



Annual Report and Financial Statements

Year ended 31 March 2026

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Reference and Administrative Details

Board of Trustees

Trustee	Office Held	Appointed/ Resigned	Committee
David Robb	Chair		FC, PCC
Jozanne Bainbridge	Vice Chair		FC, PCC Chair
Timothy Armstrong		Resigned 22/09/2025	
Michelle Armstrong-Surgenor		Resigned 22/09/2025	
Andrew Black		Resigned 08/12/2025	
Barbara Brown		Appointed 22/09/2025	IC, PCC
Keith Burdon		Appointed 02/02/2026	IC Chair
Roch Cantwell			IAR Chair
Lynsey Cleland		Appointed 22/09/2025	IAR
Iona Colvin		Appointed 23/03/2026	IAR
Alastair Davis			IC
Alastair Delaney		Appointed 22/09/2025	IAR
Gavin Falconer			PCC
Robert Lindsay	Vice Chair	Resigned 22/09/2025	
Gregor McKellar		Appointed 22/09/2025	FC Chair
Jane Morgan		Resigned 22/09/2025	
Jennifer Robertson			
Anthony Sinclair		Resigned 22/09/2025	
Lawrence Sum		Appointed 22/09/2025	FC

Committee Membership Key

FC Finance Committee

IAR Improvement, Audit & Risk Committee

IC Investment Committee

PCC People & Culture Committee (Please note this replaces Nominations & Succession Committee)

Senior Leadership Team (Key Management Personnel)

Name	Office Held	Appointed/ Resigned
Justina Murray	Chief Executive	Appointed 20/10/2025
SallyAnn Kelly, OBE	Chief Executive	Resigned 31/12/2025
Lynne O'Brien	Chief Officer Children & Families	
John Coe	Director of Finance & Resources/ Company Secretary	
Ros Dowey	Director of IT & Digital	Appointed 01/01/2026
Valerie Hogg	Director of People	Appointed 01/08/2025
David Grant	Director of Growth & Marketing	
Allan Kerr	Director of People	Resigned 31/10/2025
Lawrie McDonald	Director of IT & Digital	Resigned 30/01/2026
Liz Nolan	Director of Children & Families	
Dawn Ward	Director of Children & Families	

Charity Number	SC007991
Company Number	SC312912
Full legal Name	Aberlour Child Care Trust
Registered Office	Kintail House Forthside Way Stirling, FK8 1QZ Telephone: 01786 450 335 www.aberlour.org.uk
Auditor	RSM UK Audit LLP 3rd Floor, 2 Semple Street, Edinburgh, EH3 8BL
Investment Managers	Quilter Cheviot Investment Management Delta House, 50 West Nile Street, Glasgow, G1 2NP
Bankers	The Royal Bank of Scotland Plc Unit 22/23, Goosecroft Road, Stirling, FK8 2EA
Solicitors	Morton Fraser MacRoberts LLP Capella Building, 60 York Street, Glasgow, G2 8JX
	Kerr Stirling 10 Albert Place, Stirling, FK8 2QL
	Clyde & Co. LLP 144 West George Street, Glasgow, G2 2HG
	Kennedys Baird House, 4 Lower Gilmore Bank, Edinburgh, EH3 9QP

Welcome from our Chair



You can relive the highlights of our year in stories, photos and film on our website, <https://www.aberlour.org.uk/150>.

A Year of Change

This year also marked the departure of our Chief Executive, SallyAnn Kelly, who contributed so much to Aberlour's story over her 11 years at the helm, and who left a tremendous legacy as she moved on to pastures new towards the end of 2025. We owe a huge debt of gratitude to SallyAnn, whose inspirational, values-led leadership made such a positive impact on the lives of countless children and families around Scotland.

SallyAnn led a seamless handover to our new Chief Executive, Justina Murray, who joined us in October 2025. Justina has quickly settled into 'Team Aberlour' and is leading the development of our next Aberlour strategy as part of her first year, building on the strong foundations of 'Being Brave'.

