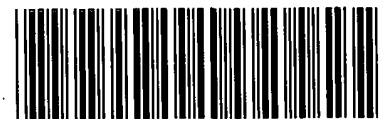


Company Registration No. 09487106 (England and Wales)

SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

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**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
COMPANY INFORMATION**

Directors	M J Marsden N Robinson R Bhambher L Hagger M Gadsby A Hunter C Hulme C Douch A Fraser	 (Appointed 8 September 2021) (Appointed 1 August 2021) (Appointed 28 July 2021) (Appointed 28 July 2021) (Appointed 31 May 2021) (Appointed 20 May 2021) (Appointed 1 April 2021) (Appointed 11 January 2022)
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Company number 09487106

Registered office Observatory House
4th Floor
25 Windsor Road
Slough
Berkshire
SL1 2EL

Auditor Mercer & Hole
Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

Business address Observatory House
4th Floor
25 Windsor Road
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Berkshire
SL1 2EL

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
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**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT**

FOR THE YEAR ENDED 31 MARCH 2021

The directors are pleased to present the Strategic Report highlighting the progress and challenges faced by Slough Children First (the Company) over the year while our improvement journey continues.

The Company, wholly owned by Slough Borough Council (the Council) was created to improve services and outcomes for children and young people in Slough through practice improvement and stronger collaboration with partner organisations and the community.

Fair review of the business

The Company's vision is that children and young people in Slough are safe, secure and successful.

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

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

The business of the Company is directed by its Board which met formally on seven occasions through the financial year, developing and monitoring performance against the strategic aims, ensuring policies are implemented and adhered to, and risks are managed appropriately.

The Company's Board continued to be supported by the Audit and Risk Committee and the Quality and Practice Improvement Committee, meeting through the year and reporting to the Board on key issues and strategic developments. The Board commissioned a focus group to steer the transformation programme, the successful implementation of which completed in October 2020, dispensing with the need for the focus group.

Principal risks and uncertainties

Effective risk management is an essential part of the Company's operation. Our risk management strategy focuses on risk prevention and pre-emptive intervention processes in preference to being incident reactive. We aim to influence behaviour and develop a culture where risks are recognised, owned and addressed.

The Company's risk register is reviewed and reported regularly at Executive Leadership Team meetings before being presented to the Audit and Risk Committee. Key risks are discussed at Board meetings as a standing item.

The Board of Directors is responsible for ensuring that the Company's approach to risk management is robust and appropriate.

Key risks that the Trust faces

The key risks are as follows:

- Covid-19
- Slough Borough Council's financial position
- Workforce stability
- Working within a fixed funding envelope to service variable, increasing demand
- Stability of outsourced IT and telephony services
- Delivering improvements in quality of services to children and families

The Company is actively working to manage and mitigate the above risks and continually reviewing actions to minimise their impact.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Covid -19

Stability of the workforce is a key element for consideration when supporting a child and their family to attain the best outcomes, the instability created from staff turnover, exacerbated by the pandemic, results in prolonged work with the families and the potential for escalation of needs.

The impact of the pandemic on our services has been:

- Increase in demand for services by over 28%
- Increase in total cost of service provision due to higher demand
- Concerns about staff wellbeing and retention
 - high anxiety amongst front line workers who are still required to undertake home visits
 - working remotely raises concerns over isolation and lack of peer support and lack of sharing of knowledge and practice
 - overall impact of the above is higher staff turnover
- Difficulty in recruiting new staff in the present circumstances with national shortages of care workers and higher caseloads for current staff

In addition, social distancing guidelines have placed restrictions on the number of staff able to work in the office.

In response to the above challenges, the Company:

- has developed a number of policies and procedures to safeguard staff
- is delivering training and regular communications to keep staff informed
- has issued appropriate personal protective equipment to keep staff safe
- has created staff rotas for front line staff to ensure staff are available in the office on a regular basis and have time with management
- Management hold regular remote video conferences with their teams to check on the welfare of their staff
- Human resources maintain a regular record of staff vaccinated, those testing positive, those in isolation, reporting weekly to the executive.

Slough Borough Council's financial position

Following recognition of insufficiency of reserves to meet the ongoing operating costs of the Council, the Council issued a S114 in July 2021. This has resulted in several additional cost control measures and significant reshaping of services undertaken to work within available resources.

