyed by all those attended. The event recognised the amazing achievements of TACT's foster children within the West Midlands to highlight their strengths and resilience. The children walked the red carpet and collected their certificate from the Mayor of Sandwell with a big smile on their faces. One of our children wrote and read a beautiful poem for the occasion which reminds us of the power of our work. Some of the achievements were evidence of our children's determination to succeed regardless of life obstacles. This was a proud moment for our children, carers and the team.

### Transformation in Carer Recruitment

Activity continued to be a concern in 24/25 as carer recruitment is still very challenging. However, we successfully completed a transformation of our carer recruitment approach in 24/25 which has now launched, and initial signs are positive.

### Connect

Our groundbreaking and unique offer to our carer experienced community, has had an incredible year! Our unique community has grown to 234 members, all free to engage as much or as little as they like. Our enthusiastic new team is working alongside members to make sure Connect stays a lifelong community. Connect, won 2 awards: the Leaving Care Award from Children & Young People Now and The Technology-Enabled Lives and Innovation in Practice Award at the Social Worker of the Year Awards. These wins have sparked exciting opportunities to expand beyond our private network, as other organisations start to recognise the value we offer. After a great annual review, we took time to reflect and define our core values — *The Connect Way*: Teamwork, Respect, Empathy, Adaptability and Trust. The team is now putting these into practice, preparing to launch TACT and Connect-wide through the rest of 2025 and into 2026. Exciting times for Connect!

### Launch of new TACT website

In September 2024, TACT successfully launched a new, focused website aimed at enhancing our foster carer recruitment efforts. The newly launched website offers a more user-friendly experience, with improved navigation and clearer information pathways for prospective foster carers. It showcases our area teams more effectively, helping to build trust and local connections. The new website positions TACT strongly for future growth in recruitment, while reinforcing our commitment to providing clear, accessible information for all users. We also moved across to the new URL of [tactfostering.org.uk](https://tactfostering.org.uk) to have a stronger brand identity.

### TACT's Community Connection Drive

In the latter half of 2024, TACT strengthened its relationships with local communities by attending over 50 events to promote fostering. These included school fairs, cultural celebrations, and community open days, helping to raise awareness and connect with a broader audience. We focused on building meaningful relationships, including a developing partnership with John Lewis to support foster care visibility and engagement. TACT also actively sought new connections with local businesses,

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### TRUSTEES REPORT

community groups, and voluntary organisations to strengthen our presence and extend our reach. These efforts support more inclusive recruitment and reinforce TACT's commitment to being rooted in the communities we serve.

#### **Lobbying and Influencing**

TACT continued to play a lead role in campaigning and lobbying for improvements in the care system, especially in foster care. Our long-standing call for the vote to be extended to 16- & 17-year-olds has now been answered with confirmation that 16- & 17-year-olds will be able to vote in the next general election. There is a reason the pension is triple locked whilst youth services have been eviscerated, hopefully young people voting in numbers will increase focus on the issues important to them.

In another success our call for profit-making entities to be excluded from children's social care has borne fruit. The Scottish government has introduced legislation that will require that all Independent Fostering Agencies in Scotland to be charities. TACT have lobbied consistently to achieve this result, and we salute the bravery and commitment of the Scottish government to end the making of profit from the childhoods of children in public care.

As Chair of the Fairer Fostering Partnership, TACT's CEO sits on the DfE Fostering Advisory Board and through this we have achieved the DfE agreeing to consult on a change to delegated authority, making it automatic when a child moves into a foster home. This is supported by the Association of Directors of Children's Services (ADCS). We are also leading on an allegations pilot which aims to improve the process of managing allegations against foster carers. This will significantly reduce foster carer attrition as it is the process, rather than allegations being upheld, that loses us carers as they do not want to risk going through it again.

#### **Acquisition of Foster Care Values Limited and Expansion in Wales**

On 1 October 2024, TACT acquired Foster Care Values Limited (FCV), a North Wales-based independent fostering agency. This strategic acquisition resulted in 27 foster carers and 46 children and young people transferring into the not-for-profit sector, in line with TACT's charitable objectives and values. This was TACT's first ever acquisition though we have completed a number of mergers over the past 30 years.

The acquisition strengthens TACT's commitment to supporting the Welsh Government's policy to eliminate profit from children's social care and enables us to deliver fostering services across the whole of Wales. It represents a significant milestone in expanding ethical fostering provision in the region and supporting sustainable, child-centred care.

These accounts consolidate the results of Foster Care Values Limited (a wholly owned subsidiary) from the date of acquisition of 1 November 2024.

Since joining the TACT Group, Foster Care Values Limited has shown encouraging signs of growth, with early indications of increased carer engagement and placement stability. We are actively investing in the North Wales service to improve infrastructure, support, and therapeutic input for carers and children.

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TACT remain focused on our mission to deliver high-quality, not-for-profit fostering provision and will continue to advocate for sustainable funding arrangements that enable long-term improvements for children in care.

#### Education Service

The Education service has provided support to 240 of our looked after young people this year, which equates to 36% of all the young people we look after.

We worked directly with 18 unaccompanied asylum-seeking children, providing them with college-ready bags, home language Education support, a UASC Carer Support group, books and equipment, individual advice around suitable schools and admissions guidance, a weekly UASC tuition group in the summer term, and individual support with university applications.

Of our young people who sat GCSEs in 2024:

- 16 Students (66%) achieved at least 5 GCSEs between grades 1-9.
- 7 students (29%) got a good pass in both English & Maths, of at least grade 4.
- 9 students (38%) got a good pass of at least grade 4 in either English or Maths.

We successfully worked with 10 young people in England and Wales to prevent their exclusion from education.

#### Health Commissioning

In the summer of 2024, we recruited a new Health commissioning manager to re-design our Health service. This work will enable us to safely commission clinical health services to work directly with our young people.

We are not only seeing lengthening waiting lists for CAMHS appointments across the UK, but also many of our young people are struggling to engage in traditional clinical models of mental health support. Our Health service will work in partnership with our local authorities and health services,

to commission timely diagnosis and support for our young people who are unable to access local services, or who require a more bespoke response.

Through the summer, we analysed the needs of the children we look after and completed research on the link between mental health difficulties and education. Self-harm and suicidal ideation are identified as priority areas for our initial phase of work. Our ambition is to ensure that every child we care for that is struggling with these issues will receive professional clinical help that is timely and effective.

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### **TRUSTEES REPORT**

#### **Trauma Informed Journey**

TACT is on a journey to embed a trauma informed organisational culture across TACT using our new values, and the five principles of Trauma Informed Practice (Safety, Trustworthiness, Choice, Collaboration and Empowerment).

