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The Avenues Trust Group Annual Report 2024-2025

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The Avenues Trust Group

Annual Report and Financial Statements
for the year ended 31 March 2025

Charity Registration Number: 1130473

Company Registration Number: 03804617

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The Avenues Trust Group Ltd

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The Avenues Trust Group Ltd
Reference and administrative details of the charity, its advisers and trustees

Chair - Terry Rich
Vice Chair - Evlynne Gilvarry - Member of the Audit and Risk Committee

Non-executive trustees:

Bruce Calderwood	Member of People, Culture and Reward Committee, Finance Committee and Quality Local Focus and Engagement Committee Resigned on 14 October 2025 (end of term)
Alistair Brown	Chair of Audit and Risk Committee and Member of the Finance Committee
Nicola Bannister	Member of People, Culture and Reward Committee and Audit and Risk Committee Resigned on 14 October 2025
Rina Pandya	Member of People, Culture and Reward Committee
Jonathan Hardie	Member of Finance Committee and Integration Committee Resigned on the 22nd October 2024
Luis Hui	Member of the Finance and Digital & IT Committee Appointed on the 27th November 2025

Executive trustees:

Joanne Land

Nicola Ford

Key management personnel:

Joanne Land	Group Chief Executive
Nicola Ford	Group Director of Finance
Steven Parker	Group Director of Housing and Development (until 31 Oct 2025)
Daniel Gower-Smith	Group Director of Operations
Caroline Neal	Group Director of People and Organisational Development
Karina Hourd	Group Business Development Director
Lauren Osman	Company Secretary and Group Head of Governance

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The Avenues Trust Group Ltd
Reference and administrative details of the charity, its advisers and trustees

Charity registration number	1130473
Company registration number	03804617

Principal and Registered Office:

River House, 1 Maidstone Road, Sidcup, Kent, DA14 5TA

Advisers:

Bankers:	Barclays Bank PLC, One Churchill Place, Canary Wharf, London E14 5HP
External auditor:	RSM UK Audit LLP, 25 Farringdon Street, London EC4A 4AB
Solicitors:	Trowers and Hamlin, 3 Bunhill Row, London EC1Y 8YZ.

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The Avenues Trust Group Ltd
Trustees' Report and Strategic Report

The Board presents its Annual Report and the Audited Financial Statements of The Avenues Trust Group for the year ended 31 March 2025. This is the Trustees Report, which also incorporates the Directors Report, as well as the strategic report as required under Company Law.

The legal and administrative information set out on pages 1-2 forms part of this report. The Financial Statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102) applicable in the UK and in the Republic of Ireland.

"Avenues"/ "Avenues Group" means The Avenues Trust Group and its subsidiaries.

Introduction

The Avenues Trust Group accounts for 2025 and the 2024 comparative figures are constructed in line with best practice, as set out above. Compliance with best practice extends to the need to address the "public benefit" provided by Avenues, in line with Charity Commission guidelines.

Environmental, Social and Governance (ESG)

At the heart of our mission is a desire to empower individuals and communities, ensuring their well-being and fostering social equity. We firmly believe that every person deserves respect, dignity, and equal opportunities. Through our work we actively strive to uplift vulnerable people, promote inclusivity, and support the development of sustainable and resilient communities.

We recognise that, whilst delivering our mission, our actions today shape the world of tomorrow. As a dedicated and compassionate organisation, we believe in the power of Environmental, Social and Governance (ESG) principles to drive sustainable progress and create a lasting impact on our planet for the people that we support, our employees and the wider community.

In the course of our work, we are already good at delivering against the social and governance aspects of these principles. We have made some progress against the environmental principles but are currently working on improving our impact in this area.

Our recent collaboration with Eastside Primetimers, utilising their ESG tool, has provided us with valuable insights into our progress in ESG. This tool benchmarked our performance against 78 participating organisations, representing a combined income of £870m, and serving 18 beneficiary groups, including adults, socially disadvantaged individuals, and children.

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We ranked in the 4th (top) quartile for disclosure, recognising our efforts to provide a high level of transparency. The report summarised the results of the ESG self-assessment survey for not-for-profit organisations, offering a comprehensive view of our ESG practices compared to our peers. It identified areas of progress and opportunities for improvement, leading to the establishment of an ESG focus group to drive these initiatives forward.

Social

Public Benefit

Avenues Group provides community-based support to autistic people, and those with learning disabilities, acquired brain injuries and complex needs.

Most of our work is commissioned by local government and the NHS. It is delivered through Supported Living arrangements and small care homes which are registered under the Care Quality Commission (CQC). This methodology is recognised to deliver better outcomes and significant savings to the public purse when compared to residential and clinical alternatives.

Avenues Group supports more than 770 people to enjoy community-based life and employs more than 2,000 staff (including bank staff).

Our aspiration is not to manage people's lives, but to understand what really matters to them and unlock the opportunities they want to take. No provider can do this effectively in isolation, and we work with a wide range of organisations and networks to achieve this, including Skills for Care, the British Institute of Learning Disabilities (BILD), The Restraint Reduction Network and the Voluntary Organisations Disability Group (VODG).

Quality is key at Avenues, so we also work with the Tizard Centre at the University of Kent, which acts as a critical friend and audits our standards. At a statutory level we are regulated by the Care Quality Commission.

Quality and performance is reliant on all employees' shared ambition to make a positive difference to the lives of people we support, so recruitment is based on aptitude, regardless of previous experience. Staff complete mandatory training, as well as specialist courses based on the needs of the people we provide services to. We know that well-supported people support people well.

We take into account shared interests when matching staff to people they support. This means support is personalised and encourages retention and consistency. Staff take time to get to know people, working out what matters to them and what they enjoy, meaning they can live the lives they want to live.

Through our approach we can, over time, reduce people's support needs so they can live with increasing independence.

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Since joining with Autism Hampshire we have utilised the additional expertise in neurodiversity, strong shared values and specialised training team to enhance our existing support for autistic people across all the Group's services.

The trustees of Avenues Group have read the Charity Commission guidance on public benefit and have paid due regard to the guidance in preparing their statements on public benefit in this report.

Our Employees

In line with the vision of The Avenues Trust Group, we are committed to ensuring that all job applicants and employees are treated fairly in line with our equality of opportunities, diversity and fair treatment policy and procedure. We also have an ongoing commitment to ensuring that our employees are competitively rewarded, especially in light of the most recent cost of living challenges.

We value diversity and social inclusion across all our activities and our recruitment process ensures that all applicants are recruited on a values basis, treated with respect and dignity and are screened to ensure that they are suitable to work with vulnerable people.

We have a comprehensive wellbeing offering supporting mental, physical, social and financial wellbeing. It includes an Employee Assistance Programme, which includes free counselling to those that need it, weekly Mindfulness sessions, money management advice and Early Pay which is a facility whereby employees can draw down their earned salary on a weekly basis should they need it to prevent the need for expensive pay day loans.

We have in place an extensive training package that supports safe working practices and have a well embedded practice of risk assessment to ensure safe practice and equipment. Our supervision practice is robust and ensures that wellbeing action planning is front and centre of our discussions with the workforce.

In the event of a change in an employee's health, in accordance with our sickness absence policy, we work with occupational health and the individual to establish whether this constitutes a disability and in the event it did, we would continue to work with them to make every reasonable effort to sustain ongoing employment. We have good rehabilitation practices in place to support those with substantial health issues to return to employment as early as possible.

Employee communication and engagement is key to the success of the Group. Through good local management and our communications team, we ensure that all employees are kept informed about the charity's strategy, objectives and performance, as well as day-to-day news and events. Regular information about the organisation is available through newsletters, online resources, team meetings and management briefings.

All employees are encouraged to give their views and opinions on strategy and

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performance. As well as local mechanisms to get in touch, employees can contact the Executive Management Team (EMT) direct via email or by joining one of our regular virtual meetings with an EMT member.

Our learning and development programme meets the standards and requirements set out by Skills for Care, the workforce development body for adult social care in England. The endorsement is a trusted quality mark only awarded to the best learning and development providers within the social care sector. Avenues has held this accreditation for a number of years now.

All of our managers undergo a specially designed induction at a Leadership and Management Academy that supports them to be effective leaders and managers. Training is free to our employees and freely available to them to attend through the publication of extensive quarterly training calendars.

Recognition of our workforce and their skilled and dedicated support to vulnerable people is key and is underpinned by our system of local monthly employee of the month awards which across the course of the year culminate in an annual awards ceremony.

Statement on Employment of Disabled Persons

Commitment to diversity and inclusion

Avenues is committed to promoting diversity and inclusion across all areas of its work. We believe that a diverse workforce enriches our organisation and enhances our ability to serve the community effectively. In line with this commitment, we actively promote equality of opportunity for all, including those with disabilities.

Employment practices

We ensure that our recruitment processes are inclusive and accessible to disabled candidates. We make reasonable adjustments throughout the recruitment process, ensuring that disabled applicants can compete on equal terms.

For existing employees who become disabled, Avenues is committed to supporting their continued employment by making reasonable adjustments to their work environment, duties, or role where necessary. This may include adjustments such as modified equipment, flexible working arrangements, or additional support.

Training and development

Avenues provides training to all employees, including those with disabilities, to ensure they have the skills and opportunities to develop in their roles. We regularly review our training programs to ensure they meet the needs of our disabled employees and support their career progression within the organisation.

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Accessibility and reasonable adjustments

We regularly assess the accessibility of our workplace and the services we provide to ensure they meet the needs of our disabled employees and people we support. Reasonable adjustments are made as required to remove barriers to participation and employment, and we consult with employees on the adjustments they may need to succeed in their roles.

Monitoring and reporting

We monitor the effectiveness of our policies and practices relating to the employment of disabled persons and regularly review our performance in this area. This includes tracking the number of disabled employees, the types of adjustments made, and employee satisfaction levels. The findings are reported to senior management and used to inform future improvements.

Anti-discrimination

Avenues is committed to preventing discrimination against disabled employees and job applicants. We have clear policies in place that prohibit discrimination, harassment, and victimisation on the grounds of disability, and we take any such incidents seriously, ensuring they are investigated and addressed promptly.

Environmental

We believe that safeguarding our environment is not just a responsibility but an urgent necessity. Avenues is committed to reducing its carbon footprint, promoting eco-friendly practices and supporting initiatives that protect and preserve our natural resources. By working with our partners and stakeholders, we are on a journey to implement sustainable strategies that contribute to a cleaner, greener and more resilient world.

We are working to reduce the harmful impact on the environment we work in. As a provider of care services much of what we do is through people working with other people but we are also an active user of resources:

- We use gas, electricity and water across our accommodation and offices.
- We manage transport for the people we support, either via publicly available networks, or use of vehicles to provide mobility services.
- Many of our colleagues travel to and from work either via public transport or personal vehicles.
- We have to maintain records of our work both electronic and paper based.

To minimise our carbon footprint, we are committed to reducing the use of natural resources including our reliance on fossil fuels. We have already:

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- Introduced new ways of working to reduce the need for many staff to travel to work every day. Offices are promoted as areas of collaboration rather than attendance.

- Introduced technology that reduces our use of paper and printing. Our care and support services use handheld devices to record activity, this not only means we no longer have to maintain and retain paper files but also provides more responsive care to the people we support.

- Encouraged service activities to use public forms of transport wherever possible. We recognise that for some people their needs are such they will always need their own transport, and we will help them to find the least environmentally harmful ways of doing this.

- Actively taken part in recycling initiatives in our schemes and workplaces, as well as promoting energy consciousness across all of what we do.

Over the next five years we will:

- Continue to invest in improvements to ensure the insulation and energy efficiency in our buildings.

- Continue to review these measures, introduce new initiatives, and build on our existing efforts. By doing so, we aim to further reduce our carbon footprint and adopt more environmentally sustainable ways of working.

Carbon and energy reporting

As a large qualifying group, The Avenues Group is required to report its energy use and carbon emissions in accordance with the Companies Regulations 2018 because it meets the thresholds for reporting. As the group subsidiaries do not meet reporting thresholds they are not required to report individually.

The energy use and carbon emissions for the Group for the year ended 31 March 2025 and 2024 comparatives are as follows:

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Energy Source	Consumption	Scope	Emissions calculation 2024/25	Emissions calculation 2023/24
Gas – total kWh (kilowatt-hours) used for the year taken from gas bills	3,994,499 kWh (gross CV (calorific value))	Scope 1	3,994,499 * 0.18 (2025 fuels, natural gas conversion factor gross CV to kg Co2e)= 719,010 kgCO2e = 719.01 tCO2e	4,307,763 * 0.18 (2024 fuels, natural gas conversion factor gross CV to kg Co2e)= 775,397 kgCO2e = 775.4 tCO2e
Electricity – total kWh used for the year, taken from the electricity bills	2,105,742 kWh	Scope 2	2,105,742 kWh * 0.17700 (2025 electricity conversion factor to kgCO2e) = 372,716 kgCO2e = 372.72 tCO2e	1,553,814 kWh * 0.20705 (2024 electricity conversion factor to kgCO2e) = 321,717 kgCO2e = 321.72 tCO2e
Transport – 3,247 miles in the year	3,247 miles * 1.10679 (2025 SECR kWh pass & delivery vehs, cars - average and unknown fuel)= 3,594 kWh	Scope 1	3,247 miles *0.26915 (2025 business travel land, average car conversion factor to kgCO2e)= 874 kgCO2e = 0.87 tCO2e	13,259miles *0.2686 (2024 business travel land, average car conversion factor to kgCO2e)= 3,561 kgCO2e = 3.56 tCO2e
Transport – People carriers/vans - 65,694 miles in the year	65,694 miles * 1.59 (2025 SECR kWh pass & delivery vehs, vans class 3 – used in lieu of passenger vehicles conversion)=104,453 kWh	Scope 1	65,694 miles *0.29016 (2025 business travel land MPV unknown)= 19,061.77 kgCO2e = 19.06 tCO2e	63,026 miles *0.28793 (2024 business travel land MPV unknown)= 18,147 kgCO2e = 18.15 tCO2e
Transport – total mileage reimbursed from staff claims = 295,469 miles	295,469 miles * 1.10679 (2025 SECR kWh pass & delivery vehs, cars - average and unknown fuel)=327,022 kWh	Scope 3	295,469 miles * 0.26915 (2025 business travel land, average car conversion factor to kgCO2e)= 79525.48 kgCO2e = 79.53 tCO2e	373,292 miles * 0.2686 (2024 business travel land, average car conversion factor to kgCO2e)= 100,266 kgCO2e = 100.3 tCO2e
Total	**6,535,310 kWh**		**1,191.19 tCO2e**	**1,219.13 tCO2e**
Intensity ratio	Emissions data (tCO2e) compared with an appropriate business activity (Average FTE)		1,191.19 tCO2e/1,790 FTE = 0.665 tCO2e per FTE	1219.13 tCO2e/1,568 FTE = 0.77 tCO2e per FTE

The decrease in the intensity ratio reflects the reduction in transport mileage. Whilst we continue to achieve growth in services we are working to reduce the mileage needed to achieve that.