This challenging financial position of the Council has led to the requirement for budget savings to the Company which the Company is looking to address through a range of savings programmes. These include improved cost efficiencies in service delivery and improved value for money in commissioning of support services. The Company recognises the need to work collaboratively with key partners to deliver effective, quality services to children, this includes working with services teams at the Council whose services are also facing budget reductions, that could have implications for children's services.

Workforce Stability

Developing a stable permanent workforce is a key strategic aim for the Company and vital for success in the delivery of sustainable services into the future. At present the Company is heavily reliant on agency staff which brings with it additional costs and adversely impacts sustainability. There is a national shortage of quality, qualified social workers and with rising demand on service, it only adds to the pressure on supply.

The Company has developed a workforce strategy to address recruitment and retention issues. Good progress has been made in developing the building blocks with new recruits through the in-house academy for students looking to progress a career in social care, in addition, the Company has launched a number of overseas campaigns to recruit experienced qualified social workers.

Reputational impact of the Council's financial status and the high caseloads of our social workers is recognised as an issue for the image of Slough as an attractive place to live and work. We are addressing this issue in collaboration with the Council to develop a marketing and communication plan for the benefits of working in Slough. A programme of work across the Council is being developed to promote working and living in Slough. The success of the workforce strategy is proving challenging while the pressures persist from the outbreak of Covid-19.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Working within the funding envelope

The Company ended the 2020/21 financial year with a breakeven position. This was only possible from - additional in year funding from the Council of £2,057k to meet increased in demand on statutory services, consistent with the increased demand for children's services across the UK at this time.

2020/21 saw increased demand on services outstrip the growth in baseline funding received for the year with the evolution of the Covid pandemic. The introduction of an in-year mechanism which compared activity in year against budgeted assumptions, clearly identify the increase in demand. The Council provided additional funding in year to meet this demand. The Company continues to work on resolving key financial risks, key aims being the reduction in reliance on agency staff through the workforce strategy highlighted above. Development of early help solutions to reduce demands on statutory services. A significant commissioning programme looking to improve on local sufficiency of placement making for a more cost effective service.

Monthly financial forecasts enable the Company to monitor continuing fluctuations in demand, reported as part of Management Accounts to the Executive Leadership Team and the Council. These are reviewed by the Board testing assumptions in the light of evidential data, where available, to support decision making. Where possible, mitigating action is taken to reduce the likelihood and scale of losses, but as the Company provides statutory services, changes in demand, legislation and other external factors often make losses unavoidable.

IT & telephony services

The Company recognises and is engaged with the Council to progress the planned improvements for the development of IT. Concerns remain regarding the IT infrastructure, with Wi-Fi and mobile signals often weak, and prone to outages in the office building. This has impacted on the effectiveness of work and communications. The Council has undertaken a number of remedial works to put in place interim solutions to improve the stability of IT provision and this remains ongoing. With the Pandemic, the need for reliable IT platforms has never been more crucial especially when large numbers of staff are working remotely. The Council recognises this and works collaboratively with the Company to ensure staff have the appropriate tools to support the Company's operational needs. This has included the introduction of a new collaborative platform, Office 365 for all Company staff, coupled with suitable equipment to enable this to happen. The IT provision and support is provided to the Company by the Council through a newly negotiated service level agreement. The Council recognises these issues and as highlighted above, is working collaboratively to resolve them. The reliability concerns of IT poses a risk to the Company being able to deliver timely and effective services to the children and families of Slough.

The Company works closely with the Council meeting on a weekly basis to raise any operation concerns and on a monthly basis to discuss more strategic issues ensuring progress of plans, ensuring timely escalation of issues, enabling support provision to resume normal service as soon as possible. The Company acknowledges that a significant programme of investment in IT infrastructure is planned, meanwhile the risk continues to exist.

Ability to deliver improvements in quality of services to children and families in Slough

The Company has demonstrated that it can improve the quality of services to children and families in Slough all services are now out of an Inadequate Ofsted rating for the first time in 11 years. However, in recent times, increasingly higher demand on service with constraints on budget, have meant high caseloads for staff impeding the pace of progress. High turnover in staff and reliance on agency staff has delayed the development of a workforce that will drive stability in practice and improved outcomes.