Trauma informed organisations assume that people may have had traumatic experiences, adversity and hardships and, as a result, may find it difficult to feel safe within services, and to develop trusting relationships with service providers. This can be exacerbated by organisational adverse experiences, and by the very nature of the work that TACT does, working with children who have experienced high levels of trauma.

Moreover, organisations that are working with and are exposed to trauma, can also become trauma soaked and trauma inducing. It can compromise and impact the organisational immune system, and organisations themselves can operate in survival mode, which can impact organisational culture. Consequently, services need to be structured and organised to promote safety and trust and aim to prevent traumatisation.

TACT has an ambition to deliver a strong organisational culture which individuals feel part of and connected to. By following a set of trauma informed principles, we will have well supported, motivated and engaged staff who, in turn, provide more attuned, high levels of care and support to our foster families.

This is also intended to decrease secondary and vicarious trauma, burnout, and compassion fatigue amongst staff. This will have a plethora of benefits, including higher staff satisfaction, increased staff morale, improved organisational reputation, less staff sickness, more staff retention, improved decision making, and better outcomes for our children, young people and the care experienced community.

#### **Conclusion**

TACT remains committed to continuous improvement and innovation. By providing foster carers and the children in their care with the highest standard of support, we aim to ensure that every child has the best possible opportunity to achieve their full potential

#### **REVIEW OF THE FINANCIAL RESULTS**

It has been another year of strong financial progress, with improvements in both cash and net asset positions. The TACT Group reported a surplus of £568k (2024: £1,174k). During the year, we continued to rebuild reserves while also reinvesting in the services we provide.

FCV Ltd reported a loss of £221k (2024 £203k) for the 8-month period to 31<sup>st</sup> March 2025, after making Gift Aid donations of £700k to TACT.

FCV Ltd contributed £1,271k of revenue and £396k of operating profit to the group results. The subsidiary continues to perform strongly in its core geography and remains integral to the group's strategy.

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A key area of focus has been supporting our carers and staff, who are central to the care and outcomes we deliver for young people. We invested over £800k during the year in a mix of one-off and recurrent expenditure, including enhancements to carer reward packages. This reflects our commitment to ensuring carers and staff feel valued and supported in their vital roles.

Our primary source of funding continues to be local authority-commissioned foster care placements. Activity levels declined by 5.1% (2024: 5.8%) compared with the prior year, reflecting the continued reduction in carer numbers and market share seen over recent years. Carer recruitment has become increasingly challenging, influenced in part by the wider cost-of-living pressures faced by families.

Stabilising activity is now a key priority, with a strong focus on recruitment and retention forming a central part of our new strategy for 2025/26. The impact of reduced activity was partly offset by a 6.1% increase in average weekly fees charged to local authorities, reflecting both placement churn and ongoing work to strengthen our fee proposition. Our pricing has moved from the lowest in the market to align with the sector mid-point, and we continue to monitor fee levels.

Looking ahead, we remain focused on maintaining financial resilience while continuing to invest in people, services, and infrastructure to strengthen outcomes for the children and young people in our care.

In conclusion, while we have delivered another positive financial performance, sustaining historic levels of activity remains difficult in the face of a highly challenging carer recruitment market. The significant progress made in strengthening the balance sheet and rebuilding reserves has been essential, ensuring that we are well positioned to address the new realities and challenges facing the fostering sector.

### BALANCE SHEET

TACT ended the year with £7,065K (2024 £6,665K) of free reserves. The foster carer recruitment market remains challenging, and the Board of Trustees wish to ensure that TACT can weather any decline in activity but also be ready to invest in capital opportunities to drive growth including but not limited to Mergers and Acquisitions.

Foster Care Values Limited ended the year with £935K of retained profits (2024: £1,164K).

### RESERVES POLICY

TACT is committed to ensuring appropriate reserve levels, sufficient to enable the organisation to maintain capacity and, significantly, to enable TACT to accommodate planned growth.

The primary aim of TACT's reserves policy is to preserve a level of 'free' reserves – the unrestricted funds not committed or invested in fixed assets [net of any associated liabilities]. TACT's approach from April 2023 is to maintain free reserves, equivalent to 25% percent of budgeted overhead expenditure £2,750K. This leaves a surplus of £4,315K.

The reserves policy also states that TACT should hold cash levels equivalent to two months of operating expenditure, or £4,129K. On 31 March 2025, this requirement was fully satisfied as cash levels were at £8,095K.

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From April 2025, the target is to maintain free reserves at £3,800K  $\pm$ 20% (i.e. within the range of £3,000k to £4,600k) and to hold readily available cash of £2,200K. On 31 March 2025 both new requirements were satisfied.

Having made strong progress during the year in improving the organisation's financial performance, it is essential that this positive trajectory is maintained so that funds can continue to be reinvested in the development and enhancement of our services.

The carer recruitment market remains challenging, and TACT is investing significantly in both recruitment and retention initiatives. Over the next 12–18 months, we plan to further strengthen our offer through the development of innovative services. In addition, the Executive Team is actively exploring opportunities for growth through carefully considered mergers and acquisitions.

Our reserves policy continues to be met. Following a review of sector conditions, associated risks, the year-on-year improvement in our financial position, and the foundations for continued progress, the Trustees remain confident that the charity will maintain compliance with its reserves policy over the coming year.

#### GOING CONCERN

Based upon reserves, the forecast for future trading, and the market environment, the Trustees consider that the Company has adequate resources to remain in operation for the foreseeable future and have, therefore, continued to adopt the going concern basis in preparing the financial statements.

#### FUTURE

After years of relative stability, inflationary pressures have become entrenched. What was initially thought to be a temporary post-Covid rebound has been compounded by global supply chain challenges, rising energy costs, and the ongoing effects of geopolitical tensions. This sustained inflation continues to impact our carers directly, increasing the cost of living for households, and places additional pressure on local authority budgets. These headwinds reinforce the importance of maintaining strong financial discipline while continuing to invest in carers and children.

As we enter 2025/26, inflationary pressures have begun to rise again from April 2025, reversing the easing seen in the prior year. This renewed increase places additional strain on household finances, particularly for our foster carers, many of whom are already managing the wider cost-of-living challenges. The impact of the cost-of-living crisis is still deeply felt, particularly among those on lower incomes. Economic hardship remains a key driver in the increasing number of children entering care, while also making it harder to attract and retain foster carers.