Our Reach and Impact 2025/26

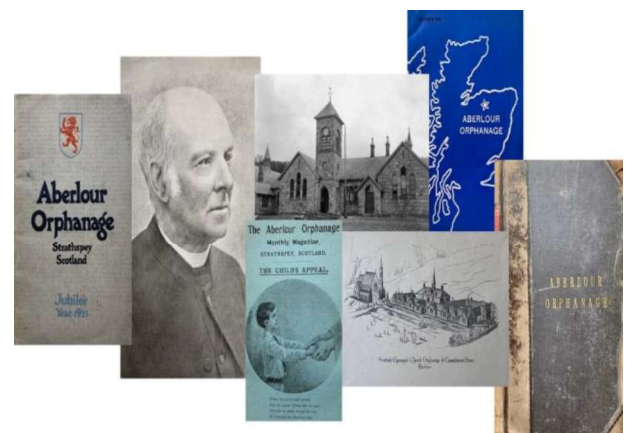
This year we have continued to extend our reach and impact. In 2025/6 we supported 5,862 babies, children, young people and families, from the Borders to the Highlands, across a wide range of support and services. We also supported over 8,500 families from across Scotland through the Aberlour Urgent Assistance Fund.

Welcome to Aberlour's Annual Report and Accounts for 2025/26. This was a year of celebration and reflection, as we marked our 150th year as a charity, and it was also a year of significant change.

The original Aberlour orphanage was founded in the village of Aberlour, Moray, on 4th March 1875. On establishing what was initially a small children's house for four boys, our founder Canon Charles Jupp wrote, "Every child has the ability and indeed the right to grow up and flourish in society, notwithstanding the origins of their birth". It is remarkable how this vision has stood the test of time, with its focus on children's rights and equality, and it is no less true today - when so much still needs to be done.

Our 150th Year

We marked our 150th birthday with a whole year of activities and events, with each of our services choosing their own way to celebrate (in most cases with some cake!) Personal highlights for me included our event in Aberlour (where I also grew up) in May 2025, where we welcomed former residents of the orphanage to share stories and memories; as well as our 150th birthday party at the National Museum of Scotland in Edinburgh in September, where we welcomed 250 children, young people, families, friends and supporters for an evening of celebration and connection. We were particularly delighted to be joined by Scotland's First Minister, John Swinney.



We were delighted to launch our new Glasgow Intensive Perinatal Support service in July 2025, supporting pregnant and new mums and their babies who need some extra help. We opened our first Inverclyde service in December 2025,

offering Intensive Family Support by getting right alongside whole families and supporting them with what matters to them.

We have continued our programme of reshaping and remodelling our services to better meet the needs of children and families today. For example, each of our Sycamore children's houses now provide a home for between three and four children - a far cry from the original Aberlour orphanage where up to 600 children lived together.

This year the Aberlour Urgent Assistance Fund continued to provide lifeline cash grants for families in crisis. With the help of a £0.55m cash boost from the Scottish Government in January 2026, by the end of the year we had reached 8,551 families and provided over £1.3m of emergency assistance for items such as clothing, food, bedding and help with utilities. We would love there to be no need for this fund, but the increasing demand each year amidst ongoing cost of living pressures unfortunately shows that this kind of immediate help is still very much needed.

Our Thanks

None of this work would be possible without the huge generosity of our fundraisers, donors, funders and supporters. We couldn't do any of this without you, so thank you!

Enormous thanks also to our fantastic team of staff and volunteers. Their energy and passion for the work were perfectly summed up by one staff member who told me, "I love what I do, and I get up every morning like my bed is on fire!" There is no doubt that our team are the best ambassadors for everything that Aberlour represents.

Thanks also to our Board of Trustees and Senior Leadership Team, who continue to steer the

charity skilfully through a challenging operating and financial climate with enthusiasm and commitment. I would like to note particular thanks to the trustees and senior leaders who stepped down this year, and to welcome our new arrivals.

Looking Ahead

As this Annual Report shows, Aberlour continues to demonstrate strong financial performance, within an increasingly challenging economic climate, with ever-rising costs and constant financial pressures experienced by our funders and commissioners.

There is no sign that these financial pressures will change in the coming years, however our track record of outstanding delivery for babies, children, young people and families across Scotland stands us in good stead. From formal inspections by scrutiny bodies to informal conversations with those we support, we know what we do is changing lives for the better every day, and we look forward to many, many more years of this.