Development and performance

The Company became a wholly owned of the Council on 1 April 2021, adopting the new name of Slough Children First Limited in conjunction with the new articles of association, changing from Slough Children's Services Trust Limited in previous years.

A new 5 year service delivery contract was negotiated with the Council and signed on 1 August 2021. This includes a wider remit of services with the transfer of targeted early help teams from the Council to the Company.

The Company concluded negotiations of the net liability position reported in prior years resulting in the historic net liability position being written off by the Council, thus the Company is a going concern and able to meet its liabilities as they fall due.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Development and performance (continued)

The Company faced significant pressures with escalation of the Covid pandemic and a country going into lockdown. A lack of clear guidance specifically around the delivery of social care services put great strain on operations as well as the Board to act in a timely manner to take necessary steps to ensure the continuity of services and safeguarding of both staff and families within Slough. Many authorities stopped physical visits to children and families, whereas the Company maintained visits and services throughout the period. New policies and procedures were introduced to ensure safe practice for both families and practitioners. The next barrier to overcome was the sourcing of adequate Personal Protective Equipment (PPE) to ensure staff remained safe, the Company successfully secured delivery of PPE to protect key front-line staff despite limited supplies of PPE across the UK.

With schools closing through lockdown during the pandemic, contacts and referrals started to fall in Slough. This provided the opportunity to work on and close down cases, leading to an overall reduction in caseloads at the start of the financial year. This was short lived, with referral rates reaching an all-time high in July 2020 and continuing at higher rates through to end of the year. With escalating concerns for the safety of children isolating at home with families, caseloads increased significantly, reaching a peak of 1,891 in December 2020.

The Company responded early to caseload projections which showed significant growth outstripping the capacity of the workforce. With the support of the Council, the Company brought in 3 additional teams to help meet the demands. Services were maintained throughout the year and children and young people safeguarded. The additional resources placed a significant cost burden on the budget funded by the Council, who recognised the pressures of demand exceeding budget assumptions. This enabled the Company to report a break-even position at yearend.

Key achievements:

- The Company was successful in resolving its historic liability position with additional funding from the Council and DFE to clear down the net liability status and return the Company to a going concern status.
- A new chief executive of the Company was appointed with dual responsibility for services within the Company and for children's services in the Council. This ensures joined up working arrangement to facilitate collaborative working between the Company and the Council for the children and families in Slough.
- The Company was successful in delivering its Transformation programme, providing savings on the cost base with a reduction in senior managers and some business support posts, while at the same time investing in more front line social workers to reduce caseloads to manageable levels. Cost savings of £643k were achieved in year.
- The Company has successfully maintained a full suite of services to children and families throughout the Covid pandemic. During the first few weeks of Covid all children known to the Trust were risk assessed. This was completed to ascertain risk of significant harm so face to face visiting could be prioritised for those most at risk and at the same time protecting frontline staff.
- The Company was successful in recruiting 3 additional teams to meet the increased demand seen arising from the pandemic and its impact on families suffering with economic and food poverty alongside periods of isolation behind closed doors.
- Ofsted visit in October 2020 highlighted a number of areas of improvement;
 - a. Compliance in areas such as visiting frequency, supervision and management oversight. In response, rapid progress was achieved and visiting frequency for Children in Need and children on Child Protection plans both met their 92% target in late 2020 with performance sustained into 2021.
 - b. 63.5% of the 160 cases audited were graded as Requires Improvement or better.
 - c. Ofsted highlighted the value the Clinicians bring in supporting children and families as well as staff, especially during Covid working with children and young people having to deal with isolation.
 - d. Slough's Looked After Children continue to perform well academically despite disruptions to education for all children. This success continues to be achieved as a result of a strong and effective Virtual School which is held in high regard by school leaders and foster carers

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Key Achievements (Continued)