Recruitment and retention of foster carers remains the most urgent challenge facing the sector. The exit of experienced carers—many of whom have fostered for a decade or more—is outpacing new entrants, especially at a time when fostering is becoming more complex. In response, TACT is investing in the holistic support of carers through enhanced mental health and well-being services, as well as increased access to educational and health expertise for the children in their care. We are also reviewing our rewards framework and targeting new, untapped audiences in our recruitment activity.

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As a charity, we are actively pursuing external funding opportunities and grants to support innovation in carer support and recruitment. We continue to work closely with local authority commissioners and other partners to co-create practical solutions to the sector's systemic challenges. Looking ahead, TACT remains committed to ensuring that children and young people

in care are placed at the centre of everything we do—advocating for reform while delivering high-quality, value-driven services.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees meet regularly and, at least annually, review the risks to which the Charity is exposed. The risks are classified for review purposes, as follows:

##### *Strategic and Governance*

Risks associated with a strategy or organisational structure e.g. over-expansion, competitive threats, poor contractual arrangements.

##### *Financial*

Risks arising from the financial structure, insufficient funding, weak asset base, systems, and transactions of the business, e.g., failure to win tender applications.

##### *Operational*

Risks emerging from operational, administrative, processes and procedures, e.g., substantial technological disruption.

##### *Regulatory and Political*

Risks posed by potential or actual changes in the regulatory and political environment, e.g. failure to comply with minimum standards, serious case review.

##### *Reputational*

Risks to the perceived quality or brand of TACT, e.g. failing Ofsted inspection.

##### *Information Security*

Risks associated with the breach or loss of restricted or personal sensitive data, or infringement of privacy, e.g. the loss of a child's historic file, cyber-attack.

#### RISK ASSESSMENT

TACT views risk in the context of the **likelihood** of an adverse outcome that is worse than expected, and where the potential **impact** of such an outcome is very significant. Known or

# THE ADOLESCENT AND CHILDREN'S TRUST

## *(A COMPANY LIMITED BY GUARANTEE)*

### TRUSTEES REPORT

identified risks are colour-coded in terms of severity – Red - Amber - Green (otherwise known as a RAG rating). This will be used to reflect the combination of likelihood, and impact of the severity of each risk. Risk is also viewed as a missed opportunity to add value to the organisation. The risk framework sets out the controls in place to avert risk and will be pursued by officers with the relevant assigned responsibilities.

#### RISK CONTROLS

The Trustees ensure that a robust risk management policy is in place, as well as associated policies and procedures e.g., business continuity, information security, health, and safety. Performance indicators, and the associated reporting processes, are in place to manage and mitigate identified and potential risks. The Trustees regularly approve a delegation of authority process, which enables Executive action to be undertaken on their behalf, should any material risks arise and require action.

#### RISK MINIMISATION

The Trustees annually review TACT's risk management framework in detail and focus on those risks to which the Charity is pre-eminently exposed. The risks are classified for review purposes. The reputational and political risks are minimised through the frequent validation and quality inspections undertaken by our regulators, e.g. Ofsted. Also, quality tests such as Customer Service Excellence, Investors in People, and the Sunday Times Best 100 companies, in which TACT participates and succeeds, will help to reduce the likelihood of these risks.

Internal scrutiny through external audits (financial) foster carer reviews, supervision, appraisals and training, all assist with risk minimisation. Finally, through its sub-committees, 'Finance, Audit and Risk' and 'Safeguarding and Children's Services', the Trustees ensure that relevant operational matters are regularly scrutinised, to provide comfort to the main Board that attendant risks are identified and addressed.

#### KEY RISKS

The Trustees have identified the principal risks as:

##### *Workforce Development*

Nationally, we have more job vacancies than people seeking work. Brexit, the impact of Covid, and a richer post fifty population not needing to work as much, has led to a contraction in the workforce. Demand for services we provide continues to be strong, and the impact of extended lockdown restrictions and financial pressures on families is yet to be fully understood, with potentially increasing demand for more complex placements than previously. It is important we need to continue to invest in developing, supporting, and training our staff and carers to be able to support these young people in the future. Ability to recruit and retain in a labour market with scarcity will be challenging, and risk to quality of service will be heightened. Paying more, or looking at new models of delivering service, will be key.

# THE ADOLESCENT AND CHILDREN'S TRUST

*(A COMPANY LIMITED BY GUARANTEE)*  
TRUSTEES REPORT

## *Foster Carer Recruitment*

The key to our business model is having a pool of foster carers, with the requisite training and skills to be able to provide good quality placement opportunities to local authorities. Attracting and retaining these highly skilled and committed carers is critical. We are developing our offer to attract more new carers, and to support them in their journeys.

## *Competition Risk*

The fostering marketplace is still fragmented, but recent years have seen the emergence of large private equity backed operators who have been driving consolidation in the independent providers' market. Local authorities act as both commissioners and providers of foster care placements. Differentiation in a crowded market becomes increasingly difficult. We continue to differentiate our offer in terms of the quality of services, stability of placements, and our commitment to helping young people achieve their aspirations through support, pre and post eighteen, within the TACT family. Placing young people's outcomes at the heart of everything we do and continuing to invest in services that contribute to support these through our fundraised initiatives, gives TACT a unique opportunity to develop its brand and offering.

## *Liquidity Risk*

Cash flow and financial projections with associated risks are routinely scrutinised by the Finance, Audit & Risk Committee.

## *Cyber and Technological Risk*

The increasing reliance on technology, move to home working, and the increase in cyber-attacks worldwide, presents additional challenges in protecting our data and systems from attack. We continue to proactively monitor our systems and strengthen our controls in this area.

## **ASSET COVER FOR FUNDS**

Note 16 and 17 sets out analysis of the assets attributable to the various funds, and a description of the funds. These assets are sufficient to meet the Charity's obligations on a fund-by-fund basis.

## **DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the Trustees has confirmed that they are not aware of any information which is relevant to the audit, of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information, and to establish that the auditors are aware of such information.

**THE ADOLESCENT AND CHILDREN'S TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**TRUSTEES REPORT**

**AUDITORS**

HW Fisher Audit were appointed auditors 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 to the Annual General Meeting.

The Board of Trustees Report, and the Strategic Report, have been approved by the Board of Trustees.

Signed:

*Bert O'Donoghue*

.....  
Bert O'Donoghue (Chair)  
**Trustee**

Date: 24 Dec 2025

## **THE ADOLESCENT AND CHILDREN'S TRUST** **(A COMPANY LIMITED BY GUARANTEE)** **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Charity's Trustees (who are also the directors of The Adolescent and Children's Trust for the purposes of company law) are responsible for preparing a Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law requires the Charity Trustees to prepare Financial Statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (Statement of Recommended Practice);
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable group will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charity and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the Charity and hence 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 the other jurisdictions.