Methodology

The data detailed in this table represents energy use and emissions for which the Avenues Group is responsible for the period 1 April 2024 to 31 March 2025.

It includes the metered electricity and gas used in our properties, and emissions from fuel used in vehicles on company business (both private and leased). For leased vehicles this has been estimated based on the contractual mileage where actuals were not available.

These are the energy use and emissions sources required by the regulations for large unquoted organisations. We have used the main requirements of the GHG Protocol Corporate Accounting and Reporting Standard as our emissions calculation methodology.

This methodology recommends that emissions are calculated by multiplying activity data (for example energy use in kWh) by an appropriate conversion factor. We have used the UK government GHG conversion factors for company reporting 2024 to calculate our emissions.

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Our emissions intensity is reported by full-time employee (FTE). This is because our employee numbers are directly related to our business activities, as increased business may result in higher FTE numbers. These intensity metrics allow comparison of our energy efficiency performance over time.

Looking forward we will continue to invest in more energy efficiency measures to reduce our consumption of fuel. These will include:

- Improvements to insulation in the buildings we own especially those with EPC ratings below a C. We are investigating into different funding options available in order to improve the roof insulation of properties where this is recommended within the EPC.

- Upgrading lighting systems with LED bulbs. All bulbs are now replaced with LEDs as standard whenever replacement bulbs are required.

- Scheduled replacement of windows and doors in the properties we own.

- Reviewing our office requirements with the aim of reducing the need to travel and secure more energy efficient sites:

  - More office staff work virtually from home therefore reducing the carbon footprint with staff travelling into the office daily.

  - The office is only open three days a week reducing the need to heat/light a large office unnecessarily on quieter days.

  - The Sidcup Office site will be reviewed in 2026/27 to establish if this provides the best value for money/meets the needs of the company/is sufficiently energy efficient for our requirements

Governance

Transparency is the cornerstone of our governance. We hold ourselves accountable to the highest standards of governance, adhering to ethical practices and ensuring the responsible allocation of resources. We embrace openness in our decision-making processes, fostering trust and confidence among our stakeholders.

Legal structure

Avenues Group is the trading name for The Avenues Trust Group and is constituted as a company limited by guarantee. The Avenues Group is a registered charity.

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The Avenues Trust Group Ltd
Trustees' Report and Strategic Report

The Avenues Trust Group is the ultimate holding company for Avenues South East, Avenues South, Avenues London, Avenues East, Autism Hampshire because it appoints the trustee board of the charities, and Avenues Management Services Limited as it owns the company's issued share capital.

All subsidiary companies bar Avenues South and Avenues Management Services Limited are registered charities and are constituted as companies limited by guarantee; Avenues South is a Community Benefit Society regulated by the FCA. Avenues Management Services Limited is a private limited company.

The names of the members of the Board of the Avenues Trust Group are listed on page 1. The members of the Board, who for the purposes of the charity/company law are the trustees/directors of the charitable company, are appointed by the Board.

Joanne Land, Group Chief Executive and Nicola Ford, Group Director of Finance are Executive trustees of the Avenues Trust.

Avenues Group has made qualifying third-party indemnity provisions for the benefit of its trustees. The cost for all Avenues Group ongoing Trustees is £6,084 and for ex-Trustees is £705 which will be apportioned across the subsidiaries, with each paying their share.

Our Board

The Avenues Group Boards operate an overlapping board governance structure. The overlapping board structure involves all the entities within the Group sharing a core group of trustees common to all the Boards (the majority of whom are non-executive) with a small number of independent trustees who sit on only one of the Boards.

This way of operating provides for efficiency but also the effectiveness of our governance. It increases the speed of our decision making, streamlines information flows and improves clarity regarding accountabilities.

All directors of all boards within the Group are members of the parent entity. Membership is automatic on appointment and resignation to any board within the Group.

The Group Boards meet around six times per year and more frequently if required and is responsible for determining the strategy of the organisation and for ensuring successful operational performance, in line with the expectations of

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stakeholders.

The Avenues Group has five committees which discuss the business of the whole Group. The committees are:

- Audit and Risk
- Finance
- People, Culture and Reward (PCR)
- Quality, Local Focus and Engagement (QLE)
- Digital and IT

Committees report directly to all the Boards within the Avenues Group.
The Audit and Risk Committee, in line with good governance principles, is expected to bring a further degree of detachment from the Boards' responsibilities in discharging its distinctive duties. The committee leads on engagement with internal and external audit; and oversees all systems, controls and processes that may have an impact on the ability to meet our aims.

The Finance Committee provides an additional layer of oversight regarding any financial matters that may have a significant impact on the charity.

The People, Culture and Reward Committee (PCR) provides assurance that the Group has an effective People and Pay Strategy in place, promoting an effective, high performing and diverse workforce. The committee also oversees issues relating to the remuneration of staff, with specific responsibility for making recommendations to the Boards regarding the Group Remuneration Policy and the Executive Management Team's remuneration.

The Quality, Local Focus and Engagement Committee (QLE) provides assurance regarding the quality of our services and the engagement of the people we support across the organisation. This committee was introduced to provide assurance to the Board(s) regarding the operational delivery of quality support.

Our aspiration is that the support we provide enables people to maximise their independence and opportunities whilst keeping them safe. The committee will also find the best way to engage with all stakeholders within particular regions, ensuring their voices are heard so they are involved in the setting of the organisation's goals, quality and culture.

The Digital and IT Committee has been put in place to bring a greater degree of engagement in our digital strategy, priorities, spend, delivery and direction so that digital interests are adequately represented at the Group Board level and to enable assurance on technology delivery and digital priorities.

In addition to our committees, we have also introduced Special Interest Groups for specific organization-wide projects. These are task and finish groups which oversee projects that are integral to the delivery of the strategic plan set by the Board. Each

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Special Interest Group includes trustees as members. This year Special Interest Groups includes Fundraising and Governance.

The Charity Governance Code

The Avenues Group recognises the importance of good governance and uses the Charity Governance Code to inform any reviews and changes to all governance policies.

All trustees are made aware upon appointment of their responsibilities under the Code.

In our efforts to strive to be the best we can be in governance we have used the Code to undertake board and trustee appraisals, making sure that the principles of our appraisal tools are based on and support the guidelines and recommendations outlined in the Code.

This year, the Board of the Avenues Trust Group commissioned an independent governance review by the Centre for Charity Effectiveness (CCE). In doing so, our trustees have clearly signalled their deep commitment to good governance and their willingness to invest in strengthening the organisation's structures and practices.

The review highlighted a Board that is not only high performing against the Charity Governance Code but also deeply committed to the organisation, the people it supports and to their families. The organisation's values were found to be alive and evident throughout, from the Board to the executive and beyond. CCE said:

"Avenues are to be commended for undertaking an external governance review and we were delighted to work with them. Several recommendations were made to take their governance that step further, building on already solid and effective foundations."

Following the review, the Board formally accepted the recommendations and established a Governance Focus Group to oversee their implementation. This group will ensure that the proposed enhancements, many of which are about moving from 'good to great', are embedded effectively and sustainably across the organisation.

Trustee recruitment

All of our trustees are selected in a manner consistent with our recruitment, diversity and equality policies, ensuring that the selection process is both time and cost effective. Following the last successful recruitment campaign, we successfully improved the diversity of our Board by 20%.

Our non-executive trustees serve a period of four years, with an option to extend for a further five years. In addition to making direct approaches to suitable candidates Avenues may advertise for trustees through notice boards, network recruitment or in the media. When a recruitment need is identified the Head of Governance works

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with the board and committees to carry out a skills audit before a recruitment campaign begins.

Policies and procedures are in place for the induction and training of new trustees. Training needs are continuously identified through board/committee discussions and surveys and board and trustee appraisals. When a training need is identified we organise and this can be delivered online, internally or through externally facilitated training sessions.

In 2024/25 we provided the following training:

- Active support
- Neurodivergent Employees
- CQC changes
- Safeguarding for Trustees
- Health and Safety Induction For Board Members

We have the following training planned for 2025:

- Eating and Drinking - which took place in October 2025
- Oliver McGowen - scheduled for November 2025

This year the Governance Focus Group reviewed and re-drafted our trustee recruitment and induction policy ahead of our plan to recruit four new trustees in 2025/26. This recruitment will strengthen our board and enhance our strategic direction when four of our longstanding trustees are due to stand down.

Our chair was also due to stand down in October 2025 but, following discussion, the board have agreed that it is in the best interests of Avenues to extend the Chair's term by one further year to provide continuity whilst we recruit and induct new trustees and develop our new strategic plan.

How we work with our stakeholders

Family Matters Group

Avenues are continually looking for ways to improve the support we provide and are keen to develop greater involvement in what we do from the families, friends and support staff involved in the lives of the people we support. We continue to hold quarterly Family Matters Group meetings and members were given the opportunity to meet with Trustees to share their experiences and feedback.

The aim of the Family Matters Group is to provide a meaningful voice for families and friends in the work that we do, ensuring that our practices, policies, procedures and initiatives have their involvement.

The Family Matters Group has an independent chair and provides a forum which allows communication and transparency between us and the parents and advocates of the people we support.

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The Group's role is to:

- Consider and comment on the support we provide and the way in which we provide it.
- Help us develop this support so that family contribution becomes core to what we do.
- Offer advice and guidance regarding specific initiatives and projects aimed at improving how we work with families, carers, and friends.
- Develop ways for families, carers, and friends to have their voice heard by the Board of Avenues, the Executive Team and the Senior Leadership Group.
- Provide a "safe space" for confidential discussion and sharing.

Local Engagement Groups

Avenues has eight active Local Engagement Groups (including New Directions) across the Organisation. They are made up of people we support and are supported by our Coproduction Lead from the Quality Assurance and Practice team. The groups are well established, and members chair their meetings.

The purpose of the groups is to:

- Provide a forum of discussion for groups of people we support.
- Share community engagement opportunities within their local community.
- Review policies, procedures, projects and communications.
- Ensure that the views and suggestions of people we support with lived experience are communicated to the Quality and Local Engagement Committee, Executive Management Teams and Board of Trustees.

Coproduction Panel

The Coproduction Panel was newly established in 2024/25 to oversee the Local Engagement Groups has now met on four occasions. Membership includes people we support and family members. The local engagement groups nominate for representatives to sit on the panel. The panel receive regular business updates from members of EMT.

The Panel has completed the following work:

- Agreed Terms of Reference
- Role profile of group members
- Stakeholder Survey
- Review of co-production plans
- Agreed the new policy and procedure
- Quality Checker process

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Stakeholder Surveys

Three different surveys are sent out each September. In 2024 surveys were sent out to people we support, family and friends and external professionals who actively visit our services.

Feedback from the surveys was shared with the Quality and Local Engagement Committee (QLE) at the December 2024 meeting, and actions are taken to respond to any questions raised through the surveys.

Key findings included:

- It was the highest survey return rate in four years
- Areas for improvement included repairs, communication and support plans.
- Positive feedback said: Quality of support remains highly rated across all groups, with 80%+ of people we support reporting that staff are kind, listen and help when needed.

All subsidiaries have developed action plans, with progress tracked and reported to the QLE Committee. We also monitor several key performance indicators (KPIs) for stakeholder engagement, including:

- Survey Response Rates
- Satisfaction Metrics
- Quality of Life Indicators
- Repairs and Environment
- Support Plan Compliance

Examples of Actions Taken include:

- Communication: Easy-read minutes and updates are now sent to people we support and families. "Altogether" newsletter launched for ongoing updates.
- Repairs: Housing department now holds monthly meetings with providers to expedite outstanding repairs. A new online reporting tool is in development.
- Support Plans: Digital care planning system is being upgraded to improve tracking and family access.
- Training: Bespoke autism and trauma training rolled out in response to family feedback.
- Recruitment: Targeted recruitment for permanent staff and drivers to reduce agency reliance.
- Safeguarding: ID badges and easy-read guides reissued; safeguarding discussed at all tenant meetings.
- Quality of Life: Activity planners reviewed and expanded; new local engagement groups established.

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Legal compliance

Everyone has rights with regard to how their personal information is handled. Complying with Data Protection Law ensures people can trust us to use their data fairly and responsibly. Safety and providing quality services is at the heart of everything we do. It is very important to us that we keep all personal information that we hold safe.

The Avenues Group Boards have continued to oversee our compliance with UK Data Protection Laws and GDPR. Avenues has always taken data protection seriously and we continue to strengthen our policies and procedures to ensure that the protection of people's information remains a high priority. Data Protection compliance is reported directly to the Audit and Risk Committee.