- Record numbers of our care leavers are accessing university. 9 young people secured a university offer for 2020, and from October 2020, 19 young people will be at university (Slough's highest ever number) studying a range of courses including medicine, education and law
- There has been strong attendance of Slough CLA in school. As of 4th February 2021, 83% of primary aged Looked After Children were in school, significantly higher than 54.6% recorded for other Local Authorities in the South East
- Of the secondary aged Looked After Children, 57% were in schools, double the 22% for other Local Authorities in the South East.
- Placement stability for Children Looked After in Slough continues to outperform both Statistical Neighbours and the South East region, meaning children remain settled in a placement which is meeting their needs
- Children looked after with 3 or more placements in the last year continues to reduce month on month to 4.5% in February 2021, significantly lower than 15.7% in April 2020
- South Eastern Sector Lead Improvement Partnership (SESLIP) noted staff in the YOT were 'a credit to the organisation' and the principle of 'child first' was a golden thread which went through all the work reviewed
- Breakaway, our respite unit for children with disability is going through a refurbishment, the Company successfully managed the interim transition to a neighbouring property to allow the service to continue during the refurbishment work.

Priorities for improvement:

- Developing a stable, permanent workforce remains the number one priority for the Company. This is fundamental to improving practice and driving better outcomes for children and their families. It will also reduce reliance on agency staff which in turn will deliver savings to the cost base. The Company is looking to implement its workforce strategy, which aims to address recruit and retention concerns, and offer a more supportive environment that promotes development opportunities for staff.
- Having become a wholly owned by the Council, the Company is looking to leverage the working relations, develop a more collaborative partnership approach to the delivery of children's services. This includes wider partnerships with other key agencies such as Health, Police, Probation & the Voluntary sector.
- Focusing on the quality of work, to maintain good levels of compliance and continue to develop the quality of practice to ensure good outcomes for children and families working to the improvement plan addressing areas of weakness identified by Ofsted.
- Developing our commissioning opportunities, to drive greater local sufficiency of placement, maintaining our young people close to the family, friends and schooling. The work will also focus on improved contract management, ensuring greater value for money.

The Company continues on its journey to improve children's services in Slough even through an unprecedented pandemic which has seen significant increases in the demand for services. The Company are extremely proud of everything that has been achieved during 2020/2021 and are grateful to the dedicated workforce who put children first in all that they do.

Key performance indicators

During the year:

- Increase in referrals to social care 34%, a total of 3,398 reflecting increased demand through the pandemic, single assessments completed in 45 days improved significantly at 86.5% (2019/20: 74.9%), not withstanding the increased volume of referrals
- Child in Need (CIN) plans increased to 517 (2019/20: 447)
- The number of Child Protection (CP) plans remained static at 311 at 31 March 2021 compared to the same period last year, however this still represents a significant increase on prior year averages of 70.2%. At 311 reflects 73.5 CP plans per 10,000 population (England: 55.2). These numbers continue to be an outlier compared with national average.
- CP visits within timescale fell to 85% (2019/20: 87.3%) however, given the pressures of the pandemic, this is seen as a positive outcome

The significant increase in average CP caseloads compared to prior years has led to additional resources and an increase on the cost base.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Key performance indicators (Continued)

- The number of Children Looked After increased at 31 March 2021 to 225 (2019/20: 196)
- The % of inhouse placements reduced due to an increase in overall placements. This has also increased the overall average rates paid for placements.
Implementation of the new recruitment strategy is beginning to show a positive impact and the Company is confident of continued progress in recruitment of in-house carers, seen as an enabler for the Company to reduce its cost base. The number of care leavers 19+ as at 31 March 2021 was 82 (2019/20: 79).
- The percentage of care leavers in education, employment or training has fallen significantly at 50% (2019/20: 60.8%), a consequence of the pandemic and the impact on a number of employment sectors. Personal advisors now engage with young people at an earlier age as they approach 16 to help them plan their future by enabling more young people to choose education, employment or training.

Position at the year end

The Covid pandemic has had a significant bearing on the financials of the Company to March 2021, with increasing caseloads and the levels of complex needs rising. As highlighted earlier, additional teams were brought in to deal with the rising caseloads, legal fees increased substantially on prior years with the complexity of cases being presented and increasing numbers of CLA through the year adding to the number of children and young people placed in accommodation. As a result of the demand pressures, the Company was heading for a deficit against budget of £2,456k. The Company secured additional in year funding from the Council in line with contractual arrangements, to reach a break even position by 31 March 2021.

The Company's plans for the year were thrown into disarray with the emergence of the pandemic. Tactical decisions were required to ensure services could safely continue and meet the growing demands.