**THE ADOLESCENT AND CHILDREN'S TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
AUDITOR'S REPORT

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF THE ADOLESCENT AND CHILDREN'S TRUST**

**Opinion**

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2025 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 as amended).

**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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and

# **THE ADOLESCENT AND CHILDREN'S TRUST**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **AUDITOR'S REPORT**

Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditors report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information contained within the annual report and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

In the light of the knowledge and understanding of the group and parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report (as well as the Directors' Report) included within the Trustees' Report.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

### AUDITOR'S REPORT

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees, who are also the Directors of the Charity for the purpose 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 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 Trustees are responsible for assessing the group's and parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditors responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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 auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

### AUDITOR'S REPORT

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected, or alleged fraud. The group and charity did not inform us of any known, suspected, or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group and charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006, the Charities and Trustees (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- We considered the incentives and opportunities that exist in the group and charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group and charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing and challenging the assumptions and judgements used by management in their estimates in respect of the amortisation of the goodwill on acquisition of the subsidiary.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets, and liabilities between unrestricted, designated and restricted funds.
- Testing all material consolidation adjustments.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the Charity's board minutes, for discussions of irregularities including fraud.
- Obtaining third-party confirmation of bank balances.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**THE ADOLESCENT AND CHILDREN'S TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Carol Rudge*

**Carol Rudge (Senior Statutory Auditor)**  
**for and on behalf of HW Fisher Audit**  
Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Road  
London  
United Kingdom  
NW1 3ER

24 Dec 2025

Date.....

# THE ADOLESCENT AND CHILDREN'S TRUST (A COMPANY LIMITED BY GUARANTEE)

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2025

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2025 £'000	Total funds 2024 £'000
<b>Income from:</b>					
Donations	1	-	6	6	6
Charitable activities	2	27,400	7	27,407	26,156
Other income	2	38	-	38	3
Investments – Bank Interest	2	306	-	306	213
<b>Total income</b>		<b>27,744</b>	<b>13</b>	<b>27,757</b>	<b>26,378</b>
<b>Expenditure on:</b>					
<i>Raising funds:</i>					
Costs of generating donations		-	-	-	78
<i>Charitable activities:</i>					
Foster care		27,182	7	27,189	25,873
Reversal of foster care costs provision	3	-	-	-	(747)
<b>Total expenditure</b>	<b>3</b>	<b>27,182</b>	<b>7</b>	<b>27,189</b>	<b>25,204</b>
<b>Net Income and net movement in funds</b>		<b>562</b>	<b>6</b>	<b>568</b>	<b>1,174</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	16	9,117	79	9,196	8,022
<b>Total funds carried forward</b>	<b>16</b>	<b>9,679</b>	<b>85</b>	<b>9,764</b>	<b>9,196</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

During the post-acquisition period a profit of £304K was earned by Foster Care Values Limited, a trading subsidiary. Foster Care Values Limited has undertaken to donate all profits to TACT - £700K was donated to TACT as a distribution in the period. Refer to note 20.

No separate income and expenditure account is presented for the parent company in accordance with the provisions of s.408 of the Companies Act 2006.

The total income of the parent company is £27,221K (2024: £26,378K). The surplus reported in the accounts of the parent company is £1,010K (2024: £1,174K).

**THE ADOLESCENT AND CHILDREN'S TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

Prior year comparatives (Parent Only)

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2024 £'000
<b>Income from:</b>				
Donations	1	-	6	6
Charitable activities	2	25,960	196	26,156
Other income	2	3	-	3
Investments	2	213	-	213
<b>Total income</b>		<b>26,176</b>	<b>202</b>	<b>26,378</b>
<b>Expenditure on:</b>				
<i>Raising funds:</i>				
Costs of generating donations		78	-	78
<i>Charitable activities:</i>				
Foster care		25,665	208	25,873
Reversal of foster care costs provision		(747)	-	(747)
<b>Total expenditure</b>	3	<b>24,996</b>	<b>208</b>	<b>25,204</b>
<b>Net income and net movement in funds</b>		<b>1,180</b>	<b>(6)</b>	<b>1,174</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	16	7,937	85	8,022
<b>Total funds carried forward</b>	16	<b>9,117</b>	<b>79</b>	<b>9,196</b>

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

Company registration number: 02779751  
 CONSOLIDATED AND CHARITY BALANCE SHEETS  
 AS AT 31 MARCH 2025

	Note	2025 Group £'000	2025 Charity £'000	2024 Group £'000	2024 Charity £'000
<b>Fixed assets:</b>					
Tangible assets	10	2	-	150	150
Investment in Subsidiary	11	-	3,990	-	-
Goodwill	19	2,612	-	-	-
<b>Current assets:</b>					
Debtors	12	2,611	2,439	3,446	3,446
Cash at bank and in hand		8,095	7,280	8,225	8,225
<i>Total current assets</i>		10,706	9,719	11,671	11,671
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	13	(2,996)	(2,943)	(2,625)	(2,625)
<i>Net current assets</i>		7,710	6,776	9,046	9,046
Creditors: amounts falling due after one year	14	(560)	(560)	-	-
<b>Total net assets</b>		9,764	10,206	9,196	9,196
<b>The funds of the Charity:</b>					
Restricted funds	16	85	85	79	79
Unrestricted funds					
- General funds		9,679	10,121	6,815	6,815
- Designated funds		-	-	2,302	2,302
<i>Total Unrestricted funds</i>		9,679	10,121	9,117	9,117
<b>Total funds</b>		9,764	10,206	9,196	9,196

The surplus for the financial year, dealt within the financial statements of the parent charity, with company no. 02779751, was £1,010K after donations from its subsidiary (Foster Care Values LTD)

The notes at pages 30 to 47 form part of these financial statements.

*Bert O'Donoghue*

.....  
 Bert O'Donoghue (Chair)

**Trustee**

*M C Scott*

.....  
 M. Scott (Treasurer)

**Trustee**

24 Dec 2025

Approved by the Trustees on

**THE ADOLESCENT AND CHILDREN'S TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025 £'000	2024 £'000
<b>Cash flows from operating activities</b>	<b>18</b>	<b>1,164</b>	<b>29</b>
<b>Cash flows from investing activities:</b>			
Proceeds from the sale of property		174	-
Acquisition of Subsidiary net of cash acquired	22	(1,468)	-
Cash invested		-	1,672
<b>Net Cash provided by investing activities</b>		<b>(1,294)</b>	<b>1,672</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(130)</b>	<b>1,701</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>8,225</b>	<b>6,524</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>8,095</b>	<b>8,225</b>

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

### 1. Accounting Policies

TACT is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 98 Station Road, Sidcup, Kent, DA15 7BY.