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Related parties

The Avenues Trust Group is made up of a group of wholly owned subsidiary entities, all limited by guarantee, with the exception of Avenues South which is a mutual society limited by Share Capital and regulated by the Financial Conduct Authority:

- Avenues South East (Company number 3923486)
- Avenues London (Company number 6858705)
- Avenues East (Company number 3326442)
- Avenues South (Registered Society number 26230R)
- Autism Hampshire (Company number 01710300)
- Avenues Management Services Limited (Company number 13890680)

The Group operates an overlapping board structure (also known as a common board) as outlined above in the board structure section. The table below identifies core trustees (who sit on each board within the Avenues Group) and independent trustees (who sit on only one subsidiary board). The independent trustees manage conflicts of interest across the group. There are minimal related parties, however registers are maintained, see note 18 for the breakdown of the balances owed at year end. The table below identifies core and independent trustees for each board.

	Core	Group Ind.	London Ind.	South East Ind.	East Ind.	South Ind.	Autism Hampshire Ind.	AMSL Directors
Alistair Brown	x							
Alistair Oag								x
Bruce Calderwood		x						
Cathryn Law			x					
Emma Keegan				x				
Evlynne Gilvarry	x							
Jayne Turnbull							x	
Jeff Boateng				x				
Jo Land (Exec)	x							
Lauren Stoner					x			
Nicola Bannister		x						
Nicola Ford (Exec)	x							x
Peter Hepburn						x		
Rich Hodgson			x					x
Rina Pandya		x						
Sireesh Nallanthighal						x		
Terry Rich	x							x

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Strategic report

Objectives and activities

The charitable objects of The Avenues Trust Group and its subsidiaries are for the public benefit as they support and promote the intellectual, emotional, physical and spiritual welfare of people aged nine and upward with complex support needs.

This is achieved by providing professional, high-quality, not-for-profit services to people, supporting them to enjoy their lives within their communities.

The governing instruments for The Avenues Trust Group and the subsidiary entities are their respective Articles of Association, with the exception of Avenues South which is governed under its Model Rules.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company, which is governed under its Articles of Association. The Memorandum of Association was last reviewed and updated in May 2020. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

Strategy

2024/25 is the final year of our current strategy – Building Better Lives Together. We are proud of what we have achieved during the past four years, particularly given the challenging external environment of a pandemic, economic pressures (cost of living), global unrest plus pressures and uncertainty over national social care policies and plans.

We formally reviewed progress against the strategy in Autumn 2024 and shared this with trustees and the management team. We have made excellent progress across all five of our strategic ambitions.

Ambition 1 – Quality and Specialism

- We have substantially increased the number of autistic people we support and our autism specialism through the merger with Autism Hampshire.
- Active support and positive behaviour support has had considerable time invested and has been re-invigorated across the group.
- The quality framework has undergone extensive development and improvements, in part to align with CQC but also to reflect Avenues Group priorities.
- Families approval rating, remains positive in general (84% felt support was good or very good).

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Ambition 2 – Capacity and Resources

- Mobile digital technology has been successfully rolled out across the group and the Digital Phase 2 (Business Systems) is well under way.
- New hybrid working policies and procedures have been introduced, with a positive staff response.

Ambition 3 – Reputation and Reach

- We have had greater family engagement with the Family Matters Group established, a families section on the website and families co-producing case studies.
- Avenues is considered a great place to work with the biennial survey showing positive attitudes towards the organisation.
- We've built on existing strong partnerships with local authorities, for example completing a large-scale deregistration and property reconfiguration in Surrey.

Ambition 4 – Sustainability and Growth

- A new Business Development Directorate was introduced at the beginning of the strategy which has led to a professionalised, agile and responsive approach to growth and some significant growth, particularly into new geographies.
- The portfolio of purchasers has rebalanced with Kent and Surrey reducing their dominance.

Ambition 5 – Engagement and Co-production

- The Quality Checker team was introduced in 2024 and are finding their feet, already making an impact.
- The Family Matters Group and local engagement groups both have a route into the governance structure of the charity.

Reflecting on our achievement we recognise the strategy was very ambitious, both in scope and breadth; while not achieving everything we set out to do we have made significant progress.

Some areas where we didn't deliver as planned include the development of a social enterprise; diversification of service models and new income streams; impact measurement and technological advancements for the people we support. We also unfortunately have seen a drop in our CQC ratings from 94% in April 2021 to 80% in March 2025 as good or outstanding.

We are currently developing the 2026/29 strategy, which is scheduled for board approval in January 2026 ahead of implementation.

Section 172 (1) of the Companies Act 2006

Under Section 172 of the Companies Act 2006 the Board of Trustees, (who are also directors of The Avenues Trust Group for the purposes of company law), have a duty to promote the long term success of The Avenues Group.

They have done that during 2024/25 by duly considering the impact of the decisions they

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make on the future of the Group. All key decisions that will have an impact on the long-term future of the Group are discussed at the relevant sub-committees and Boards. They have taken account of the views of different stakeholder groups who will be affected by the decisions and have weighed and considered the different options that were available to the Group on each occasion. The Boards believe they have acted throughout the year in the best interests of the Group and in a manner which will bring about long-term success.

The trustees consider the key stakeholder groups for The Avenues Group to be the people it supports and their families, friends and advocates, its employees, its competitors, its funders and its suppliers. The methods for engaging with these stakeholders are outlined below:

Stakeholder	Oversight	Engagement
Employees	People, Culture and Reward Committee	- Biennial staff engagement survey which highlights both strengths and areas for potential improvement on employment matters and how these will be mitigated through specific actions.
People we support and their families, friends and advocates	Quality, Local Focus & Engagement Committee	- The Coproduction Panel and Local Engagement Groups are subgroups of this committee which include people we support and family members, who meet to review and discuss Avenues Group and give their ideas for its future. - The Family Matters Group is also a subgroup which is made of parents of the people that we support.
Business Relationships – competitors, funders, suppliers and other external partners.	Executive Management Team	- Face-to-face meetings and roundtable discussions.

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Avenues recognises the value of collaboration — not only for the people we support and our employees, but also for the wider adult social care sector. We have many examples where joint working projects have led to improved outcomes for those we support.

We have been working with Surrey County Council to develop a joint strategy that will not only see the modernisation of the housing provision but will offer a wider choice of support and accommodation solutions that will be fit for the future for adults with a learning disability. We can only achieve such great outcomes by bringing together the skills, knowledge, and experience of both parties.

The Avenues Group management team have also worked closely with Local Authorities to share lived experiences of services where we support people who can present behaviours of concern; to help shape tenders and ensure high quality service provision.

Avenues put the people we support at the centre of everything we do, ensuring individuals have meaningful plans, including communication needs, recorded in ways that are accessible for them.

All services have a Service User Guide which details the expectations of both parties and a copy of our Complaints Procedure, although we try to anticipate issues and challenges, taking steps to address them at the earliest opportunity, preventing issues becoming too problematic. High quality care and support exists where people using social care have informed choice and control, with as much involvement in decisions about their care and support as they want to have.

Senior Operations Managers are responsible for ensuring that user involvement is positively encouraged through genuine involvement in shaping and providing feedback. We hold regular forums to understand the experiences of the support staff and people who are in the individual's circle of support.

This enables us to develop the service in a meaningful and informed way. As with user involvement, it is important that stakeholders, such as families, friends and professionals, involved in individuals' lives are encouraged to be involved in decisions about the care and support provided.

We acknowledge that the wider public and mainstream services have a real part to play in the lives of the individual and we prepare the local community to accept the schemes as valued resources. For example, we encourage individuals to develop relationships with their neighbours and others within their local community and always reinforce the message that we intend to support them to be good and involved citizens.

The trustees and the Executive Management Team are working towards the next strategic plan for Avenues Group which will help to ensure the long-term success of the Avenues Group.

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Risk Management

The Boards of the Avenues Group operate a formal risk management process and risk register, which involves continuous review of the risks identified and those emerging, their potential impact and means of mitigation. The risk register is reviewed by the group Audit and Risk Committee, which, in turn, reports on risk to the Avenues Group Boards on a quarterly basis. The key risks identified for 2024/25 were:

1. **Financial Sustainability**: The social care sector is facing significant financial pressures because of increasing costs, mainly in relation to the workforce, and insufficient funding and/or delays in payments from local government. As a result, our financial margins are under pressure and there is an increasing risk this will impact the viability of the organisation. With no national plan for social care, we must plan to mitigate this risk to ensure long term sustainability.

   We are mitigating this risk using the following strategies:
   - **Medium to long-term financial planning** to secure sustainability and unlock future investment.
   - **Monthly and quarterly scrutiny** of actuals vs budget with action plans to address variances.
   - **Savings and efficiencies plans** developed and monitored.
   - **Digital roadmap** to improve operational efficiency and reduce costs.
   - **Scenario planning** to anticipate and respond to funding challenges.

2. **Growth and Development**: Our sustainability will be threatened if we do not realise our growth plans. Avenues needs to grow to remain financially sustainable and to flourish organisationally.

   We are mitigating this risk using the following strategies:
   - **Active tendering** for new opportunities and contracts.
   - **Void management** with tracking and improvement efforts.
   - **Fundraising initiatives** gaining momentum (e.g. National Lottery grant, London Marathon).
   - **Monitoring of growth delivery** and exit plans where needed.
   - **Organisational redesign** to align structure with growth ambitions.

3. **Reputational**: Our future relies on our reputation with our stakeholders which include CQC, employees, the people we support and their families and our commissioners. To maintain our reputation, we must continue to provide quality support and listen to what our stakeholders need. Any dip in quality could result in consequences that affect our reputation and future business. However, since the last annual report we have not received any published CQC reports but have complied with all annual PIR requests and statutory notifications.

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We are mitigating this risk using the following strategies:

- **Co-Production and Safeguarding Manager** appointed to lead stakeholder engagement.
- **Family Matters meetings** with structured agendas to ensure stakeholder voices are heard.
- **Improved stakeholder engagement processes** and feedback loops.
- **Media monitoring improvements** and crisis management planning under review.
- **Registered Managers** or acting managers in post where legally required.

4. **People**: Our people are our most important asset and internal efficiency, workforce development, pay and reward will impact on our resilience. The labour market for quality support workers is challenging for care providers and as a result we must plan to mitigate any risk to our support and reputation. This risk is inflated during organisational change.

We are mitigating this risk using the following strategies:

- **Recruitment strategy** in place with centralised activity and bank staff utilisation.
- **Monitoring of attrition trends** and proactive planning to respond to market shifts.
- **Internal shift cover expansion** to maintain consistent support.
- **Pay and reward strategy** aligned with financial planning.

5. **External**: External threats out of our control can affect other risks. This includes legislative rulings, cyber-attacks, fraud and pandemics which will potentially impact on our financial or reputational position if we don't mitigate or comply.

   We are mitigating this risk using the following strategies:

   - **Fraud and bribery audits** completed with recommendations implemented.
   - **Anti-fraud policy and training** rolled out across the organisation.
   - **Cyber risk register** monitored by the Audit and Digital Committee.
   - **Business continuity plans** with annual stress testing.
   - **Legal & Regulatory risks** monitored and overseen by the Audit Committee.

6. **Digital:** Our reliance on a digital and IT infrastructure is critical for managing sensitive data, coordinating care delivery, and maintaining accountability to local government funders. It is also imperative that we utilise digital and IT solutions to improve efficiencies across our workforce. This reliance introduces significant risks, including operational disruption, regulatory non-compliance, cybersecurity threats, and reputational damage.

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We are mitigating this risk using the following strategies:

- **Digital roadmap** to improve efficiency and resilience.
- **Cybersecurity measures** and continuous monitoring by management and the Board.
- **Audit & Digital Committee oversight** of digital risks and fraud.
- **Training and awareness** to ensure safe and compliant use of digital tools.

All necessary measures have been taken to mitigate these risks and they are continually monitored by management, Committees and the Board.

Achievements and performance

As well as our ambition to support people for the long term, we continue to offer genuine career prospects to employees and positive succession planning.

Our commitment to quality has continued through our strategic partnership with the University of Kent, focusing on the promotion of positive behavioural support and active support - both approaches that are demonstratively effective in supporting the people that Avenues work with.

Over the past year we have continued to develop our services across our subsidiaries, proving once again that the people with support can enjoy better lives through tailored, community-based support.

Community Services

Alongside our regulated services we have a number of community-based services, including Serendipity Community Groups (Autism Hampshire and East); and Information Advice and Guidance; and Training and Consultancy services in Autism Hampshire.

Community Groups provide a place for autistic adults to find friendships, feel less isolated, and develop their skills, independence and confidence. The groups are invaluable in providing local autistic people access to a service capable of empowering them to achieve a bright future. Further details can be found in the Annual Reports of the Group's subsidiaries.

Fundraising

Avenue's Group has recognised over the past year, both as a result of the merger with Autism Hampshire and the general ambition of the charity, that there is an opportunity for growth through fundraising. Over the past year, the charity began work on researching and developing new income streams through fundraising. Work has included:

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- Identifying projects and opportunities to secure funding from charitable trusts and grant making organisations.
- The acquisition of London Marathon places for 2026.
- Research and acquisition of a fundraising Customers Relationship Management tool, initially for use at Autism Hampshire but with the foundations to expand to the wider charity.
- Research into a legacy giving platform.
- Working with colleagues and trustees to introduce a fundraising culture.

Key Performance Indicators

The Avenues Trust Group has a monthly balanced scorecard which is used for reporting to management and trustees. Within this are 4 headline Key Performance Indicators which are underpinned by a set range of Key Performance Indicators as follows:

Financial Sustainability

This is measured by our operational performance to budget. For financial year 2024/25 the total Group surplus was £74k (including the loss on sale of fixed assets (£2k), but excluding the remeasurement of defined benefit pensions) compared to a budgeted surplus of £24k. The small surplus included income less than budgeted due to more voids than predicted. This was more than offset by a saving on staff costs, which were less than budgeted.

Reputation

This is measured by the number of services under monitoring across the group. A target of less than three was set and we achieved a monthly average of four across the year. This is underpinned by a significant number of quality KPIs which are measured across all services.

The Quality Assurance and Practice team are dedicated to supporting the delivery of compassionate, person-centred care and support with a strong emphasis on dignity, respect, individual needs and inclusion within the local community.