The increase in demands was seen across the nation, placing significant pressure on the search for qualified social workers. Many workers were taking the opportunity to retire with concerns raised over the spread of the virus which only exacerbated the situation. This meant plans to reduce spend on agency were not achieved.

The Company was able to conclude on its transformation programme in September 2020. A much needed programme of delivering efficiencies at the same time as investing in social work capacity. The project delivered £643k of savings against spend in 2020/2021.

There was growth in the numbers of CLA, with demand for placements increasing. The in-house IFA was still focussing on getting services out of Inadequate, and was unable to make the planned traction for recruitment of foster carers. This added significant pressure on the budget with the increased demand placed on external fostering agencies.

The Company, Council and DfE were in discussion to resolve the outstanding historic liabilities. These were concluded in March 2021, enabling the balance sheet to show a positive net asset position at 31 March 2021

The balance sheet shows a small net asset, reflecting deferred income into 2021/2022.

The Company was also successful in bidding for additional growth of £1.6m on the core contract for 2021/2022 reflecting the increasing demands seen through 2020/2021. In addition, the Company was successful in bidding for one off transformation funding from the DfE of £1.4m against a programme of works to help deliver improved services and continue the journey to Good services in Slough.

As part of the contract negotiations, the Company has secured a drawn down loan facility which provides the Company with sufficient working capital to meet its day to day running costs. The loan is repayable at the end of the contract term.

Having considered the latest financial position of the Company, including cashflow projections, management accounts and discussions with the Council, The Directors have prepared the accounts on a going concern basis.

The Company has net assets of £355 at 31 March 2021. The main asset of the Company being the cash at bank balance of £5.1m.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STRATEGIC REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Employee matters

The Company continues to develop staff through a wide and varied training programme, ensuring our staff have the right skills to perform their roles and develop their careers. The Company is implementing its workforce strategy to help address recruitment, retention, support and development opportunities, part of the programme of works being funded by the one off DfE transformation funds in 2021/22. The Company remains an equal opportunities employer, giving full and fair consideration to disabled persons applying for positions within the Company, and implements rigorous health and safety management processes.

Environmental matters

The Company is committed to minimising the impact of its activities on the environment and to continually improve its environmental performance through initiatives such as the use of electric cars for local business travel, flexible working allowing staff to work remotely and not requiring them to travel to the office, along with the use of tablet technology to reduce reliance on paper.

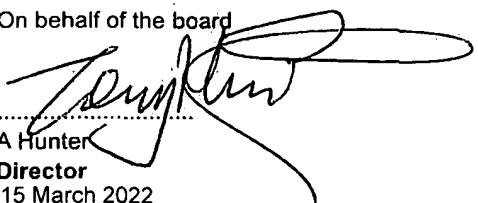
Statement of internal control

The Company has an ultimate responsibility to ensure financial information is accurate, as are accounting records, and that there are mechanisms in place to mitigate identified risk. The Company uses internal and external auditors to review operational control matters and to advise on improving further the internal controls and risk management protocols.

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

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

On behalf of the board



A Hunter
Director
15 March 2022

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
DIRECTORS' REPORT**

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

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

Directors

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

R W Tapsfield	(Resigned 31 March 2021)
M J Marsden	
K M Morris	(Resigned 3 July 2020)
P McDonald	(Resigned 3 August 2021)
L Lyons	(Resigned 31 October 2020)
D S Parmar	(Resigned 1 April 2021)
E Ioannides	(Appointed 20 November 2020 and resigned 14 July 2021)
N Robinson	(Appointed 8 September 2021)
R Bhamber	(Appointed 1 August 2021)
L Hagger	(Appointed 28 July 2021)
M Gadsby	(Appointed 28 July 2021)
A Hunter	(Appointed 31 May 2021)
C Hulme	(Appointed 20 May 2021)
D Balasundaram	(Appointed 12 April 2021 and resigned 4 September 2021)
C Douch	(Appointed 1 April 2021)
T Doughty	(Appointed 1 April 2021 and resigned 31 May 2021)
M Carter	(Appointed 1 April 2021 and resigned 20 May 2021)
S Mair	(Appointed 1 April 2021 and resigned 28 May 2021)
R West	(Appointed 1 April 2021 and resigned 20 April 2021)
A Adams	(Appointed 12 November 2021 and resigned 24 December 2021)
A Fraser	(Appointed 11 January 2022)

Results and dividends

The results for the year are set out on page 14.