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

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the company's Memorandum & Articles of Association, the Companies Act 2006, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 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 (FRS102) (effective 1 January 2019).

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

#### 1.2 Basis of consolidation

These financial statements consolidate the results of the charity and its wholly owned subsidiary Foster Care Values Limited ("FCV") and are referred to as "the Group".

All group companies are incorporated in the United Kingdom with a registered address and principal address of 98 Station Road, Sidcup, Kent, DA15 7BY. The results of the subsidiary are consolidated on a line-by-line basis and include the elimination of intercompany balances. The charity has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

As a qualifying entity, the parent charity has taken advantage of the Reduced Disclosure exemption under FRS 102 to not prepare a statement of cash flows.

#### 1.3 Investment in Subsidiary

On 1 October 2024, TACT acquired 100% of the issued share capital of Foster Care Values Limited, a company incorporated in England and Wales. The purpose of the acquisition was to strengthen the charity's presence in North Wales and generate additional unrestricted income to support its charitable objectives.

In the parent company's financial statements, investments in subsidiary undertakings are stated at cost less any provision for impairment. Cost includes the purchase price and any directly attributable costs of acquisition. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. Any impairment loss is recognised in profit or loss.

The results of the subsidiary have been included in the consolidated financial statements from the date of acquisition to the reporting date (31 March 2025).

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025

### 1.4 Goodwill

Goodwill arising on consolidation is capitalised and amortised on a straight-line basis over its estimated useful economic life of ten years. The carrying value is reviewed annually for indicators of impairment.

### 1.5 Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

### 1.6 Going concern

The Trustees receive regular updates on current and forecast trading taking into account risks within the overall market and anticipated costs pressures and investment funds. These projections are scrutinised by Finance Audit and Risk Committee (FARC) and consider sensitivities to the projections and the impact on cash reserves. Based on these forecasts and the reserves maintained the Trustees are confident that the Charity can continue as a going concern for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### 1.7 Income

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

Income from foster carer fees is accounted for on a receivable basis.

Income from government or other grants, whether 'capital' grants or 'revenue' grants is recognised by following the performance model, 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 and is not deferred. Investment income is recognised on a receivable basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

Government grants are recognised at the fair value of the amount received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

### 1.8 Payment from a trading subsidiary under Gift Aid

Foster Care Values Limited has adopted a policy of paying all its taxable profits to its parent charity, TACT under a deed of covenant utilising Gift Aid.

These gift aid payments are recognised in Foster Care Values Limited as distribution through equity in the financial period in which the profits arise.

TACT recognises the income in the period in which the profits of the subsidiary arise

### 1.9 Expenditure

Expenditure including redundancy and termination payments is recognised once there is a legal

or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 MARCH 2025

a cost against the activity for which the expenditure was incurred. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise those costs associated with attracting voluntary income, in particular grant funding.
- Expenditure relating to foster care, Campaigning & Policy and Research are those elements of expenditure directly incurred in performing these activities. It also includes allocated support costs relating to this activity.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.

#### 1.10 Allocation of support costs

Resources expended are allocated to the activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned in the same proportion as direct costs.

#### 1.11 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities not readily apparent from other sources.

The Trustees are satisfied that there are no significant estimates or assumptions in the financial statements except for those associated with the recognition and measurement of the £1.4m earn-out liability arising on the acquisition of Foster Care Values limited and the amortising of the Goodwill over ten years (refer to note 19).

- **Goodwill amortisation**  
Goodwill arising on acquisition is amortised over 10 years, reflecting the Trustees' judgement of the period over which the benefits of the acquisition are expected to be realised. This assessment considered the long-term nature of local authority commissioning arrangements, expected placement stability and the integration of the subsidiary within the Group. Alternative amortisation periods were considered but were not deemed to appropriately reflect the expected pattern of benefits.
- **Contingent consideration (earn-out)**  
A liability of £1.4m has been recognised in respect of contingent consideration. This represents the Trustees' best estimate of the fair value of expected future payments based on forecast post-acquisition performance.

#### 1.12 Tangible fixed assets and depreciation

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities based on the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

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calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold property	2% straight line
Fixtures, fittings, and equipment	25-33.33% straight line

### 1.13 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 1.14 Cash at bank and in hand

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

### 1.15 Creditors and provisions

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

### 1.16 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. These financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.17 Pensions

For defined-contribution schemes, the amount charged to the SoFA in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Any difference between the charge to the SoFA and the contributions payable to the scheme is shown as an asset or a liability in the balance sheet.

### 1.18 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds are earmarked by the Trustees for a specific purpose.

# THE ADOLESCENT AND CHILDREN'S TRUST

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### 1 Income From Donations

	Unrestricted £'000	Restricted £'000	2025 £'000	2024 £'000
Donations	-	6	6	6
	-	6	6	6

### 2. Income

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total 2025 £'000	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total 2024 £'000
Fostering Fees	27,400	-	27,400	25,960	-	25,960
Grants	-	7	7	-	196	196
	27,400	7	27,407	25,960	196	26,156

### Other Income

	2025 £'000	2024 £'000
Net gain on disposals of fixed assets	27	-
Other income	11	3
	38	3

### Investment Income

	2025 £'000	2024 £'000
Investment Income	306	213
	306	213

**THE ADOLESCENT AND CHILDREN'S TRUST**  
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NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 MARCH 2025

**3. Analysis of expenditure**

	<b>Raising Funds</b>	<b>Foster Care</b>	<b>Governance Costs</b>	<b>Support Costs</b>	<b>Total 2025</b>	<b>Total 2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Staff Costs (Note 5)	-	5,018	-	4,508	<b>9,526</b>	8,697
Fees and reimbursements paid to foster carers	-	15,016	-	-	<b>15,016</b>	14,252
Training costs	-	149	-	120	<b>269</b>	241
Professional fees	-	-	-	216	<b>216</b>	405
Legal fees	-	-	41	-	<b>41</b>	33
Audit and accountancy fees	-	-	85	-	<b>85</b>	60
Trustee meeting expenses	-	-	-	26	<b>26</b>	41
Depreciation	-	-	-	3	<b>3</b>	4
Amortisation of Goodwill (Note 19)	-	-	-	137	<b>137</b>	-
Other costs	-	701	-	1,169	<b>1,870</b>	1,471
	-	20,884	126	6,179	<b>27,189</b>	25,204
Governance costs	-	126	(126)	-	-	-
Support costs	-	6,179	-	(6,179)	-	-
	-	27,189	-	-	<b>27,189</b>	25,204