It is a real honour to be the Chair of Aberlour's Board, and I know that all of our trustees, staff members and volunteers feel equally proud to be part of our ongoing story, as we move confidently into our next 150 years, working to ensure children right across Scotland grow up safely and flourish.

David T Robb

David Robb

Chair of the Board of Trustees

Welcome

from our Chief Executive



This is my first Annual Report as Aberlour's Chief Executive. I would like to start by noting my own personal and deep thanks to SallyAnn Kelly, former Chief Executive, for her perfect handover leading up to and following my arrival last October.

I feel extremely fortunate to have joined Aberlour at such an important and exciting time in our story. To arrive in our 150th year certainly made me reflect on my own role and responsibility as a custodian of this amazing charity, as we move from one chapter to the next - growing in reach, impact and influence.

Our 150th year was an opportunity to acknowledge our past, recognise our achievements, and focus on our future vision. So there is no time like the present to develop our next strategy, building on the strong foundations of 'Being Brave', but also continuing to move Aberlour forward. There will be more to follow on this in our next Annual Report.

As a candidate applying to join Aberlour, it was a real draw to see that the charity was listed in the

Sunday Times Top 100 employers. What a delight to be recognised again this year, for the third year in a row. It speaks volumes that around 9 in 10 of staff report pride to work here; job satisfaction; feelings of trust, empowerment and respect; and best of all say they would recommend working for Aberlour to family and friends. We refreshed and relaunched our Staff Council in April 2025, bringing together staff members from across the organisation, at all levels and all corners of the country. I have enjoyed working closely with the Council members to help develop our new strategy, and also on other topics of interest.

This year we launched the Aberlour Approach which builds on the practice and approach developed in our Sycamore children's houses, and which has now been adapted into an organisation-wide model. The Aberlour Approach outlines how we work with babies, children, young people and families, linking together attachment theory and relational practice, to provide safety, connection, healing and growth.

As with every forward-thinking and fast-paced organisation, our plans and ambitions tend to move more quickly than the actual reality of funding and commissioning processes. There is no doubt this landscape remains challenging. The current focus on public service reform provides a key opportunity for us to focus minds and investment on what we know works best for families, and what proves to be money well spent - early help wherever possible; getting right alongside families; recognising and building on their strengths; keeping focused on solutions and options; and investing in our relationships and in trust.

Huge thanks to those funders and commissioners who are on this journey with us.