Future developments

The Company became a wholly owned company of the Council on 1st April 2021. This change has led to a closer working relationship between the Council and Company which will assist the Council and the Company in working together to improve the quality of children social care in Slough.

The directors of the Company maintain their focus on securing an Ofsted judgement of 'Good' in the coming years. The Company continues to work to its business strategy through its business plan, working to four key strategic aims:

1. Being a child and family centred service, which will deliver the right outcomes for children.
2. Having a stable and effective workforce – with a focus on recruitment and retention, building on behaviours and culture within the Company to maintain a focus on improving quality, learning, information and workforce.
3. Effective partnerships – ensuring close working relationships with key partners including Slough Borough Council, police, health, schools, and a focus on community groups to deliver on the early intervention model.
4. Being sustainable – by developing a business model that allows the Company to continue to operate into the future within the funding available.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
DIRECTORS' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

Auditor

In accordance with the company's articles, a resolution proposing that Mercer & Hole be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

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

Going concern

Having reviewed the company's financial forecasts, their current and expected future cash flows, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the going concern basis has been adopted in preparing the financial statements for the year ended 31 March 2021.

Employees

The Company has an establishment of 320 full-time equivalents or 344 posts, and employed 293 permanent staff and 63 agency workers as at 31 March 2021. 24% of the workforce is qualified front line practitioners.

The Company is an equal opportunities employer. 82% of the workforce is female and 18% male. The mean gender pay gap reported stands at 3.7%, a fall from 2017/18 of 7.2% and remains below the national average.

On behalf of the board



.....
A. Hunter
Director

Date: 15 March 2022
.....

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
DIRECTORS' RESPONSIBILITIES STATEMENT**

FOR THE YEAR ENDED 31 MARCH 2021

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

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

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

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF SLOUGH CHILDREN FIRST LIMITED

Opinion

We have audited the financial statements of Slough Children First Limited (the 'company') for the year ended 31 March 2021 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows 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 company's affairs as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors 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 directors 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 our audit:

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF SLOUGH CHILDREN FIRST LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, the Companies Act 2006 and tax legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and the financial report (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate entries including journals to overstate revenue or understate expenditure and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- discussions with management, including considerations of known or suspected instances of non-compliance with laws and regulations and fraud;
- gaining an understanding of management's controls designed to prevent and detect irregularities; and
- identifying and testing journal entries.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

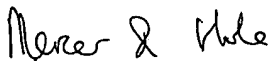
TO THE MEMBERS OF SLOUGH CHILDREN FIRST LIMITED

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Steve Robinson FCA (Senior Statutory Auditor)
For and on behalf of Mercer & Hole

15 March 2022
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**Chartered Accountants
Statutory Auditor**

Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STATEMENT OF INCOME AND RETAINED EARNINGS**

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Income	3	37,736,162	35,616,128
Administrative expenses		(37,739,335)	(35,621,175)
Operating deficit	4	(3,173)	(5,047)
Interest receivable and similar income	7	3,175	25,932
Surplus before taxation		2	20,885
Tax on surplus	8	-	-
Surplus for the financial year		2	20,885
Retained earnings brought forward		353	(20,532)
Retained earnings carried forward		355	353

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
BALANCE SHEET**

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	9	11,916,482		20,514,634	
Cash at bank and in hand		5,057,306		1,154,435	
		<u>16,973,788</u>		<u>21,669,069</u>	
Creditors: amounts falling due within one year	10	(16,973,433)		(17,643,160)	
Net current assets			355		4,025,909
Creditors: amounts falling due after more than one year	11		-		(4,025,556)
Net assets			<u>355</u>		<u>353</u>
Reserves					
Income and expenditure account	14		355		353
Members' funds			<u>355</u>		<u>353</u>

The financial statements were approved by the board of directors and authorised for issue on 15 March 2022 and are signed on its behalf by:


A Hunter
Director

Company Registration No. 09487106

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	15		3,899,696		(1,316,472)
Investing activities					
Interest received		3,175		25,932	
Net cash generated from investing activities			3,175		25,932
Net increase/(decrease) in cash and cash equivalents			3,902,871		(1,290,540)
Cash and cash equivalents at beginning of year			1,154,435		2,444,975
Cash and cash equivalents at end of year			5,057,306		1,154,435

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1 Accounting policies

Company information

Slough Children First Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Observatory House, 4th Floor, 25 Windsor Road, Slough, Berkshire, SL1 2EL.