**THE ADOLESCENT AND CHILDREN'S TRUST**  
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NOTES TO THE FINANCIAL STATEMENTS  
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**Prior year comparatives**

	<b>Raising Funds</b>	<b>Foster Care</b>	<b>Governance Costs</b>	<b>Support Costs</b>	<b>Total 2024</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Staff Costs (Note 5)	61	4,660	-	3,976	<b>8,697</b>
Fees and reimbursements paid to foster carers	-	14,252	-	-	<b>14,252</b>
Training costs	-	136	-	105	<b>241</b>
Professional fees	-	-	-	405	<b>405</b>
Legal fees	-	-	33	-	<b>33</b>
Audit and accountancy fees	-	-	60	-	<b>60</b>
Trustee meeting expenses	-	-	-	41	<b>41</b>
Depreciation	-	-	-	4	<b>4</b>
Other costs	-	646	-	825	<b>1,471</b>
	<b>61</b>	<b>19,694</b>	<b>93</b>	<b>5,356</b>	<b>25,204</b>
Governance costs	-	93	(93)	-	-
Support costs	17	5,339	-	(5,356)	-
	<b>78</b>	<b>25,126</b>	<b>-</b>	<b>-</b>	<b>25,204</b>

During the prior period, agreement was reached to settle a longstanding contractual dispute at a cost of £575K. This resulted in the release of a provision made in prior years in the sum of £1,322K. Foster care costs of £14,252K above are net of the reversal of the provision of £747K (shown separately on the SOFA) and for the year ended 31 March 2024 the surplus for the year, before the write back of the provision, was £427K.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
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### 4. Net income for the year

This is stated after charging:

	2025 £'000	2024 £'000
Depreciation	3	4
Amortisation of Goodwill	137	-
Auditors remuneration – Charitable Company	68	47
Auditors remuneration – Subsidiary	17	-
Auditors remuneration – 2023 under provision	-	13

### 5. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

	2025 £'000	2024 £'000
Wages and salaries	8,262	7,541
Social security costs	819	726
Pension	416	373
Redundancy and termination costs	29	57
	<b>9,526</b>	<b>8,697</b>

Included within staff costs are £370K (2024: £286K) of costs relating to agency staff.

The number of Group employees whose annual emoluments were £60K or more were:

	2025 Number	2024 Number
£60,000- £69,999	14	13
£70,000- £79,999	4	3
£80,000- £89,999	2	0
£90,000- £99,999	2	2
£110,000-£119,999	2	1
£120,000-£129,999	1	1
£140,000-£149,999	-	-
£150,000-£159,999	1	1

The key management personnel of the Charity comprise the Trustees and Senior Leadership Team, as detailed on page 3 of the Trustees' report. The total employee benefits of the key management personnel of the Group were £852K (2024- £701K).

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
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### 6. Trustees

None of the Trustees (or any person connected with them) received any remuneration during the year in their capacity as Trustees.

2 Trustees (2024 – 6) were either reimbursed for or had expenses relating to travel and accommodation paid on their behalf by the Charity of less than £1K in total, (2024 - £2K). There were no other related party transactions during the year.

### 7. Staff Numbers

The average monthly head count of employees during the year was as follows:

	2025 Number	2024 Number
Fundraising	-	1
Fostering	124	109
Support	104	94
	<b>228</b>	<b>204</b>

### 8. Pension and other post-retirement benefit commitments

The Charitable Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charitable Group in an independently administered fund. The pension cost charge represents contributions payable by the Charitable group to the fund.

	2025 £'000	2024 £'000
Contributions payable by the Charitable Group for the year	<b>416</b>	<b>373</b>

### 9. Corporation tax

As a charity, The Adolescent and Children's Trust is exempt from UK tax on income and gains to the extent that these are applied to its charitable objects. No UK tax charges have arisen in the Charity, during the year or the previous year.

However, taxation arises on the trading activities carried out by its wholly owned subsidiary, Foster Care Values Limited. The subsidiary has donated its taxable profits to the parent charity in line with its deed of covenant. As a result, no corporation tax charge arises for the subsidiary, as its distributable profits are donated before the tax becomes payable.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

### 10. Tangible fixed assets

#### Group

	Leasehold land and buildings £'000	Computers & Equipment £'000	Fixtures & Fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost:</b>					
As at 1 April 2024	280	12	3	18	313
Additions	-	-	-	-	-
Disposals	(280)	-	-	(18)	(298)
As at 31 March 2025	-	12	3	-	15
<b>Depreciation:</b>					
As at 1 April 2024	130	11	2	11	154
On disposals	(133)	-	-	(11)	(144)
Charge for year	3	-	-	-	3
As at 31 March 2025	-	11	2	-	13
<b>Net book value</b>					
As at 31 March 2025	-	1	1	-	2
As at 31 March 2024	150	-	-	-	150

#### Charity

	Leasehold land and buildings £'000	Total £'000
<b>Cost:</b>		
As at 1 April 2024	280	280
Additions	-	-
Disposals	(280)	(280)
As at 31 March 2025	-	-
<b>Depreciation:</b>		
As at 1 April 2024	130	130
On disposals	(133)	(133)
Charge for year	3	3
As at 31 March 2025	-	-
<b>Net book value</b>		
As at 31 March 2025	-	-
As at 31 March 2024	150	150

All assets were used for charitable purposes.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
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### 11. Investment in Subsidiary

The company owns 100% of the ordinary share capital of its subsidiary, Foster Care Values Limited, which is registered in England and Wales, and whose activity is fostering. A Gift Aid distribution of £700K was paid to the parent.

All of the directors of Foster Care Values Limited are executives and senior managers of TACT.

### Parent's Balance Sheet

	£'000
Consideration paid	3,990
Book Value	<u>3,990</u>

### 12. Debtors

	2025 Group £'000	2025 Company £'000	2024 Company £'000
Trade debtors	2,102	1,906	2,817
Other debtors	6	39	14
Prepayments and accrued income	503	494	615
	<u>2,611</u>	<u>2,439</u>	<u>3,446</u>

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

	2025 Group £'000	2025 Company £'000	2024 Company £'000
Trade creditors	244	232	321
Taxation and social security costs	194	194	186
Other creditors	931	931	104
Children Savings	525	525	452
Accruals and deferred income	1,102	1,061	1,542
Termination costs	-	-	20
	<u>2,996</u>	<u>2,943</u>	<u>2,625</u>

Children Savings refers to monies saved on behalf of children and the corresponding amount is held in a separate ring-fenced HSBC bank account.