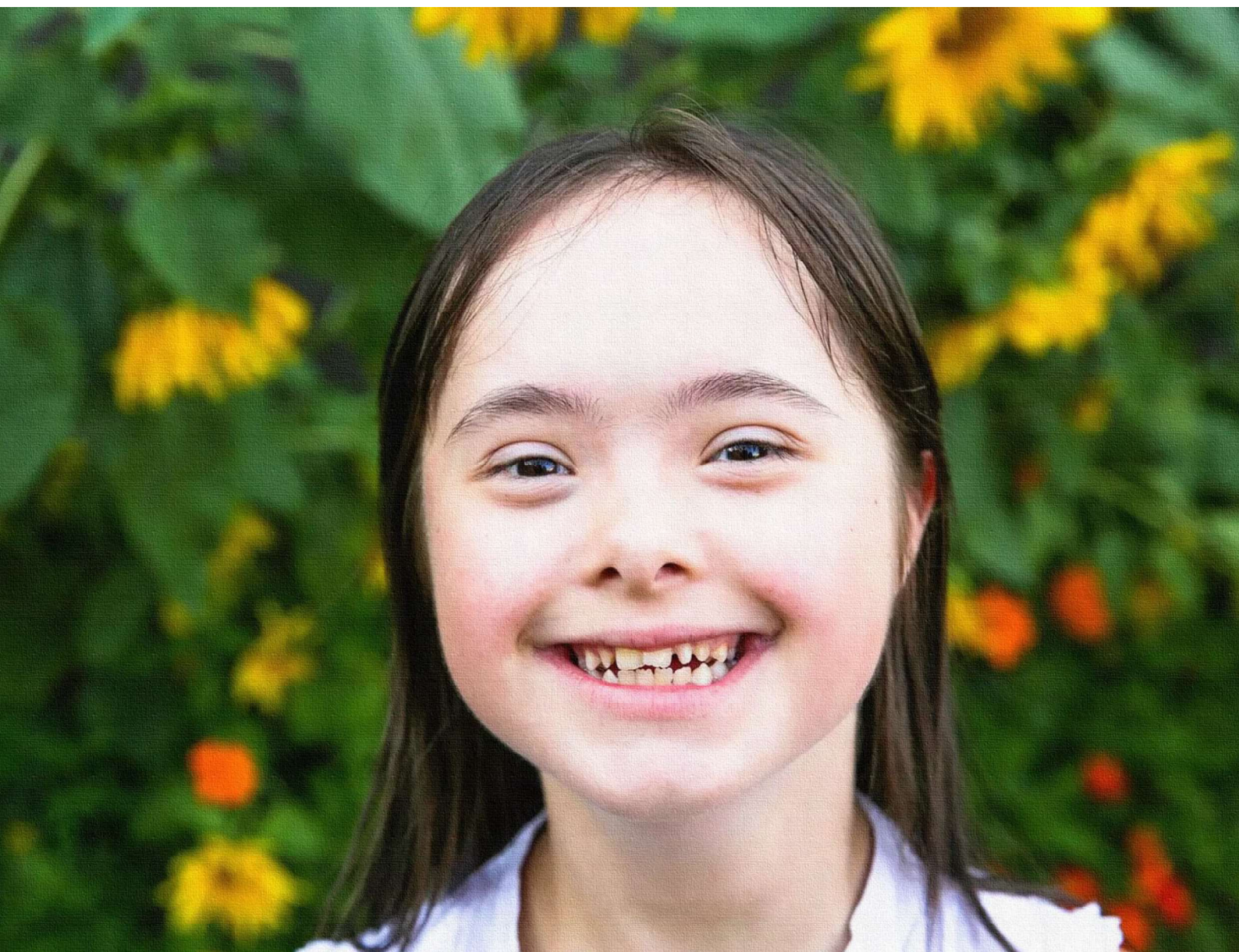


My own personal highlights since joining Aberlour are too many to include in this report (my poor staff team are subjected to a monthly email update which gives all the details!), however a few memorable moments include joining mums and babies at our national Families Voices event; eating spaghetti bolognese for tea with children and adults at one of our children's houses in Fife; and co-chairing an evening of Parliamentary candidate grilling by young people at our 'Speak Up!' hustings, alongside Ahmad from our

Guardianship Scotland partnership. I've made so many memories already in a matter of months, with enormous thanks to everyone who has made me so welcome since I arrived



Justina Murray
Chief Executive



Report of The Board of Trustees

This includes the Strategic
Report and the Directors' Report



Report of the Board of Trustees

The Trustees present their report and financial statements for the year ended 31 March 2026. These have been prepared in accordance with UK Generally Accepted Accounting Practice, the requirements of the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006, the Companies Act 2006 and the Charities SORP (FRS102).

Objectives and Activities

Aberlour Children's Charity helps disadvantaged children and families in Scotland have a brighter future.

Our Vision

Not all children are born with an equal chance. We will work together to beat poverty and discrimination.

Our Mission

Is to be brave for children and families. We work together to beat poverty, disadvantage and discrimination. We provide support at the earliest opportunity. Giving children an equal chance, and the best possible start in life, is at the heart of everything we do.

Aberlour continues to be committed to addressing the effects and prevalence of poverty in our society. We remain concerned about the impact of chronic poverty on generations of families. We will work with others to ensure every child and every family is freed from poverty and can live life to the fullest.

We believe that providing an adequate income to families is the best route out of poverty. We trust that families overwhelmingly will make the right decisions with the money they have. We will work with families that need extra support to ensure that their strengths and skills are respected: by building trusting, compassionate relationships and walking alongside them on their journey.



Our Values

Our values remain the guiding principles that underpin all we do. They inform our interactions with the children, young people and families we work with, external partners and stakeholders, and importantly, with one another as colleagues.