With a proven track record of excellence, we prioritise the well-being and independence of those we support, supported by a team of highly trained and empathetic professionals. Our commitment to quality and continuous improvement ensures that we provide the highest standard of care, fostering a supportive and inclusive environment for all.

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People

This is measured as the percentage of job vacancy levels across the workforce with a target of less than 20%. We reduced our vacancy rate from 18.8% at the start of the year to 14.8% - we achieved this through robust and focused recruitment activities. We track a range of other people metrics including sickness absence and voluntary staff turnover both of which reduced throughout the year and are ahead of organisational KPIs. Accordingly, our usage of temporary agency staff has reduced by the end of the year from £2.5M in 2023/24 to £1.9M in 2024/25 across the group.

Growth and Development

This is measured by the full year growth income achieved compared to the budgeted target. The target was £1,851k and we achieved £1,704k (this was lower than target due to delays in new services being occupied and voids). This is supported by other KPI's around voids, tenders, and grants.

Financial Results for the Year Ended 31 March 2025

The financial activities of the year are set out in detail on the Statement of Financial Activities (SOFA). The income and expenditure performance of the Group in 2024/25, shows a surplus of £74k (compared to a deficit of £1m in 2023/24). This shows a much improved performance compared to the prior year, and a marginally favourable performance compared to the budgeted surplus of £24k.

Total income for the year increased by £6.9m (11%) and expenditure has increased by £7.4m (12%), excluding the loss on disposal of fixed assets of £2k in 2024/25 and gain on disposal of assets of £434k in 2023/24.

The consolidated balance sheet shows total group funds of £6.2m compared to £6.0m in March 2024. This includes the impact of the revaluation of the Social Housing Pension Scheme (SHPS) pension liability of £135k to a year-end balance of £961k.

The surplus in 2024/25 was achieved despite increases in voids which resulted in income lower than budget. This was mitigated through tight control and reductions in staff costs, which were under budget. The consolidated Group has gone into 2025/26 with a break-even budget, with a plan to achieve a small surplus by the end of financial year 2025/26. On this basis the Group has no free reserves. The group is seeking to generate future surpluses through the initiatives listed in the Going Concern Paragraph below.

Reserves Policy

As part of the 2021-25 strategic planning processes conducted in 2020/21, the Avenues Group Board carried out a thorough review of the reserves requirement and policy to ensure these are adequate to support the Group going forward.

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As a contract-based service provider, the Avenues Group Board has concluded that the Group does not need to carry significant levels of reserves. However, the free reserves available need to be sufficient to mitigate against any significant organisational risks as identified via the risk management procedures whilst enabling the group to capitalise on opportunities and deliver the five-year strategic plan ensuring sustainability for the future.

Based on this reserve policy, the Board has concluded that the target for free reserves should be £1.5m. This has been considered by the Audit and Risk Committee in June 2024 and deemed to be still appropriate. In addition, the Group Boards have recommended a minimum cash holding of £1m.
One of the aims of the 2021/25 strategic plan was financial sustainability and the creation of free reserves which was to be achieved by asset disposals and the consistent delivery of financial surpluses.

The free reserves held at the balance sheet date remain below the target set by the Board and reserves policy. Over the next two years (to year ended 31 March 2027) we expect to achieve sustainable surpluses of between 1.5-2% and realise assets to meet our reserves policy and create free reserves which will be used to build resilience to weather the social care sector storms and enable the Group to make strategic choices. During this period, we will keep the policy under review and will look to index the £1.5m in line with inflation and organisational growth if required.

Risks to Funding/Financial Climate

- Impact of geopolitical flux
- Social care sector pressures
- Staff pay requirements – NLW, employers' NI contributions
- Reliable funding sources with a relatively stable established base
- Scaling up and growth may require some upfront investment
- Cost of living/inflation

In the event of the sudden closure/liquidation of the group any outstanding commitments and liabilities would be funded by the sale of properties.

Reserves were as follows as at March 2025:	**£'000**
- General	6,766
- Designated	77
- Pension scheme	(961)
- Restricted	280
TOTAL RESERVES	**6,162**
Less unrestricted tangible fixed assets held for charities' own use	(9,175)
Add pension scheme	961

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Less restricted reserves	(280)
Less designated reserves	(77)
FREE RESERVES (Deficit)	**(2,409)**

The comparative Free Reserves (Deficit) value in 2024 was (£2,076k).

Tangible fixed assets are stated after netting off the capital grant liability.

Restricted funds do not form part of general reserves as these have been received from funders/donors for specific projects/purposes and are therefore not freely available for use by the group.

£77k of designated reserves relate to a legacy left to Avenues in relation to a person supported at Chelsham Lodge. The trustees have decided that the legacy should be used for this person, as such a designated fund has been set up.

£9,175k relates to amounts invested in fixed assets and these reserves can only be realised upon disposal.

Subsidiaries

This reserves policy is established at a Group level.

Liquidity and Working Capital

Whilst the reserves policy sets a target for free reserves it is recognised that this does not create liquidity within the group and the Board would also like to address this and have set a target for this of £1m which has not been met in 2024-25. The group will continue to work to improve its position to build sustainable services and grow charity funds.

The current net cash position at year end is £114k (2023/24 £380k).

Investment Policy

The Group's current investment policy is to place surplus cash requirements on the money market both overnight and for longer periods, earning interest at the money market rates at the time of placement.

Going Concern

The primary objective for 2024/25 was to continue to improve the financial strength of the group to capitalise on future opportunities and build long term sustainability. In order to achieve this a number of initiatives have been undertaken during 2024/25:

- focus on recruitment and retention to lower dependency on agency staff

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- Increased scrutiny around void levels and loss-making services across the group
- Review of all costs, setting cost savings across central functions and agency spend
- Focus on growth opportunities
- Maximising income through fee negotiations and ensuring the group is paid appropriately for delivering support
- Increased focus on fundraising/grant opportunities
- Embedding of new business

The above measures and increased scrutiny around monthly financial results and deviation from budgets resulted in us setting a surplus budget for 2025/26 and as at August 2025 we are performing ahead of this.

As at March 2025, we held two properties which are no longer required and these were sold for £743k post year end to provide additional working capital for the group.

The Avenues Group operates within a cross-guarantee arrangement and cash is pooled across the group to service working capital requirements.

Avenues holds a significant number of long term contracts and provides a very high quality of service provision, which ensures continued success in securing new contracts and retaining existing ones. With this in mind, whilst there are challenges within the sector, Avenues is well placed for the future and the trustees consider the group to be a going concern and have prepared the financial statements on that basis.

On 24 April 2025, HMRC issued Revenue & Customs Brief 2 (2025): the use of VAT grouping within the care industry. The Brief addresses arrangements under which contracts with local authorities or other commissioners of care are entered into by an unregulated entity within a VAT group, which then subcontracts delivery back to a state-regulated provider. These structures have been used in the sector to improve VAT recovery in relation to otherwise exempt welfare services.

Avenues Management Services Limited has historically contracted with commissioners in this way. The contracts are subcontracted to other charities within the group, which are regulated care providers, with VAT grouping applied between the entities.

Following publication of the Brief, HMRC has confirmed that existing VAT groups may be subject to review, and HMRC may exercise its powers to remove entities from groups where it considers the arrangement prejudicial to the protection of the revenue.

We have carried out a full internal review and taken VAT advice and we plan to novate contracts out of Avenues Management Services Limited to other group entities

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by March 2026 to comply with this Brief. As a result, once this work is complete, Avenues Management Services Limited will no longer hold any contracts and a decision on its future use will be taken.

There is no impact on the 2024-25 financial statements.

The Trustees have considered these changes in VAT legislation in their assessment of Going Concern which will impact the activities of Avenues Management Services Limited from April 2026.

Future Developments

While 2024/25 marks the final formal year of our current strategy, 'Building Better Lives Together', we have decided to extend it by a year while we use 2025/26 to prepare our next Strategy which will guide us through the following three years, from 2026/27.

During 2025/26, we are engaging widely with stakeholders to seek feedback on their experience of working for or with Avenues and Autism Hampshire. We'll revisit our Mission, Vision, Values and Purpose Statement to ensure they encapsulate the work of the whole charity, including charities that join the Avenues Group.

We'll develop a clear set of organisational behaviours, define key strategic projects and develop a set of high-level Objectives and Key Results that can be monitored to ensure we are heading in the right direction.

Some of the questions we are asking ourselves and our stakeholders include: what are the greatest risks and opportunities, what is our offer to the market, what is the ideal form for the organisation, what is the right balance across service models, how do we achieve financial sustainability and strength?

Meanwhile we remain committed to our core purpose as outlined in the 2021-25 strategy to support more people with learning disabilities and/or who are autistic, while ensuring ongoing quality of services for those we already work with.

We continue to prioritise the quality of our support, with an ongoing focus on active support and positive behaviour support.
Recruitment and retention of high quality, values-led staff remains a key focus for Avenues and the whole social care sector as we continue to operate within a challenging labour market with the Health and Social Care Sector experiencing high rates of vacancies. Despite this we have managed to reduce our vacancy rate and reduce the need for agency coverage.

Financial resilience remains critical, particularly given the challenges of meeting the

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National Insurance and National Living Wage increases without the level of uplifts necessary from our purchasers.

Growth continues to be a focus during 2025/26. We were particularly pleased to be awarded three new contracts in Norfolk to deliver new services in Norwich, Swaffham and Kings Lynn.

We'll be working with colleagues in Norfolk County Council and Golden Lane (the housing provider) during 2025/26, with the plan for the first people to be moving to their new homes in Norwich early in 2026/27. We will continue to respond to viable tender opportunities and growth opportunities during the next year.

We begin the year with a high number of voids in our services. This has a significant financial impact and we'll continue our collective efforts to bring the level of voids down and to manage the portfolio of services, for example by considering service closures where persistent, ongoing voids contribute to poor financial performance.

We made positive progress in establishing our fundraising procedures and reviewing the potential for fundraising in Avenues during the year. Looking ahead we'll continue this work, and plan to establish a small fundraising team to extend the work already started.

The Trustees' Report is approved by order of the Board as trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 14th October 2025 and signed on its behalf by:

Signed by:
A47F84D3F28949C...
Terry Rich, **Chair**
Date: 14th October 2025

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The Avenues Trust Group Ltd
Statement of Trustees' Responsibilities

The trustees (who are also directors of The Avenues Trust Group for the purposes of company law) are responsible for preparing the Trustees' Annual Report including the incorporated Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year 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 these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Group and charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In so far as the trustees are aware:

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

Auditor

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

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Independent Auditor's Report to the members of The Avenues Trust Group

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company'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.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Conclusions relating to going concern

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

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

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cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report and Strategic Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report and Strategic 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 the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 22, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination

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of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document and Charities (Protection and Social Investment) Act 2016 and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and Strategic Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents and inspecting correspondence with tax authorities.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the and the group companies' operating licenses, the Care Act 2014, Care Quality Commission regulations, health and safety

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regulations and the UK General Data Protection Regulations (UK GDPR). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied throughout the financial statements and testing of revenue cut off around the year end.

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

Use of our report

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

HCatchpool

HANNAH CATCHPOOL (Senior Statutory Auditor)

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

Chartered Accountants

25 Farringdon Street

London, EC4A 4AB

Date 8th December 2025

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The Avenues Trust Group Ltd
Consolidated Statement of Financial Activities
(Including Consolidated Income and Expenditure Account)
For the Year Ended 31 March 2025

	Notes	Unrestricted General Funds £'000	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
INCOME FROM:					
Donations, Grants and Legacies					
Donations		44	6	50	62
Autism Hampshire net assets		-	-	-	2,387
Grants		-	99	99	2
	3	44	105	149	2,451
Charitable Activities:					
Provision of care and housing services	3	18,750	-	18,750	16,999
Provision of care to young people	3	813	-	813	771
Services to Adults	3	38,315	-	38,315	35,211
Services to Older People	3	1,772	-	1,772	1,950
Regulated services	3	6,363		6,363	2,415
Community Partnerships	3	512	-	512	151
		66,525	-	66,525	57,497
Other trading activities	3	127	-	127	50
Investment Income		4	-	4	3
Other	3	417	-	417	363
TOTAL INCOME		**67,117**	**105**	**67,222**	**60,364**
EXPENDITURE ON:					
Raising funds		157	-	157	55
Charitable activities:					
Provision of care and housing services	4	17,985	-	17,985	17,725
Provision of care to young people	4	781	-	781	734
Services to Adults	4	39,088	-	39,088	36,103
Services to Older People	4	2,100	-	2,100	2,168
Regulated services	4	6,389	1	6,390	2,639
Community Partnerships	4	512	133	645	286
		66,855	134	66,989	59,655
Loss/(gain) on sale of assets		2		2	(434)
TOTAL EXPENDITURE		**67,014**	**134**	**67,148**	**59,276**
Net income / (expenditure)	5	**103**	**(29)**	**74**	**1,088**
Transfer between funds	13	10	(10)	-	-
Remeasurement of defined benefit pension schemes	16	135	-	135	(257)
Net movement in funds		**249**	**(40)**	**209**	**831**
Reconciliation of funds:					
Fund balance brought forward	14	5,633	320	5,953	5,122
Fund balances carried forward		**5,882**	**280**	**6,162**	**5,953**

The notes on pages 43 to 77 form part of these financial statements.

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The Avenues Trust Group Ltd
Consolidated Balance Sheet
As At 31 March 2025

	Notes	2025	2024
		£'000	£'000
FIXED ASSETS			
Tangible assets	8	12,593	12,904
Intangible assets	9	487	242
		13,080	**13,146**
CURRENT ASSETS			
Asset held for sale	8	570	-
Debtors	11	5,460	6,087
Cash at bank and in hand		402	1,104
		6,432	**7,191**
CREDITORS falling due within one year	12	(6,932)	(7,671)
NET CURRENT LIABILITIES		**(500)**	**(480)**
CREDITORS falling due in more than one year	12	(5,457)	(5,330)
NET ASSETS EXCLUDING PENSION LIABILITY		**7,123**	**7,336**
Pension scheme liability	16	(961)	(1,383)
NET ASSETS	14	**6,162**	**5,953**
FUNDS			
Unrestricted funds:			
General funds	13	6,766	6,939
Designated fund	13	77	77
Pension scheme funding reserve	13	(961)	(1,383)
		5,882	**5,633**
Restricted funds	13	280	320
TOTAL FUNDS	14	**6,162**	**5,953**

The notes on pages 43 to 77 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 14th October 2025 and were signed on its behalf by:

Signed by:
A47F8403F28949C...