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

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### 14. Creditors: Amount falling due after more than one year

	2025 Group £'000	2025 Company £'000	2024 Company £'000
Other Creditors	560	560	-

### 15. Deferred income

	2025 Group £'000	2025 Company £'000	2024 Company £'000
Brought forward	29	29	124
Released in the year	-	-	(222)
Recognised in year	-	-	127
Carried forward	29	29	29

Deferred income represents funds received in 2024-25 for delivery of services in 2025-26.

### 16. Movements in funds (current year - Group)

	Balance as at 1 April 2024 £'000	Transfers between Funds £000	Income and gains £'000	Expenditure and losses £'000	Balance as at 31 March 2025 £'000
<b>Restricted income funds</b>					
Donations for children's activities	79	-	6	-	85
Big Lottery Fund	-	-	7	(7)	-
<b>Total restricted income funds</b>	79	-	13	(7)	85
<b>Unrestricted funds</b>					
- General funds	6,815	1,910	27,744	(26,790)	9,679
- Designated funds					
o Capital Fund	1,200	(1,200)	-	-	-
o Transformation Fund	1,102	(710)	-	(392)	-
<b>Total unrestricted funds</b>	9,117	-	27,744	(27,182)	9,679
<b>Total funds</b>	9,196	-	27,757	(27,189)	9,764

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS  
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### Movements in funds (current year - Company)

	Balance as at 1 April 2024 £'000	Transfers between Funds £000	Income and gains £'000	Expenditure and losses £'000	Balance as at 31 March 2025 £'000
<b>Restricted income funds</b>					
Donations for children's activities	79	-	6	-	85
Big Lottery Fund	-	-	7	(7)	-
<b>Total restricted income funds</b>	<b>79</b>	<b>-</b>	<b>13</b>	<b>(7)</b>	<b>85</b>
<b>Unrestricted funds</b>					
- General funds	6,815	1,910	27,208	(25,812)	10,121
- Designated funds					
o Capital Fund	1,200	(1,200)	-	-	-
o Transformation Fund	1,102	(710)	-	(392)	-
<b>Total unrestricted funds</b>	<b>9,117</b>	<b>-</b>	<b>27,208</b>	<b>(26,204)</b>	<b>10,121</b>
<b>Total funds</b>	<b>9,196</b>	<b>-</b>	<b>27,221</b>	<b>(26,211)</b>	<b>10,206</b>

### Movement in funds (prior year - Company)

	Balance as at 1 April 2023 £'000	Transfers between Funds £000	Income and gains £'000	Expenditure and losses £'000	Balance as at 31 March 2024 £'000
<b>Restricted income funds</b>					
Donations for children's activities	85	-	6	(12)	79
Skills to Care	-	-	1	(1)	-
Big Lottery Fund	-	-	195	(195)	-
<b>Total restricted income funds</b>	<b>85</b>	<b>-</b>	<b>202</b>	<b>(208)</b>	<b>79</b>
<b>Unrestricted funds</b>					
- General funds	5,109	128	26,176	(24,598)	6,815
- Designated funds					
o Capital Fund	1,200	-	-	-	1,200
o Transformation Fund	1,500	-	-	(398)	1,102
o YP Fund	100	(100)	-	-	-
o Adoption Fund **	28	(28)	-	-	-
<b>Total unrestricted funds</b>	<b>7,937</b>	<b>-</b>	<b>26,176</b>	<b>(24,996)</b>	<b>9,117</b>
<b>Total funds</b>	<b>8,022</b>	<b>-</b>	<b>26,378</b>	<b>(25,204)</b>	<b>9,196</b>

\*\* TACT ended its adoption services a number of years ago

### Purposes of restricted funds

The donations for children's activities fund relate to amounts received to be spent for the benefit of children in care.

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Skills to care fund provides funding for training staff on specialist equipment.

Big Lottery Fund is provided to support our TACT Connect offering for care leavers.

### Purposes of designated funds

Capital Fund. Following a review of the Charity's property portfolio the Trustees decided during 2018/19 to divest itself of its estate which was deemed no longer fit for purpose and to use the monies raised to reinvest back into property assets or other capital purposes in the future which would support the ongoing operations of the charity. A programme of disposals commenced in March 2019 and cash receipts were designated. This is now fully utilised as part of the subsidiary acquisition.

Transformation & Innovation Fund. The Trustees have decided that this fund will be used to increase our capacity to meet our strategic goals of becoming Trauma Informed, assist us in being able to look after children who bring more complexity, increase service innovation and enable process improvement. TACT has met its strategic objectives, and remaining funds have been un-designated.

YP Fund. This year the Trustees took the decision to move the YP budget back within the remit of the area teams and keep track of it that way.

## 17. Analysis of net assets between funds (Group)

Fund balances at 31 March 2025 are represented by:

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total Funds 2025 £'000
Tangible fixed assets	2	-	2
Goodwill	2,612	-	2,612
Current assets	10,621	85	10,706
Creditors of less than one year	(2,996)	-	(2,996)
Creditors of more than one year	(560)	-	(560)
	<b>9,679</b>	<b>85</b>	<b>9,764</b>

## Analysis of net assets between funds (Company)

Fund balances at 31 March 2025 are represented by:

	Unrestricted funds 2025 £'000	Restricted funds 2025 £'000	Total Funds 2025 £'000
Investment in Subsidiary	3,990	-	3,990
Current assets	9,634	85	9,719
Creditors of less than one year	(2,943)	-	(2,943)

# THE ADOLESCENT AND CHILDREN'S TRUST

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Creditors of more than one year	(560)	-	(560)
	<u>10,121</u>	<u>85</u>	<u>10,206</u>

Fund balances at 31 March 2024 were represented by:

	Unrestricted funds 2024 £'000	Restricted funds 2024 £'000	Total Funds 2024 £'000
Tangible fixed assets	150		150
Current assets	11,592	79	11,671
Creditors of less than one year	(2,625)	-	(2,625)
	<u>9,117</u>	<u>79</u>	<u>9,196</u>

### 18. Reconciliation of cashflows from operating activities

	2025 £'000	2024 £'000
Net (expenditure) / income for the reporting period	568	1,174
Depreciation charges	3	4
Amortisation of Goodwill	137	-
Impairment of Fixed Assets	-	62
Other Adjustments	9	-
Loss / (profit) on sale of fixed assets	(27)	-
(Increase) / decrease in debtors	835	(118)
Increase / (decrease) in creditors	931	(1,093)
Adjustment for FCV acquisition	(1,292)	-
	-	-
<b>Net cash provided by / (used in) operating activities</b>	<u>1,164</u>	<u>29</u>

### 19. Goodwill

Goodwill arose on the acquisition of FCV (1<sup>st</sup> October 2024) and is amortised on a straight-line basis over ten years, in line with FRS 102 and the Charity SORP.