Respect	Integrity	Innovative	Challenging
We care about one another's feelings and opinions. As an organisation that stands up for every child's right to thrive, a culture of respect is inherent in our work.	We recognise that to represent the concerns of Scotland's children and families fully, we may have to take difficult decisions. We strive to act with integrity at all times.	We are committed to improving how we help Scotland's most disadvantaged children and families earlier and faster. We know that they are experts in their own lives and can help us become the best possible innovators. We use this expertise to drive our ideas and our thinking.	We challenge ourselves to be the best we can be and we listen carefully to children and families about their experiences. Externally we use our campaigning voice to strengthen policies that promote equal opportunity and equality. We make sure the voices of children and families are heard.

We use them every day and hold key decisions against them to ensure we live up and work to them. They guide and support us to respond compassionately as an organisation and ensure that the environments we create for our children and young people are loving and safe.

What We Do

To achieve our purposes, Aberlour delivers a wide range of services and interventions, which include:

- ✓ Family support services aimed at strengthening family relationships and preventing crises
- ✓ Residential and community-based care for children and young people
- ✓ Support for young people transitioning to independent living
- ✓ Mental health and wellbeing services
- ✓ Substance use and recovery support
- ✓ Early intervention and prevention programmes
- ✓ Specialist support for children and families affected by poverty, trauma or domestic abuse

Services are delivered in partnership with statutory agencies and are designed to be responsive to local needs across Scotland.

Aberlour's Support Across Scotland

We provide over 60 services in communities throughout Scotland, spanning family support, early years, recovery from alcohol and drug harm, disability services, residential care and fostering. Through this extensive reach, we support thousands of children, young people and families each year.

Our services are embedded in local communities, enabling us to respond early, flexibly and effectively to the complex challenges families face, including poverty, trauma, alcohol and drug harm, and social exclusion. This scale and geographic spread ensure that Aberlour can make a meaningful, nationwide impact while maintaining a strong local presence.

Residential and Fostering

We believe every child deserves a safe, loving and nurturing home. We provide residential and foster care for children unable to live with their families.

Recovery

We support women and children affected by alcohol and drug harm. Our goal is to help mothers stabilise their substance use, prevent drug deaths, avoid children being taken into care, and keep families together.

Family Support

We provide a range of accessible, community-based family support projects to help disadvantaged children, young people and families.

Disability

We ensure children with a disability get the right care and support they need. Every family is unique, and we will go the extra mile so both children and their families feel loved and cared for.

Perinatal

We offer support to families affected by substance use and other challenges to have the best start in life. We work with new mothers during pregnancy up to their baby's 1st birthday.

Refugee Support

We provide an independent child trafficking guardian to all unaccompanied asylum seeking and trafficked children in Scotland. We act in the best interests of those young people and support them to seek safety and protection in Scotland.

Youth Work

We're here to support children and young people who are facing challenges with their emotions and wellbeing.

Training

We provide training and qualifications for the early learning and childcare workforce.



Achievements and Performance

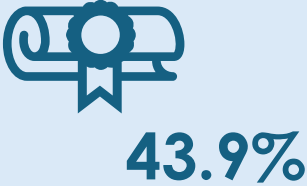
Aberlour continues to grow as an organisation with operational reach in delivering services, but also in raising our voice and campaigning on issues that are important to our children, young people and families.

2025/26 has seen the organisation's income grow by 9.7%, showing increased support and need for Aberlour's work. This growth does bring with it organisational and operational opportunities and challenges. The Trustees, however, remain confident in the excellent work carried out by the Senior Leadership Team in managing those challenges and ensuring Aberlour remains sustainable in its activities for the ultimate benefit of the people we support.

Our Success Measures

We continue to monitor against four key measures from our Being Brave Strategy 2021-2027 - quality, impact, sustainability, and growth. At the end of 2025/26, as an organisation we achieved the following outcomes.

Quality

We said we wanted to:	We Achieved:	
Aim for all registered services to achieve scores of four or above by the Care Inspectorate.	 5	The average score for Registered Services from the Care Inspectorate at last date of inspection
Aim to achieve 90% or above in our Aberlour employee satisfaction score.	 92%	Staff satisfaction score from Sunday Times Best Places to Work
Aim to increase % of qualified staff in registered posts from 44% to 48% over period 2025-2027.	 43.9%	of qualified staff in registered posts

Impact

We said we wanted to:	We Achieved:	
Achieve a minimum 80% target for the SHANARRI Indicators (Safe, Healthy, Achieving, Nurtured, Active, Respected, Responsible and Included) to show overall as status of "maintaining" or "improving" for young people in our care.	 91%	of indicators show as maintaining or improving