Terry Rich, Chair

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The Avenues Trust Group Ltd
Company Balance Sheet
As At 31 March 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Tangible assets	8	254	239
Intangible assets	9	487	242
		741	481
CURRENT ASSETS			
Debtors	11	37,086	19,517
Cash		-	22
		37,086	**19,539**
CREDITORS falling due within one year	12	(37,466)	(19,933)
NET CURRENT LIABILITIES		**(380)**	**(394)**
CREDITORS falling due in more than one year	12	(42)	(92)
NET ASSETS / (LIABILITIES)	14	**319**	**(5)**
FUNDS			
Unrestricted funds:			
General reserve	13	306	(18)
Designated fund	13	2	2
		308	**(16)**
Restricted funds	13	11	11
SURPLUS / (DEFICIT) OF FUNDS	14	**319**	**(5)**

As permitted by section 408 of the Companies Act 2006, the parent charity's Statement of Financial Activities (including Income and Expenditure) has not been included in these financial statements. The parent charity's result for the year was a surplus of £324k (2024: surplus of £144k).

Included in the parent charity's result for the year is a profit of £352k (2024: £175k) gifted by Avenues Management services Limited (AMSL) to the parent under the Deed of Covenant.

The notes on pages 43 to 77 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of trustees on 14th October 2025 and were signed on its behalf by:

Signed by:
A47F8403F28949C...
Terry Rich
Chair

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The Avenues Trust Group Ltd
Consolidated Statement of Cash Flows
For The Year Ended 31 March 2025

Cash generated from operations	2025 £'000	2024 £'000
Profit for the period	74	1,088
Adjustments:		
Net interest per P&L	104	125
Depreciation of PPE	818	(341)
Amortisation of intangible fixed assets	90	(434)
Loss/(gain) on disposal of tangible fixed assets	2	738
Net defined benefit cost recognised in operating surplus / (deficit)	(287)	101
Operating cash flows before movements in working capital	**801**	**1,277**
Decrease in debtors	627	1,689
(Decrease) in creditors	(487)	(799)
Cash inflows generated from operations	**941**	**2,167**
Interest received	4	3
Interest paid	(108)	(58)
Net cash flow from operating activities	**837**	**2,112**
Investing Activities		
Purchase of intangibles/capitalised development costs	(335)	(35)
Purchase of tangible fixed assets	(1,377)	(703)
Proceeds on disposal of tangible fixed assets	318	881
Cash flow (used in) investing activities	**(1,394)**	**(1,177)**
Financing Activities		
Proceeds from bank loans	375	-
Repayment of bank loans	(90)	(63)
Cash flows (used in) / generated from financing activities	**285**	**(63)**
Net change in cash and cash equivalents	(272)	872
Cash and cash equivalents at beginning of period	380	(492)
Cash and cash equivalents at end of period	**108**	**380**
Analysis of cash and cash equivalents:		
Overdraft facility repayable on demand	(294)	(724)
Cash at bank and in hand	402	1,104
Total cash and cash equivalents	**108**	**380**

Analysis of changes in net debt	Brought forward £'000	Cash flows £'000	Carried forward £'000
Cash at bank and in hand	380	(272)	108
Bank overdrafts and loans	(5,393)	(139)	(5,532)
Net debt	(5,013)	(411)	(5,424)

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1) Accounting Policies

The Avenues Trust Group is a charitable company limited by guarantee, incorporated in England and Wales. The registered office is River House, 1 Maidstone Road, Sidcup, Kent, DA14 5TA.

The Charity's principal activities are disclosed in the Trustees' Report. The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006, except for the treatment of Avenues South social housing grants which would normally be shown through the Statement of Financial Activities.

The charity has departed from the Charities SORP (FRS 102) and maintained the accounting treatment set out in Housing SORP 2018 – (Statement of Recommended Practice for social housing providers) which is followed by Avenues South, where government grants are recognised in income using the accruals model and recognised over the life of the underlying asset when housing properties are measured at cost.

Grant amounts that are not recognised as income in the year are included in creditors as deferred capital grants. The trustees consider that this is the appropriate policy to use in the consolidated financial statements.

The Avenues Trust Group meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The parent charity is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepare publicly available consolidated financial statements, including this charity, which are intended to give a true and fair view of the assets, liabilities, financial position and surplus or deficit of the group. The parent charity has therefore taken advantage from the following exemption in its individual financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures; and

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- Section 33 'Related Party Disclosures' – Compensation for company key management personnel.

The financial statements are prepared in sterling which is the functional currency of the Charity and the group. Monetary amounts shown in these financial statements are rounded to the nearest £'000.

b) Preparation of the accounts on a going concern basis
The group financial statements have been prepared on a going concern basis and the position on going concern for The Avenues Trust Group and its subsidiaries ultimately rests with the Group.

Avenues, along with other providers in the sector, have faced a number of challenges over recent years. There have been increases in the National Living Wage, the employers' NI rate, and a reduction in the contribution threshold—all of which exceeded available funding. Additionally, there have been more frequent delays from Commissioners in filling voids. Together, these factors have had a significant financial impact. Robust response plans have been created and implemented and their positive impact is already evident.

The Group has an operational surplus of £74k in 2024/25 compared to a loss of £1.3m in 2023/24. As at March 2025, reserves stood at £6.2m (2024: £6m), with net current liabilities of £1.1m (2024: £0.5m). As at March 2025, the group held two properties for resale which were sold post year end for a total of £743k.

Avenues maintains numerous long-term contracts and delivers high-quality services, ensuring continued success in securing new contracts and retaining existing ones.

Going into 2025/26, there continues to be focus on recruitment and retention and lower dependency on agency staff. To date, Avenues has restructured its recruitment and onboarding functions to better respond to the challenging environment and reduce the need for agency coverage, while developing a relationship with a neutral vendor of agencies to reduce the price per unit.

External cost pressures including insufficient Local Authority/ Integrated Care Boards (ICB) funding negatively impacts the financial sustainability of our services and the Group. Avenues has partnered with Access Social Care; a leading charity supporting organisations to receive a fair price for care and support services whilst routinely and proactively challenging funding packages that fall below a sustainable level. Where negotiations have not been successful, contracts have been exited. Financial action plans are in place for every service that doesn't achieve full cost recovery.

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Avenues continuously monitors voids to enable prompt marketing and to take action to mitigate the financial impact. Strategic action includes investment in properties to ensure they are both desirable and fit for the future, together with the robust marketing of our services and making full use of social and multimedia.

Our increased business development focus on Avenues East and Autism Hampshire will ensure they benefit from the same economies of scale as other subsidiaries within the Group. This includes a significant tender win to mobilise in Avenues East in April 2026.

The merger between Avenues and Autism Hampshire in 2023, brought an area of specialism to the Group and future financial sustainability for Autism Hampshire.

Cash is carefully forecast, planned and managed along with focussed aged debt management and collection. Carefully planned property disposals, where surplus to existing requirements, have been part of our strategy to improve the cash position and property purchases have been funded by mortgages at negotiated rates.

Operational performance is closely monitored to ensure it is well managed in line with expected budgetary controls, with actions taken as necessary. All budget holders have contributed to a reduced spend against their budgets in 2024/25. We actively monitor all spend across the organisation and are undertaking a review in 2025/26 to achieve efficiencies and cost savings for 2026/27 onwards.

The Group is reliant on its overdraft facility of £1.5m which has been sufficient to cover for low cash months and we do not foresee an increased need beyond this in the 12 months post signing of the accounts. There is a longstanding and positive relationship with Barclays Bank plc, who provide the Group with its overdraft facility, which is subject to annual review and renewal, and although this facility is payable on demand, Barclays have been supportive of the Group and its operational cash needs and therefore this risk is not considered to pose a serious threat or concern.

The pension scheme deficit is a longer term liability, and the cash contribution elements are covered through the annual budgets and therefore this is considered to have no significant bearing on the going concern assessment for the Avenues Group.

Avenues Group operates within a cross-guarantee arrangement, pooling cash across the group to meet working capital requirements.

In making this assessment, the Trustees have considered the changes in VAT legislation referred to in the Post Balance Sheet Event note (Note 19), which will impact the activities in Avenues Management Services Limited from April 2026.

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Although this is a challenging landscape, the Trustees are assured that the issues Avenues face are common among social care providers. Avenues has a wealth of skill and experience through its senior leadership teams, executive management team and its Trustees that enables the organisation to successfully navigate these challenges with agility as the Group has in the past. To this end, Trustees are confident of Avenues' success into the future and to meet its debts as they fall due for a period of at least 12 months from the date of approval of these accounts, and therefore have no material uncertainty over its going concern.

c) Group financial statements

The financial statements consolidate the results of the charity and its subsidiaries on a line by line basis. Control is determined when the charity controls over 50% of the voting rights or has the ability to appoint or remove a majority of board members. A separate Statement of Financial Activities and Income and Expenditure account for the charity has not been presented because Avenues has taken advantage of the exemption afforded by Section 408 of the Companies Act 2006.

The results of all subsidiaries cover a full 12 month period up to the 31 March 2025. Comparators for Autism Hampshire represent the part year from 1 November 2023.

The cost of a business combination is the fair value at the acquisition date, of the assets given and liabilities incurred or assumed, plus directly attributable costs. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. Fair values recognised are considered for impairment in the period following the acquisition date.

d) Income

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

Income from government and other grants, whether 'capital' (except capital grants relating to social housing properties – see policy (e)) or 'revenue' grants, are recognised when the charity has entitlement to the funds, any performance related conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

Income received in advance of a service is deferred until the criteria for income recognition are met (Note 12). Income is measured at the fair value of the consideration receivable.

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Legacy income is recognised at the earlier of the charity being notified of a distribution or the receipt of a legacy, or when the receipt of the legacy is determined to be measurable and probable which includes consideration of when probate is granted.

e) Capital grants in respect of social housing properties
All Social Housing Capital grants are recognised under the accrual model. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred it is recognised under creditors after more than one year separately as capital grant and not deducted from the carrying amount of the asset.

f) Tangible fixed assets and depreciation
Fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at the following annual rates in order to write off the assets over their estimated useful lives;

Tablets, laptops, and computers	33% per annum on cost
Office equipment	15-25% per annum on cost
Furniture and equipment	15-25% per annum on cost
Furniture and equipment (River House)	10% per annum on cost
Specialist equipment	15% per annum on cost
Motor vehicles	25% per annum on cost
Freehold Land	0%
Freehold Buildings and offices	2% per annum on cost
Leasehold properties	Over the term of the lease

Depreciation of an asset commences from the point the asset is brought into use.

The groups' policy is to capitalise all assets with a cost greater than £500.

Asset values and consideration of any impairments needed are reviewed on an annual basis.

Barclays Bank Plc holds a charge over the group's fixed assets as security for the Groups' overdraft.

g) Intangible assets and amortisation
Intangible assets are stated at cost less accumulated amortisation. Amortisation is provided at the following annual rates in order to write off the assets over their estimated useful lives:

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PeoplePlanner and Digitalisation Project	20% per annum on cost

Intangible assets under construction (IAC)

Intangible assets under construction (IAC) are costs directly attributable to creating, producing, or preparing internally generated intangible assets for their intended use and are recognised at cost where it is probable that the future economic benefits attributable to the asset will flow and the cost can be measured reliably. Expenditure after initial recognition is capitalised where directly attributable to the development of the asset to bring it to a working condition.

If the project is abandoned or its value becomes impaired during construction, the capitalised costs may need to be written down to their recoverable amount. The IAC are tested annually for impairment or whenever there is an indication that the asset might be impaired. If the carrying amount exceeds the recoverable amount, an impairment loss will be recognised.

h) Value added tax
Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Employee benefits policy
The costs of short-term employee benefits are recognised as a liability and an expense. The best estimate of the expenditure required to settle obligations for termination of benefits is recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

j) Pension costs
The Avenues Trust Group has employees enrolled in The Social Housing Pension (SHPS) defined contribution scheme (also referred to as 'Pensions Trust') which is an ongoing scheme. The contributions paid to this scheme by the group are charged to the Consolidated Statement of Financial Activities as they fall due.

The Avenues Trust Group also participates in an unfunded pension scheme operated by the National Health Service. The contributions to this scheme, as advised by scheme administrator, are charged to the Consolidated Statement of Financial Activities as they fall due.

The group also contributes to the defined benefit Social Housing Pension Scheme (closed to future accrual). Contributions are charged to the Consolidated Statement of Financial Activities in the period to which they relate. As at 31 March

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2025 the schemes actuaries provided each employers organisation with its defined benefit liability together with comparative information as at 31 March 2024. The scheme is treated as a defined benefit scheme in accordance with FRS102.

The pension schemes are disclosed in Note 16.

k) Operating leases
Operating lease rental costs are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the period of the lease.

l) Resources expended and the basis of apportioned costs
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. VAT which cannot be recovered is included as part of the expenditure to which it relates. A liability is recognised once a legal or constructive obligation has been entered into by the group.

m) Allocation of support costs
Support costs are those functions that assist the work of Avenues but do not directly undertake charitable activities. Support costs include back office costs, finance, human resources, payroll, IT and governance costs which supports Avenues charitable activities. All costs are allocated between the expense categories of the Statement of Financial Activities on the basis designed to reflect the use of the resources.

n) Fund accounting
Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are subject to specific restrictions imposed by donors. These funds are accounted for separately and are only available to be used in line with donor's requirements.