	£'000
Consideration paid	3,990
Less net assets at acquisition date	(1,241)
Goodwill at acquisition	<u>2,749</u>
Amortisation charged for the year	(137)
Goodwill at reporting date	<u>2,612</u>

The total consideration for the acquisition was £3,990k, comprising:

- £2,590k paid in cash at completion, and

# THE ADOLESCENT AND CHILDREN'S TRUST

## (A COMPANY LIMITED BY GUARANTEE)

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- £1,400k recognised as a contingent earn-out liability, payable subject to post-acquisition performance conditions.

No non-cash assets were transferred as part of the consideration

The fair values of assets and liabilities recognised at the acquisition date were:

	£'000
Tangible fixed assets	10
Debtors	277
Cash at bank	1,122
Creditors: due within one year	<u>(68)</u>
Net assets acquired	<u><u>1,241</u></u>

## 20. Subsidiary

### Foster Care Values Limited:

The wholly owned trading subsidiary, Foster Care Values Limited (Company Number 08405979) is incorporated and registered in England and Wales and its principal activity is the provision of fostering services in North Wales.

The assets and liabilities of the subsidiary at the balance sheet date were:

	£'000
Current assets	1,024
Current liabilities	<u>(87)</u>
Total net assets	<u><u>937</u></u>

### Income & Expenditure from operation of Foster Care Values Limited (post-acquisition):

	£'000
Turnover	1,271
Cost of sales	<u>(684)</u>
Gross Profit	587
Admin Expenses	<u>(288)</u>
Operating profit	299
Interest receivable	<u>5</u>
Profit before tax	304
Corporation Tax recovered	<u>92</u>
Profit after tax	<u><u>396</u></u>

Corporation tax recovered relates to £65K prior year and £27K current year pre acquisition estimate.

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All transactions between the Charity and the subsidiary are eliminated on consolidation. The following amounts relate to transactions and balances before consolidation:

### Transactions during the year

- Donation under Gift Aid: The subsidiary donated £700K of its taxable profits to the Charity under a Deed of Covenant.
- Management charges: The Charity charged the subsidiary £34k for management, governance and back-office support services.

### Year-end balances

At 31 March 2025 the following balances were outstanding:

- Amount due from Foster Care Limited to the Charity: £34K
- Amount due to Foster Care Limited from the Charity: Nil

### 21. Analysis of changes in Net Funds/(Debt)

The Group had no debt or external borrowings during the year (prior year: £nil).

### 22. Consideration for Foster Care Values Limited at 30 September 2024

	£'000
Cash	2,535
Contingent Consideration	1,400
Directly attributable costs	55
Total Consideration	<u>3,990</u>

For cash flow disclosure purpose the amounts are disclosed as follows:

Cash consideration	2,535
Directly attributable costs	55
Less cash acquired	<u>(1,122)</u>
	<u>1,468</u>



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Tue, 23rd Dec 2025 16:42:38 GMT	Document generated with fingerprint c900a4d726cc46385733eb612deff8ab (89.150.28.98)
Tue, 23rd Dec 2025 17:39:57 GMT	Document generated with fingerprint 28a65b029738291d54788aa24a015e69 (89.150.28.98)
Wed, 24th Dec 2025 9:08:53 GMT	Sent the envelope to Michael Scott (michaeldorf@hotmail.com) for signing (80.46.120.58)
Wed, 24th Dec 2025 9:08:55 GMT	Document emailed to michaeldorf@hotmail.com
Wed, 24th Dec 2025 9:09:12 GMT	Michael Scott opened the document email. (146.75.168.38)
Wed, 24th Dec 2025 9:09:34 GMT	Michael Scott viewed the envelope (146.75.168.87)
Wed, 24th Dec 2025 9:15:31 GMT	Michael Scott signed the envelope (146.75.168.87)
Wed, 24th Dec 2025 9:15:31 GMT	Sent the envelope to Bert O'Donoghue (Chair@tactcare.org.uk) for signing (146.75.168.87)
Wed, 24th Dec 2025 9:15:31 GMT	Document emailed to Chair@tactcare.org.uk
Wed, 24th Dec 2025 9:16:50 GMT	Bert O'Donoghue opened the document email. (66.249.93.68)
Wed, 24th Dec 2025 9:20:57 GMT	Bert O'Donoghue opened the document email. (145.40.159.66)
Wed, 24th Dec 2025 9:21:02 GMT	Bert O'Donoghue viewed the envelope (145.40.159.66)
Wed, 24th Dec 2025 9:22:04 GMT	Bert O'Donoghue signed the envelope (145.40.159.66)

Wed, 24th Dec 2025 9:22:04 GMT	Sent the envelope to Carol Rudge (crudge@hwfisher.co.uk) for signing (145.40.159.66)
Wed, 24th Dec 2025 9:22:08 GMT	Document emailed to crudge@hwfisher.co.uk
Wed, 24th Dec 2025 9:22:51 GMT	Carol Rudge opened the document email. (86.171.111.61)
Wed, 24th Dec 2025 9:22:51 GMT	Carol Rudge opened the document email. (86.171.111.61)
Wed, 24th Dec 2025 10:13:54 GMT	Carol Rudge viewed the envelope (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Carol Rudge signed the envelope (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Sent the envelope to Liam King (l.king@tactcare.org.uk) for signing (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	This envelope has been signed by all parties (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Signed document confirmation emailed to michaeldorf@hotmail.com (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Signed document confirmation emailed to Chair@tactcare.org.uk (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Signed document confirmation emailed to crudge@hwfisher.co.uk (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Signed document confirmation emailed to l.king@tactcare.org.uk (89.150.28.98)
Wed, 24th Dec 2025 10:17:26 GMT	Signed document confirmation emails have been sent to all parties. Document URL: <a href="https://api.signable.app/shareable/envelope?t=d2eb3dd2-b2c4-4e76-b482-17f5ddae6505">https://api.signable.app/shareable/envelope?t=d2eb3dd2-b2c4-4e76-b482-17f5ddae6505</a> (89.150.28.98)
Wed, 24th Dec 2025 10:17:27 GMT	Document emailed to l.king@tactcare.org.uk