Sustainability

We said we wanted to:	We Achieved:	
Aim to reduce staff turnover by 2% over the period 2025-2027	 0.19%	Reduction in staff turnover
Aim to maintain public funding at a minimum of £25m.	 £32.0m	Public funding

Growth

We said we wanted to:	We Achieved:	
Increase the percentage of people supported by our Early Intervention services by 10% by the end of 2026/27	 9.5%	51% Increase in people supported
Increase overall revenue by 60% between 2020/21 and the end of 2026/27 (target of £31.52m from £19.7m)	 81%	81% Increase to £35.6m from £19.7m

Leadership Transition

During 2025, we announced a planned transition in leadership, with SallyAnn Kelly OBE stepping down as Chief Executive after 11 years of dedicated service, and Justina Murray appointed as her successor. SallyAnn's tenure has been transformational for Aberlour, during which the organisation significantly expanded its reach, developed new services and strengthened its role as a leading voice for children and families across Scotland.

We are grateful for SallyAnn's outstanding contribution, her commitment to tackling child poverty, and the strong foundations she leaves for the future. Under her leadership, Aberlour has enhanced both its impact and profile, ensuring that campaigning and direct support for children and families remain at the heart of our work.

Justina Murray joined Aberlour as Chief Executive in Autumn 2025, bringing over 30 years' experience across the public and third sectors. Prior to joining Aberlour, she served as Chief Executive of Scottish Families Affected by Alcohol and Drugs, where she led a period of significant growth, expanding services, increasing income and strengthening the organisation's national influence.

Justina's appointment reflects our continued focus on strong, values-driven leadership. Her extensive experience in social justice, public policy and partnership working, combined with her commitment to tackling poverty and inequality, positions Aberlour well to build on its 150-year legacy and continue delivering meaningful change for children, young people and families across Scotland.

150th Anniversary



In 2025, we marked our 150th anniversary, celebrating a long history of supporting disadvantaged children, young people and families across Scotland. Founded in 1875, the organisation has remained rooted in a clear belief that every child has the right to grow up and

thrive, a principle that continues to guide its work today.

The anniversary provided an opportunity to reflect on Aberlour's journey from its origins as an orphanage to a modern, nationwide charity while recognising the tens of thousands of lives it has supported over the years. Celebrations throughout 2025 highlighted past achievements and legacy, the impact of current services, and a continued focus on tackling poverty and discrimination affecting children and families.

A key theme of the milestone year was looking ahead. Aberlour reaffirmed its commitment to expanding its reach and impact, including campaigns such as its ambition to ensure no child goes hungry at school. The year also featured a wide range of activities involving children, young people, staff and supporters, reinforcing the charity's community-focused approach and shared sense of purpose.

The 150th anniversary celebrated not only a proud legacy of care and support, but also a forward-looking vision building on strong foundations to continue improving outcomes for children and families across Scotland.