Designated funds are funds set aside formally by the trustees for a particular purpose.

o) Taxation
The company is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

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p) Debtors
Trade debtors and other income are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts.

q) Cash and cash equivalents
Cash and cash equivalents includes cash at bank and in hand 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. In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

r) 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.

s) Financial Instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

t) Assets held for sale
Assets held for sale are classified as non-current assets when their carrying amount is expected to be recovered principally through a sale transaction rather than through continuing use. This classification is made only when the sale is highly probable, the asset is available for immediate sale in its present condition, and management is committed to a plan to sell within 12 months.

u) Management estimates and judgements
In the process of applying its accounting policies, The Avenues Trust Group is required to make certain estimates, judgements and assumptions that it believes are reasonable based on the information available. These judgements, estimates and assumptions affect the amounts of assets and liabilities at the date of the financial statements and the amounts of revenues and expenses recognised during the reporting periods presented.

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The assumptions applied to the pension schemes have the potential to materially impact the pension liability position and therefore have been reviewed with the Groups pension advisors and management consider they are reasonable. Upon acquisition of Avenues South in 2019/20, the properties were revalued and converted to Fair Value in the Group accounts.

Upon acquisition of Autism Hampshire, the properties were revalued and converted to Fair Value in the Group accounts.

These properties have been reviewed for indications of impairment and no adjustment to the carrying value of the properties is considered necessary at 31 March 2025.

2) Financial performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries (note 17).

The summary performance of the charity alone is:	**2025 £000s**	**2024 £000s**
Income from charitable activities	193	177
	193	177
Expenditure on charitable activities	(221)	(208)
Profit received from AMSL through deed of covenant	352	175
Net Income	**324**	**144**
Total funds brought forward	(5)	(149)
Total funds carried forward	**319**	**(5)**
Represented by:		
Restricted income funds	11	11
Unrestricted income funds	308	(16)
Total	**319**	**(5)**

Included in the unrestricted fund there is £352k (2024: £175k) relating to profit donated by the Avenues Management Services Ltd (AMSL) subsidiary to the parent under Deed of Covenant.

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3) Income

	2025 £000s	2024 £000s
Donations, grants and legacies		
Donations	50	62
Autism Hampshire net assets	-	2,387
Grants	99	2
	149	**2,451**
Other trading activities income		
Contribution towards training costs	9	6
Fundraising Events	6	-
Charity shop operations	111	-
Other Income	1	44
	127	**50**
Other		
AMSL trading company income	370	195
Forest Lane Service mobilisation	-	107
Other	47	61
	417	**363**

Income from Donations, grants and legacies was £149k (2024: £2,451k), of which £105k (2024: £130k) was restricted, including grants of £99k (2024: £2k).
Income from Charitable activities was £66,525k (2024: £57,497k) all of which was unrestricted in both years. Other trading activities income is broken down above.

4) Expenditure

	Direct Costs £000s	Support Costs £000s	2025 Total £000s	2024 Total £000s
Charitable Activities				
Provision of care and housing services	15,928	2,057	17,985	17,725
Provision of care to young people	693	88	781	734
Services to Adults	34,609	4,479	39,088	36,103
Services to Older People	1,876	224	2,100	2,168
Regulated services	5,457	933	6,390	2,639
Community Partnerships	551	94	645	286
2025 Totals	**59,114**	**7,875**	**66,989**	
2024 Totals	**52,549**	**7,106**		**59,655**

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Expenditure on charitable activities of £66,989k (2024; £59,655k) of which £134k relates to restricted funds (£2024: nil).

This balance does not include pension re-measurement adjustments of £135k (2024: (£257k)) and (gain)/loss on sales of assets, loss - £2k (2024; gain £434k).

Expenditure for fund raising was £157k (2024: £55k) which was all raised by Autism Hampshire and all attributed to unrestricted funds.

Analysis of governance and support costs

The Avenues initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken (see note 3) in the year. Support costs are allocated on the basis of salary costs for each activity.

	General support £000s	Governance function £000s	2025 Total £000s	2024 Total £000s
EMT and Governance	1,748	122	1,870	1,679
Group Finance	2,651	-	2,651	2,259
Group Human Resources	1,569	-	1,569	1,446
Group Office Management	1,142	-	1,142	1,071
Group Practice Development and Assurance	643	-	643	651
Total	**7,753**	**122**	**7,875**	**7,106**

5) Net income for the year is stated after charging:

	2025 £'000	2024 £'000
Depreciation of tangible fixed assets	818	735
Amortisation	90	101
External Audit	122	105
Internal Audit	1	15
Operating lease charges for motor vehicles and equipment	52	113
Operating lease charges for land and buildings	1,301	1,173
Interest paid	108	84
Loss/(gain) on disposal of assets	2	(434)

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6) Trustees' remuneration

The trustees are the directors of the company. During the year, 9 (2024: 11) member(s) of the Board have been reimbursed for expenses totalling £4.7k (2024: £4.6k).

J Land, Chief Executive, is also a Trustee of Avenues Group. During the 2024/25 financial year she received £167k (2024: £155k) in remuneration including £13k of pension contributions (2024: £14k) from The Avenues Trust Group in respect of her role as Chief Executive. No remuneration or pension contributions were paid in relation to her role as a trustee (2024: none).

N Ford, Group Director of Finance, is also a Trustee of Avenues Group. During the 2024/25 financial year she received £130k (2024: £117k) in remuneration including £9k of pension contributions (2024: £9k) from The Avenues Trust Group in respect of her role as Group Finance Director. No remuneration or pension contributions were paid in relation to her role as a trustee (2024: none).

Remuneration noted above includes gross salary, benefits, employers' national insurance and employers' pension contributions.

The Directors of the Charity are remunerated by The Avenues Trust Group only to the extent permitted by the Charity's Articles of Association. A further payment was made in the year of £6.7k (2024: £6.4k) which is a collective premium to cover Trustees Liability insurance (including £0.7k relating to Autism Hampshire ex-Trustees; 2024 £0.7k).

No other Trustees received remuneration or pension contributions in the current or preceding period.

7) Staff costs and key management personnel

The number of employees whose emoluments exceeded £60k were:

	2025 No.	2024 No.
£60k - £70k	3	5
£70k - £80k	1	-
£100k - £110k	-	5
£110k - £120k	4	-
£130k - £140k	1	1
£140k - £150k	-	-
£150k - £160k	-	-
£160k - £170k	1	-

The average total number of staff employed by the group as well as the full time equivalents are as follows:

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	No. 2025	No. 2024	FTE 2025	FTE 2024
Office staff	165	132	154	124
Care staff	1,512	1,171	1,140	905
Bank contract staff	268	216	-	-
	1,945	**1,519**	**1,294**	**1,029**

The difference between the total number of staff and the FTEs is due to a number of staff being employed on "Bank" contracts, whereby they have an employment contract with Avenues but work irregular shifts as and when they are needed and are not included within FTE's.

Staff costs - Group	2025 £'000	2024 £'000
Wages and salaries	48,296	37,699
Social security costs	3,918	3,021
Pension costs (Per Note 16)	1,335	1,000
Agency staff costs	1,944	2,481
	55,493	**44,201**

The key management personnel of the Group comprise the trustees including; the Group Chief Executive, Group Director of Operations, Group Director of Finance, Group Director of People and Organisational Development, Group Director of Business Development, and Group Director of Housing and Development. The total employee benefits of the key management personnel were as follows:

	2025 £'000	2024 £'000
Wages and salaries	671	601
Social security costs	87	80
Pension costs	57	66
	815	**747**

The exemption available for parent companies under FRS102 has been taken, therefore Charity only figures for key management personnel remuneration have not been disclosed.

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8) Tangible fixed assets – Group

	Freehold Housing Properties	Long leasehold properties	Furniture and Equipment	Motor Vehicles	Office Equipment	Assets Held for Sale	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation							
At 1 April 2024 - Group	11,792	1,466	4,679	34	264		**18,235**
Transfer from Fixed assets	(538)	(224)				762	**0**
Additions	592	183	616	-	6		**1,397**
Disposals	-	(297)	(46)	(17)	-		**(360)**
At 31 MARCH 2025	11,846	1,128	5,250	17	270	762	19,272
Depreciation							
At 1 April 2024 - Group	1,433	20	3,597	30	251		**5,331**
Transfer from Fixed assets	(146)	(46)		-	-	192	**0**
Charge for year	230	25	415	1	1		**672**
Charge for year - grant (Note 12)	146	-	-	-	-		**146**
Disposals	-	(25)	(1)	(14)	-		**(40)**
At 31 MARCH 2025	1,663	(26)	4,011	17	252	192	6,109
Net book value							
At 31 MARCH 2025	**10,183**	**1,154**	**1,239**	**-**	**18**	**570**	**13,163**
At 31 March 2024	10.359	1.446	1.082	4	13		12.904

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8) Tangible fixed assets – Charity

	Furniture and Equipment £'000	Total £'000
Cost		
At 1 April 2024	1,414	1,414
Additions	142	142
At 31 MARCH 2025	**1,556**	**1,556**
Depreciation		
At 1 April 2024	1,175	1,175
Charge for the year	127	127
At 31 MARCH 2025	**1,302**	**1,302**
Net book value		
At 31 MARCH 2025	**254**	**254**
At 31 March 2024	**239**	**239**

NHS Charge

The net book value of some of the Housing properties above are subject to an NHS charge.

The NHS transferred the freehold of 23 properties to Avenues South in 1995 resulting in a legal charge against them; which is registered at the land registry on the freeholds. Consequently, should Welmede chose to use the properties other than for care services, or sell the properties, Avenues South will have to pay back the current market value (or sale proceeds) to the NHS.

There is an offsetting capital grant creditor of £3,987k (2024 £4,133k). (See note 12).

Long Leasehold

All long leasehold properties have remaining leases of between 80 and 112 years.

Assets held for sale

Assets held for sale are presented separately in the statement of financial position. Freehold property in Autism Hampshire was sold on the 23rd July 2025 for £540k and another freehold property in Avenues South was sold on the 13th June 2025 for £194k.

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9) Intangible assets – Group and Charity

	People Planner	Digitalisation Project	Intangibles under Construction	Total 2025
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2024	90	345	118	553
Additions	-	-	335	335
At 31 MARCH 2025	**90**	**345**	**453**	**888**
Amortisation				
At 1 April 2024	90	221	-	311
Charge for year	-	90	-	90
At 31 MARCH 2025	**90**	**311**	**-**	**401**
Net book value				
At 31 MARCH 2025	**-**	**34**	**453**	**487**
At 31 March 2024	-	124	118	242

Amortisation of software has been charged to central overheads which is then allocated across the charitable activities on a staff costs basis.

Intangible assets under construction represent our business system upgrade programme, which has been capitalised and shown separately without being amortised. Amortisation will begin when the asset is available for use, i.e. completed.

10) Investments in subsidiary undertakings

The group holds an investment in Avenues South of £8 (2024: £8) and Avenues Management services Limited of £1 (2024: £1) both of which are equivalent to the entire share capital of the subsidiaries. The other Avenues entities are considered to be subsidiaries due to common control by the board of Trustees.

11) Debtors

	Charity		Group	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Contract fees receivable	-	-	3,303	4,501
Other debtors	260	217	419	299
Prepayments and accrued income	386	526	1,738	1,287
Amounts due from subsidiary undertakings	36,440	18,774	-	-
	37,086	**19,517**	**5,460**	**6,087**

Included within group Other Debtors are amounts totalling £160k (2024: £160k) relating to a rental deposit falling due after more than one year.

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12) Creditors

	Charity		Group	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Bank overdraft	294	724	294	724
Trade creditors	125	156	1,759	1,878
Other taxation and social security	177	201	2,223	2,030
Other creditors	32	17	672	222
Deferred income	-	-	492	1,172
Accrued expenditure	55	122	1,417	1,582
Amount owed to Subsidiary companies	36,741	18,667	-	-
Loans falling due within one year	42	46	75	63
	37,466	**19,933**	**6,932**	**7,671**

The group's overdraft is secured by an unlimited guarantee provided by the entities in The Avenues Trust Group and by charges over certain of the group's properties.

Avenues Trust Group acts as a central bank for the group and collects receipts and makes supplier and salaries payments on behalf of other group entities. Cash is swept from other group entities to Avenues Trust Group as part of the cash pooling agreement. This group cash pooling arrangement creates intra-group debtors and creditors and these balances net off across the group.

Movements in deferred income:	**£'000**	**£'000**
Deferred income at the beginning of the year	1,172	386
Income recognised in the year	(1,172)	(386)
Income deferred in the current year	492	1,172
Income deferred at the year end	**492**	**1,172**

Deferred income comprises contract fee income which relates to services that will be provided in future periods, and grants and donations where milestones and conditions for recognition are expected to be met in future periods.

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Creditors falling due in more than one year - Group
Capital grants

	2025 £'000	2024 £'000
Capital Grant at 1 April	(4,133)	(4,277)
Additions	-	(2)
Grant release current year	146	146
Capital Grant at 31 March	**(3,987)**	**(4,133)**
Bank Loans:		
Due within 2 -5 years	(202)	(175)
Due over 5 years	(1,268)	(1,022)
	(1,470)	**(1,197)**
Total long term Creditors	**(5,457)**	**(5,330)**

A capital grant was received to purchase NHS properties in 1995. No further capital grants were received during the year.

The grants are amortised over the same period over which the housing properties are depreciated.

Bank loans relate to the purchases of 5 properties, Colman Stairs (2022), Beresford Gardens, Smock Acre and Westbrook (2023), and Hempstead (2024). The loans are secured on the properties.

The loans are repaid by monthly instalment of capital and interest over a period of 25 years.

Interest is payable on the loans at 3.15% above the Bank of England base rate which was 4.5% as at 31st March 2025.

Also included in the loan was the purchase of software licences over a period of 5 years. The amount falling due in more than one year is £42k (2024: £92k).