1.1 Accounting convention

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

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

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

1.2 Going concern

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

The owner of the company, Slough Borough Council, issued a s114 in July 2021 following recognition of insufficiency of reserves to meet the ongoing operating costs of the Council. This has resulted in several additional cost control measures and significant reshaping of services undertaken to work within available resources.

A new 5 year service delivery contract was negotiated with the Council and signed on 1 August 2021. This includes a wider remit of services with the transfer of targeted early help teams from the Council to the company. As part of the contract negotiations, the Company has secured a drawn down loan facility which provides the Company with sufficient working capital to meet its day to day running costs. The loan is repayable at the end of the contract term.

Having considered the latest financial position of the Company, including cashflow projections, management accounts and discussions with the Council which concluded negotiations of the net liability position reported in prior years, resulting in the historic net liability position being written off by the Council, thus the Company is a going concern and able to meet its liabilities as they fall due.

1.3 Income and expenditure

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

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

1.4 Cash and cash equivalents

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in surplus or deficit, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in surplus or deficit in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.6 Taxation

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

1.7 Employee benefits

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

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

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 Retirement benefits

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

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

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

3 Income

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

4 Operating deficit

	2021	2020
	£	£
Operating deficit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	20,500	20,085
	<u>20,500</u>	<u>20,085</u>

5 Employees

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

	2021	2020
	Number	Number
Senior management team	16	26
Corporate services	30	16
Operations staff	195	220
	<u>241</u>	<u>262</u>
Total	241	262

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

5 Employees (Continued)

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	10,644,666	10,990,853
Pension costs	1,261,793	1,317,777
	<u>11,906,459</u>	<u>12,308,630</u>

6 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	331,047	422,742
Company pension contributions to defined contribution schemes	29,054	46,341
	<u>360,101</u>	<u>469,083</u>

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

	2021	2020
	£	£
Remuneration for qualifying services	132,600	103,020
Company pension contributions to defined contribution schemes	20,553	14,114
	<u>153,153</u>	<u>117,134</u>

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

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	3,175	25,932
	<u>3,175</u>	<u>25,932</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through surplus or deficit	3,175	25,932
	<u>3,175</u>	<u>25,932</u>

8 Taxation

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

9 Debtors	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	10,716,046	19,155,884
Prepayments and accrued income	1,200,436	1,358,750
	<u>11,916,482</u>	<u>20,514,634</u>
10 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	153,919	1,671,675
Taxation and social security	8,497,950	11,325,487
Deferred income	4,159,469	565,521
Other creditors	66,161	53,989
Accruals	4,095,934	4,026,488
	<u>16,973,433</u>	<u>17,643,160</u>
11 Creditors: amounts falling due after more than one year	2021	2020
	£	£
Deferred income	-	4,025,556
	<u>-</u>	<u>4,025,556</u>
12 Retirement benefit schemes	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>1,261,793</u>	<u>1,317,777</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions of £138,161 (2020 - £154,823) were outstanding at the balance sheet date.

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

**SLOUGH CHILDREN FIRST LIMITED
(FORMERLY SLOUGH CHILDREN'S SERVICES TRUST LIMITED)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2021

13 Members' liability

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

14 Income and expenditure account

Income and expenditure account represents cumulative profits and losses.

15 Cash generated from/(absorbed by) operations

	2021	2020
	£	£
Surplus for the year after tax	2	20,885
Adjustments for:		
Investment income	(3,175)	(25,932)
Movements in working capital:		
Decrease/(increase) in debtors	8,598,152	(2,875,713)
(Decrease)/increase in creditors	(4,263,675)	1,257,579
(Decrease)/increase in deferred income	(431,608)	306,709
Cash generated from/(absorbed by) operations	3,899,696	(1,316,472)

16 Analysis of changes in net funds

	1 April 2020	Cash flows	31 March 2021
	£	£	£
Cash at bank and in hand	1,154,435	3,902,871	5,057,306