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13) Statement of Funds

Group:	2024	Income	Expenditure	Transfers	FRS 102 Pension Adj	2025
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds:						
General reserve	6,939	67,117	(67,013)	(277)	-	**6,766**
Designated Fund	77	-	-	-	-	**77**
Pension reserve	(1,383)	-	-	287	135	**(961)**
Restricted funds:						
Active Communities Fund	11	-	-	-	-	**11**
Big Lottery	12	-	-	-	-	**12**
Disability Focus Day	11	-	-	-	-	**11**
Disability Sports Project	21	-	-	-	-	**21**
Employment Service	15	-	-	-	-	**15**
Leisure activities in Avenues East	38	-	-	-	-	**38**
Hope House holiday Fund	4	-	-	(4)	-	**-**
Partnership Working	9	-	-	-	-	**9**
Disability Forum for Suffolk	4	-	-	-	-	**4**
Teaming Up	62	-	-	-	-	**62**
Garden Fund	5	-	-	-	-	**5**
Copse Hill	64	-	-	-	-	**64**
CSU Donations	6	-	-	(6)	-	**-**
Furniture Fund - Squirrel Lodge	10	-	-	-	-	**10**
Caring Communities Grant	1	-	(1)	-	-	**-**
Spectra App	10	-	-	-	-	**10**
Childwick Trust	9	-	(9)	-	-	**-**
Get Going Again	1	-	(1)	-	-	**-**
Serendipity Lottery Grant	22	69	(91)	-	-	**-**
Solent Employment Grant	(2)	-	2	-	-	**-**
Serendipity Skills Group (Thomas Bailey)	-	10	(10)	-	-	**-**
HICWF	4	-	(4)	-	-	**-**
IAG Sensory SSB	1	-	(1)	-	-	**-**
Barratt Foundation	2	-	(1)	-	-	**1**
Southampton charitable trust	-	1	(1)	-	-	**-**
Baker Mill	-	1	(1)	-	-	**-**
Chalk Cliff Trust	-	5	-	-	-	**5**
EHDC Supporting Communites Fund	-	10	(10)	-	-	**-**
Ford Britain Trust	-	2	(0)	-	-	**2**
Souter	-	2	(2)	-	-	**-**
Virgin Unite	-	5	(5)	-	-	**-**
	320	**105**	**(135)**	**(10)**	**-**	**280**
Total funds	**5,953**	**67,222**	**(67,148)**	**-**	**135**	**6,162**

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The Avenues Trust Group Ltd
Notes to the Financial Statements

Previous year balances	2023	Income	Expenditure	Transfers	FRS 102 Pension Adj	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted funds:						
General reserve	5,142	60,234	(59,200)	763	-	**6,939**
Revaluation reserve		-	-	-	-	**0**
Designated Fund	77	-	-	-	-	**77**
Pension reserve	(1,397)	-	-	271	(257)	**(1,383)**
Restricted funds:						
Autism Hampshire - Donation transfer		116		(116)		**-**
Active Communities Fund	11	-	-	-	-	**11**
Big Lottery	12	-	-	-	-	**12**
Community Futures other restricted funds	176	-	-	(176)	-	**-**
Disability Focus Day	11	-	-	-	-	**11**
Disability Sports Project	22	-	-	(1)	-	**21**
Employment Service	15	-	-	-	-	**15**
Leisure activities in Avenues East	38	-	-	-	-	**38**
Hope House holiday Fund	4					**4**
Partnership Working	9	-	-	-	-	**9**
Disability Forum for Suffolk	4	-	-	-	-	**4**
Teaming Up	62	-	-	-	-	**62**
Garden Fund	10	-	-	(5)	-	**5**
Brighton road	730	-	-	(730)	-	**-**
Copse Hill	92	-	(3)	(25)	-	**64**
Other restricted projects	77	-	-	(77)	-	**-**
CSU Donations	17	9	-	(20)	-	**6**
Furniture Fund - Squirrel Lodge	10	-	-	-	-	**10**
Caring Communities Grant	-	-	-	1	-	**1**
Partnership Foundation	-	-	-	0	-	**0**
Spectra App	-	-	(1)	11	-	**10**
Autism & Nature	-	-	-	0	-	**0**
Childwick Trust	-	-	-	9	-	**9**
Get Going Again	-	-	(19)	20	-	**1**
John Lewis gardening	-	-	-	0	-	**0**
New Forest Serendipity Group	-	-	- 0.19	0	-	**0**
Serendipity Lottery Grant	-	2	(47.69)	68	-	**22**
Solent Employment Grant	-	-	-	(2)	-	**(2)**
Thomas Bailey Serendipity	-	-	-	0	-	**0**
Serendipity Skills Group (Will Charitable Trust)	-	-	(2)	2	-	**-**
HICWF	-	-	-	4	-	**4**
IAG Sensory SSB	-	-	-	1	-	**1**
Barratt Foundation	-	-	-	2	-	**2**
Percy Bilton	-	3	(3)	0	-	**-**
	1,300	**130**	**(76)**	**(1,034)**	**-**	**320**
Total funds	**5,122**	**60,364**	**(59,276)**	**-**	**(257)**	**5,953**

Fund transfers in 2024/25:

Hope House Holiday fund: funds spent to provide holidays in accordance with the fund (Avenues East).

CSU Donations – Funds used to support the delivery of unfunded activities in the CSU project in Avenues East.

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Fund transfers in 2023/24:
Community Futures other restricted funds - All funds were spent in accordance with the grant conditions and the charity was dissolved in 2022.
Disability Sports Project - Funds spent to provide sport days in accordance with the fund.

Garden Fund - Funds spent to renovate garden at Wilson Avenue

Brighton road - Funds spent in accordance with the legacy to support people in the service.

Copse Hill - Funds spent on people who used to live at the service for activities; furniture and holidays.

Other restricted projects - Funds spent on various activities across the Group.

CSU Donations - Funds used to support the delivery of unfunded activities in the CSU project in Avenues East.

The main funds are as follows:
The general reserve represents the unrestricted, designated and restricted funds of the group. The Pension reserve represents the deficit on the defined benefit pension schemes as calculated using FRS102 methodology. The restricted funds are monies received from funders for the specific projects/purposes described above.

Designated funds are funds set aside formally by the trustees for a particular purpose.

The restricted fund of the parent charitable company is represented by the Active Communities Fund.

1 The Active Communities Fund has been generated through a number of events and donations to support activities in the community.
2 The Big Lottery fund is restricted to supporting disabled people during the transitional period of their lives enabling them to access volunteer and work experience opportunities within their local community.
3 Disability Focus Day fund is restricted to supporting the costs of organising a forum for representatives from disability and statutory organisations across Suffolk.
4 Disability Sport Project which is set up to provide sport and physical activities for young people and adults with disabilities.

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5 The Employment Service Fund is restricted to helping young people to gain work experience or volunteering enabling them to gain valuable life skills.

6 The Leisure funds are restricted to the various leisure activities provided by Avenues East particularly swimming sessions.

7 The Hope House Holiday fund represents a fund raised towards the provision of an annual holiday for the residents. This fund has been fully utilised in year.

8 The Partnership Working fund is restricted to supporting initiatives for user involvement in multi-agency working to promote the inclusion of disabled people.

9 Disability Forum for Suffolk fund is for work relating to representing and consulting with disabled people in Suffolk, as well as for organising events to bring disabled people in Suffolk together.

10 The Teaming Up fund is restricted to various Teaming Up activities provided by Avenues East.

11 The Garden Fund provided by Santander is for the renovation of a Garden at Wilson Avenue.

12 Copse Hill is a fund set up by a specific legacy for use at this service to cover some support and running costs.

13 CSU Donations are community support donations restricted to helping disabled people to take part in social activities, for examples games and pub quizzes. This fund has been fully utilised in year.

14 Furniture Fund - Squirrel Lodge is used for furniture and fittings at Squirrel Lodge.

15 Caring Communities Grant is a Southampton City Council grant towards the costs of 12 trial sports sessions that focus on a range of sports and physical activities for adults on the autistic spectrum. This fund has been fully utilised in year.

16 Spectra App is the net proceeds of a fundraising event towards the development of technology to support people on the autism spectrum.

17 Childwick Trust is a grant from Childwick Trust to support the development and operation of serendipity social groups across Hampshire. This fund has been fully utilised in year.

18 Get Going Again is a grant from Hampshire County Council towards a project aimed at improving access to healthcare services. This fund has been fully utilised in year.

19 Serendipity Lottery Grant is a grant from the National Lottery Fund to support the development and operation of serendipity social groups across Hampshire. This fund has been fully utilised in year.

20 Solent Employment Grant is a grant from the European Social Fund for an employment project for which Autism Hampshire is partnering with Southampton City Council. This fund has been fully utilised in year.

21 Serendipity Skills Group is a grant towards skills based serendipity groups. This fund has been fully utilised in year.

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22 HICWF is a grant from Portsmouth City Community Fund and IoWCF to support the development and operation of serendipity social groups across Hampshire. This fund has been fully utilised in year.

23 IAG Sensory SSB is a grant towards a purchase of a range of sensory items from Skipton Charitable Trust. This fund has been fully utilised in year.

24 Barratt Foundation is a donation towards redecoration of Chelveston supporting living accommodation.

25 Southampton Charitable Trust is a grant to benefit people in Southampton. This fund has been fully utilised in year.

26 Baker Mill - Totton Serendipity Group- Previously known as the Peter Barker-Mill Memorial Charity, the Foundation makes donations to local charities, schools, organisations and individuals needing support, primarily in southwest Hampshire. This fund has been fully utilised in year.

27 Chalk Cliff Trust - Serendipity Wellbeing Choir for Adults in Hampshire - The Chalk Cliff Trust is a foundation set up to provide grants and donations to charities, action groups and benevolent organisations predominantly in the East Sussex area involved in activities for people with learning difficulties or disabilities.

28 EHDC Supporting Communities Fund - Bordon Serendipity Group is a grant from the East Hants District Council Supporting Communities Fund which was set up to support local community groups and organisations in the district. This fund has been fully utilised in year.

29 Ford Britain Trust - Southampton Art Group is a grant from Ford Britain Trust who pay special attention to projects focusing on education, environment, children, the disabled, youth activities and projects that provide clear benefits to the local communities close to their UK locations.

30 Souter Charitable Trust - Life Skills Through Drama group held at MAST Mayflower, Southampton - The Souter Charitable Trust support projects engaged in the relief of human suffering in all aspects in the UK and overseas. This fund has been fully utilised in year.

31 Virgin Unite - Serendipity Community Groups - award grants for the relief of those in need by reason of youth, ill-health, disability, financial hardship or other disadvantage. This fund has been fully utilised in year.

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Note 13 (continued) Statement of Funds – Parent Charity

Parent Charity :	1 April 2024	Income	Expenditure	Transfers	31 March 2025
	£'000	£'000	£'000	£'000	£'000
Designated fund	2	-	-	-	**2**
General reserve	(18)	545	(222)	-	**305**
	(16)	**545**	**(222)**	-	**307**
Restricted funds					
Active Communities funds	11	-	-	-	**11**
	11	-	-	-	**11**
Total funds	**(5)**	**545**	**(222)**	-	**318**

Parent Charity :	1 April 2023	Income	Expenditure	Transfers	31 March 2024
	£'000	£'000	£'000	£'000	£'000
Designated fund	2	-	-	-	**2**
General reserve	(1,068)	352	(208)	906	**(18)**
	(1,066)	**352**	**(208)**	**906**	**(16)**
Restricted funds					
Active Communities funds	11	-	-	-	**11**
Community Futures other restricted funds	32	-	-	(32)	**-**
Brighton Road	730	-	-	(730)	**-**
Other projects	144	-	-	(144)	**-**
	917	**-**	**-**	**(906)**	**11**
Total funds	**(149)**	**352**	**(208)**	**-**	**(5)**

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14) Analysis of net assets between funds

GROUP	Restricted Funds	Unrestricted Funds	Total
Fund balances at 31 March 2025 are represented by:	**£'000**	**£'000**	**£'000**
Tangible fixed assets	-	12,739	12,739
Intangible assets	-	487	487
Current assets	280	6,006	6,286
Current liabilities	-	(6,932)	(6,932)
Long term liabilities	-	(5,457)	(5,457)
TOTAL FUNDS BEFORE PENSION LIABILITY	**280**	**6,843**	**7,123**
Pension scheme liability	-	(961)	(961)
TOTAL FUNDS INCLUDING LIABILITY ON PENSION SCHEME RESERVE	**280**	**5,882**	**6,162**

Analysis of group net assets between funds - previous year			
Fund balances at 31 March 2024 are represented by:			
Tangible fixed assets	-	12,904	12,904
Intangible assets	-	242	242
Current assets	320	6,871	7,191
Current liabilities	-	(7,671)	(7,671)
Long term liabilities	-	(5,330)	(5,330)
TOTAL FUNDS BEFORE PENSION LIABILITY	**320**	**7,016**	**7,336**
Pension scheme liability	-	(1,383)	(1,383)
TOTAL FUNDS INCLUDING LIABILITY ON PENSION SCHEME RESERVE	**320**	**5,633**	**5,953**

PARENT	Restricted Funds	Unrestricted Funds	Total
Fund balances at 31 March 2025 are represented by:	**£'000**	**£'000**	**£'000**
Tangible fixed assets	-	254	254
Intangible assets	-	487	487
Current assets	11	37,074	37,086
Current liabilities	-	(37,466)	(37,466)
Long term liabilities	-	(42)	(42)
TOTAL FUNDS	**11**	**307**	**319**
Fund balances at 31 March 2024 are represented by:			
Tangible fixed assets	-	239	239
Intangible assets	-	242	242
Current assets	11	19,528	19,539
Current liabilities	-	(19,933)	(19,933)
Long term liabilities	-	(92)	(92)
TOTAL FUNDS	**11**	**(16)**	**(5)**

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15) Operating leases

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

	2025	2024
Land and Buildings	**£'000**	**£'000**
Amounts due:		
Within one year	1,214	786
Between two and five years	2,177	1,927
Beyond five years	1,321	1,308
	4,712	**4,021**

	2025	2024
Vehicles & equipments		
Amounts due:	**£'000**	**£'000**
Within one year	4	-
Between two and five years	10	-
	14	**0**

	2025	2024
Parent only		
Land and Buildings	**£'000**	**£'000**
Amounts due:		
Within one year	481	-
Between two and five years	801	-
	1,282	**-**

16) Pension obligations

The Avenues Trust Group has contributed to both defined benefit and defined contribution schemes during the year and defined benefit schemes (Social Housing Pension Scheme - SHPS) are accounted for as if they were defined contribution schemes if required by FRS 102 Section 28 'Employee benefits'.

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

	2025	2024	**2025**	2024
	£'000	£'000	**No.**	No.
Pensions Trust SHPS	1,326	977	1,470	1,095
NHS Pension	6	19	1	7
Pensions Trust - The Growth Plan	3	4	-	5
Per Note 7	1,335	1,000	1,471	1,107

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There are three main schemes remaining with the majority of staff contributing to the defined contribution scheme with The Pensions Trust. This is the Social Housing Pension Scheme (SHPS). In addition, there is a closed scheme, also within the SHPS and administered by The Pension Trust. The last scheme is the NHS Pension with details shown below.

The Trustee commissions an actuarial valuation of the Scheme every three years. The main purpose of the valuation is to determine the financial position of the Scheme in order to address the level of future contributions required so that the Scheme can meet its pension obligations as they fall due.

The Trustees are aware that the Court of Appeal has upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgment means that some historic amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained.

On the 5 June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written confirmation that historical benefit changes met the necessary standards. However, details of the legislation have not been announced.

Until further investigations have been completed by the Social Housing Pension Scheme trustees and the TPT Retirement Solutions Growth Plan scheme trustees and any legislative action taken by the government, the potential impact if any, on the valuation of scheme liabilities remains unknown.

TPT have identified uncertainties over whether past amendments to a number of scheme benefit areas were valid. TPT have presented papers to Court in 2025 asserting that the amendments were valid and have been administered correctly. A decision by the Court is expected towards the end of 2025, but the timings could change. If the Court decides against the Trustee, this will result in additional liabilities for most TPT schemes. The SHPS actuary (Mercer) has estimated that this issue, at a scheme wide level, might be expected to result in potential additional liabilities of around 3.9% which based on Avenues' 2022 estimated funding liabilities would be in the region of £300k. In the event of an unfavourable ruling, the impact for Avenues will not be known for some time and would likely result in an extension to Avenues' existing liability payment schedule

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National Health Service (closed Scheme)
The NHS operates an unfunded defined benefit scheme for the nursing sector, in which The Avenues Trust Group participates. The Avenues Trust Group is granted permission by the Secretary of State to be able to contribute to the cost of the scheme as a 'Directed Employer' (an employer that can continue to have non NHS employed staff as members of the NHS pension scheme).

The cost represents the contributions advised by the NHS Pensions Agency. The Avenues Trust Group is not liable for past service costs beyond these contributions. Contributions increased to 14% from 1 April 2005.

The Pensions Trust - The Social Housing Pension Scheme
The Social Housing Pension (SHPS) auto enrolment defined contribution scheme (also referred to as 'Pensions Trust') is an ongoing scheme. The contributions paid to this scheme by the group are charged to the Statement of Financial Activities as they fall due. This scheme also includes a defined benefit obligation although all employees have been transferred to the defined contribution scheme since April 2023.

The Pensions Trust - The Growth Plan (closed scheme)
The group participates in the SHPS scheme, a multi-employer scheme which provides benefits to employees of some 521 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

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From 1 April 2025 to 31 March 2028	£2,100,000 per annum (payable monthly)

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020: this valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked participating employers to pay additional contributions to the scheme as follows:

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum (payable monthlyl)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

PRESENT VALUES OF PROVISION	**2025 £'000**	**2024 £'000**
Present value of provision - Avenues East	-	3
Total group provision	**-**	**3**

Avenues South East and Avenues South SHPS Pensions schemes are administered by TPT however the obligations for these schemes are now shown later in this note.

Reconciliation of opening and closing provisions

	2025 £'000	**2024 £'000**
Provision at start of period	3	7
Unwinding of the discount factor (interest expense)	-	-
Deficit contribution paid	(3)	(4)
Provision at end of period	-	3

ASSUMPTIONS	**2025**	**2024**	**2023**
	% per annum	% per annum	% per annum
Rate of discount The Pensions Trust - Growth Plan	4.84	5.31	5.52

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Avenues East is the only member of the Group that has employees in this closed scheme.

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The Pensions Trust - Social Housing Pension Scheme

Avenues Group participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK.

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

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

Present Values of Defined Benefit Obligation, Fair Value of Assets and Defined Benefit (Liability)

	31 March 2025 £'000	31 March 2024 £'000
Fair Value of plan assets	5,904	5,907
Present value of defined benefit obligation	6,865	7,287
(Deficit) in plan	(961)	(1,380)
Defined Benefit (liability) to be recognised	(961)	(1,380)

Reconciliation of Opening and Closing Balances of the Defined Benefit Obligation

	Period ended 31st March 2025 £'000	Period ended 31st March 2024 £'000
Defined benefit obligation at start of period	7,287	7,740
Expenses	10	10
Interest expense	352	362
Actuarial losses (gains) due to scheme experience	339	(59)
Actuarial losses (gains) due to changes in demographic assumptions	-	(78)
Actuarial losses (gains) due to changes in financial assumptions	(905)	(46)
Benefits paid and expenses	(218)	(642)
Defined benefit obligation at end of period	**6,865**	**7,287**

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Reconciliation of Opening and Closing Balances of the Fair Value of Plan Assets

	Period ended 31st March 2025 £'000	Period ended 31st March 2024 £'000
Fair value of plan assets at start of period	5,907	6,350
Interest income	292	302
Experience on plan assets (excluding amounts included in interest income) - (loss)	(431)	(440)
Contributions by the employer	354	337
Benefits paid and expenses	(218)	(642)
Fair value of plan assets at end of period	**5,904**	**5,907**

The actual return on the plan assets (including any changes in share of assets) over the period ended 31 March 2025 was £121,000.

Defined Benefit Costs Recognised In Statement of Financial Activities (SOFA)

	Period ended 31st March 2025 £'000	Period ended 31st March 2024 £'000
Expenses	10	10
Net interest expense	60	60
Defined benefit costs recognised in Statement of Financial Activities(SOFA)	**70**	**70**

Defined Benefit Costs Recognised for year ended 31 March 2025

	Period ended 31st March 2025 £'000	Period ended 31st March 2024 £'000
Experience on plan assets (excluding amounts included in net interest cost) - (loss)	(431)	(440)
Experience gains and losses arising on the plan liabilities - (loss)/gain	(339)	59
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain	-	78
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain	905	46
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain/(loss)	135	(257)
Total amount recognised in other comprehensive income - gain/(loss)	**135**	**(257)**

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Assets	2025 £'000	2024 £'000
Global Equity	661	589
Absolute Return	-	230
Distressed Opportunities	-	208
Credit Relative Value	-	194
Alternative Risk Premia	-	187
Liquid Alternatives	1,095	-
Emerging Markets Debt	-	76
Risk Sharing	-	346
Insurance-Linked Securities	18	31
Property	296	237
Infrastructure	1	597
Private Equity	5	4
Real Assets	707	-
Private Debt	-	233
Opportunistic Illiquid Credit	-	231
Private Credit	722	-
Credit	226	-
Investment Grade Credit	182	-
High Yield	-	1
Cash	80	116
Long Lease Property	1	39
Secured Income	99	176
Liability Driven Investment	1,788	2,405
Currency Hedging	10	(3)
Net Current Assets	13	10
Total assets	**5,904**	**5,907**

Key Assumptions	31-Mar-25 % per annum	31-Mar-24 % per annum
Discount Rate	5.8	4.9
Inflation (RPI)	3.1	3.2
Inflation (CPI)	2.8	2.8
Salary Growth	3.8	3.8
Allowance for commutation of pension for cash at retirement	75% of maximum allowance	75% of maximum allowance

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The mortality assumptions adopted at 31 March 2025 imply the following life expectancies:

	Life expectancy at age 65 2025	*Life expectancy at age 65 2024*
Male retiring	20.5	20.5
Female retiring	23	23
Male retiring	21.7	21.8
Female retiring	24.5	24.4

17) Active subsidiary undertakings

'The Avenues Trust Group controls Avenues South East (company number 03923486; charity number: 1079576), Avenues London (company number 06858705; charity number: 1130445), Avenues East (company number 03326442, charity number: 1061241) and Autism Hampshire (company number 01710300; charity number 288141); Avenues Management Services (AMSL) Ltd (Company number 13890680). All of the companies are limited by guarantee and registered in England except AMSL that is a private limited company with issued share capital.

The Avenues Trust Group also holds 100% control of Avenue South Limited formerly Welmede Housing Association Limited (company number R26230), a Charitable Housing Association incorporated under the Co-Operative and Community Benefit Societies Act 2014 and registered with the Registry of Friendly Societies which is administered by the Financial Conduct Authority in England.

All charities are controlled by The Avenues Trust Group who have the ability to appoint and remove all members of each subsidiary Board of Trustees.

All charities' registered address is River House, 1 Maidstone Road, Sidcup, Kent, DA14 5TA.

'All activities have been consolidated on a line by line basis in the Consolidated Statement of Financial Activities. A summary of the results of the subsidiaries are shown below:

	Avenues South East	Avenues London	Avenues East	Avenue s South	Autism Hampshire	Parent	Avenues Management Services	Intra-group movement	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	13,964	19,324	7,476	18,751	7,144	193	18,307	(17,937)	**67,222**	60,364
Expenditure	(14,746)	(18,860)	(8,205)	(17,931)	(7,166)	(221)	(17,956)	17,937	**(67,148)**	(59,276)
Surplus/(deficit) on ordinary activities	**(782)**	**464**	**(729)**	**820**	**(22)**	**(28)**	**351**	**-**	**74**	**1,088**

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Previous year:

	Avenues South East	Avenues London	Avenues East	Avenues South	Autism Hampshire	Parent	Avenues Management Services	Intra-group movement	Donated on Acquisition	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Income	14,923	15,392	7,645	17,000	2,646	177	9,971	(9,777)	2,387	**60,364**	49,885
Expenditure	(14,966)	(15,800)	(8,077)	(17,227)	(2,979)	(208)	(9,796)	9,777	-	**(59,276)**	(51,759)
Surplus/(deficit) on ordinary activities	**(43)**	**(408)**	**(432)**	**(227)**	**(333)**	**(31)**	**175**	**-**	**2,387**	**1,088**	**(1,874)**

The aggregate of the assets, liabilities and funds as at 31 March 2025 was :

	Avenues South East	Avenues London	Avenues East	Avenue s South	Autism Hampshire	Parent	Avenues Management Services	Intra-group movement	Donated on Acquisition	Total 2025	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets	15,553	24,314	1,009	26,187	2,049	37,046	26,150	(115,064)	1,954	**19,198**	20,337
Liabilities	(14,093)	(24,477)	(2,116)	(24,160)	(376)	(36,728)	(26,150)	115,064	-	**(13,036)**	(14,384)
Total funds	**1,460**	**(163)**	**(1,107)**	**2,027**	**1,673**	**318**	**-**	**-**	**1,954**	**6,162**	**5,953**

The aggregate of the assets, liabilities and funds as at 31 March 2024 was :

	Avenues South East	Avenues London	Avenues East	Avenue s South	Autism Hampshire	Parent	Aveneues Management Services	Intra-group movement	Donated on Acquisition	Total 2024	Total 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Assets	10,934	12,599	1,417	18,810	2,597	20,019	11,130	(58,764)	1,595	20,337	17,445
Liabilities	(8,715)	(13,226)	(1,794)	(17,717)	(542)	(20,024)	(11,130)	58,764	-	(14,384)	(12,323)
Total funds	**2,219**	**(627)**	**(377)**	**1,093**	**2,055**	**(5)**	**-**	**-**	**1,595**	**5,953**	**5,122**

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18) Related party transactions

The Avenues Trust Group provides central support for each of its subsidiaries. The Group makes a charge for these central costs based on a blended ratio of group costs. In addition, The Avenues Trust Group acts as the central banker for the group, paying salary costs and creditors and receiving cash from customers.

PARENT	2025 £'000	2024 £'000
Balance due / (owed) at 1 April	106	(546)
Payroll services provided to subsidiary companies	39,540	25,755
Receipts taken on behalf of group companies	(28,751)	(31,392)
Payments made on behalf of group companies	16,724	8,694
Intercompany transfers	(36,021)	(8,903)
Recharges of head office costs	7,749	6,498
Gift Aid donation to parent of AMSL profit	352	-
Balance (owed)/due at 31 March	**(301)**	**106**

19) Post Balance Sheet Events

On 24 April 2025, HMRC issued Revenue & Customs Brief 2 (2025): the use of VAT grouping within the care industry. The Brief addresses arrangements under which contracts with local authorities or other commissioners of care are entered into by an unregulated entity within a VAT group, which then subcontracts delivery back to a state-regulated provider. These structures have been used in the sector to improve VAT recovery in relation to otherwise exempt welfare services.

Avenues Management Services Limited has historically contracted with commissioners in this way. The contracts are subcontracted to other charities within the group, which are regulated care providers, with VAT grouping applied between the entities.

Following publication of the Brief, HMRC has confirmed that existing VAT groups may be subject to review, and HMRC may exercise its powers to remove entities from groups where it considers the arrangement prejudicial to the protection of the revenue.

We have carried out a full internal review and taken VAT advice and we plan to novate contracts out of Avenues Management Services Limited to other group entities by March 2026 to comply with this Brief. As a result, once this work is complete, Avenues Management Services Limited will no longer hold any contracts and a decision on its future use will be taken.

There is no impact on the 2024-25 financial statements.