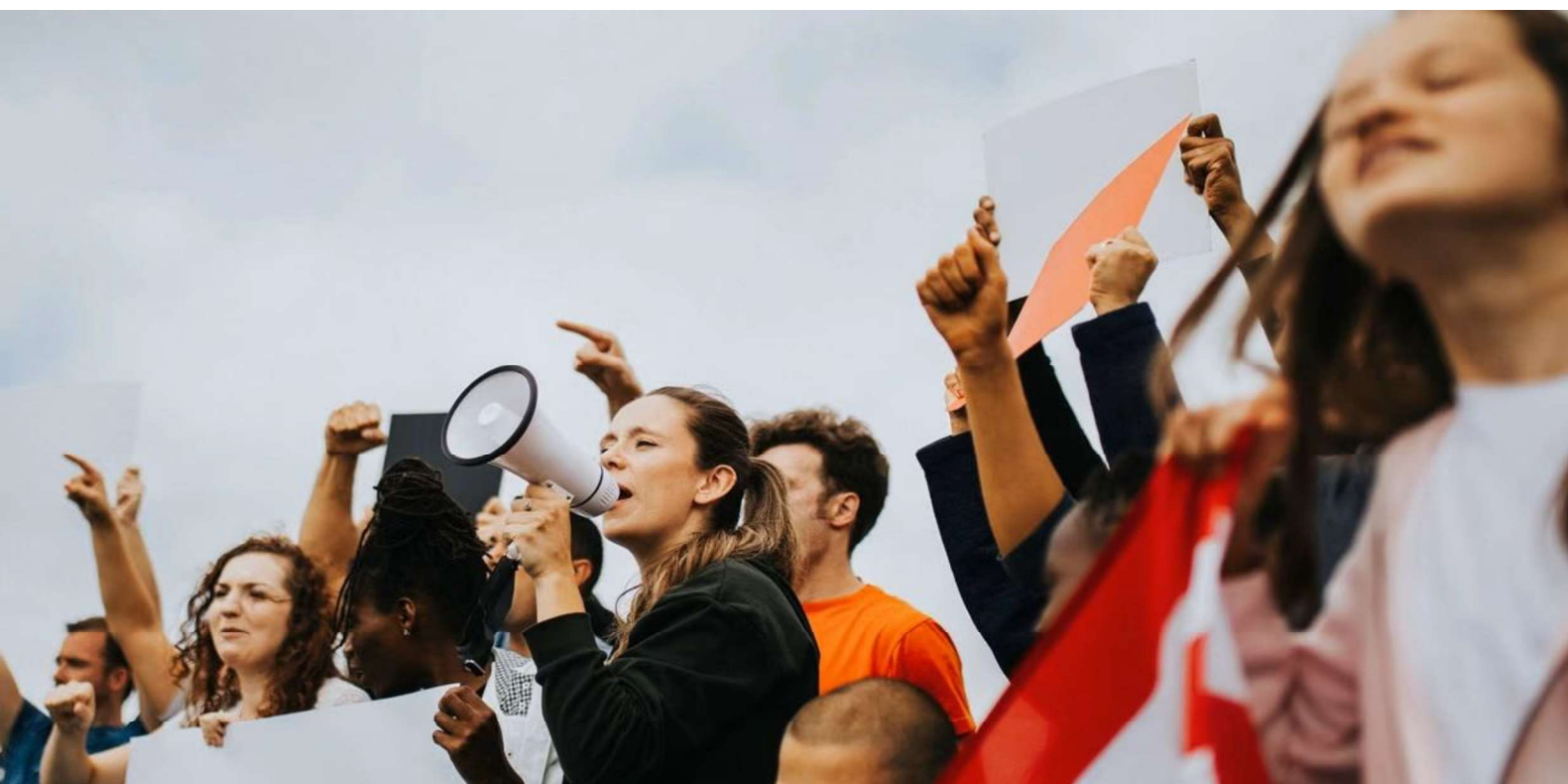
Policy and Influencing Activity

During the year, Aberlour co-hosted a national conference with the University of Glasgow's Centre for Public Policy, focused on the relationship between child poverty and the public debt crisis. The event, held in 2025 as part of Debt Awareness Week, brought together stakeholders from the third sector, government and academia to consider the impact of public debt on low-income families and to explore potential policy responses.

The conference formed part of Aberlour's wider policy and influencing work and built on research undertaken in partnership with the University of Glasgow, which highlights how current public debt recovery practices can exacerbate financial hardship and contribute to cycles of poverty for families. Discussion focused on the need for more consistent, transparent and compassionate approaches to debt recovery across public bodies.

The event convened over 200 participants and included contributions from senior representatives across government, academia and the third sector, alongside opportunities to incorporate the perspectives of children and families with lived experience. Workshops and panel discussions examined both the systemic drivers of child poverty and practical reform options, including changes to debt collection processes and wider social policy interventions.

This activity supported the charity's strategic objective of influencing policy to reduce child poverty and inequality, reinforcing the role of evidence-based advocacy and partnership working in achieving sustainable, long-term change for children, young people and families across Scotland.



Aberlour Urgent Assistance Fund (AUAF)

Aberlour's Urgent Assistance Fund provides immediate poverty relief to families via cash grants. The fund has distributed over £3.8m to families since 2021. Applications can be made by sponsors on behalf of families, and the application and approval process is administered within Aberlour. Decisions on awards are aimed to be completed within a few days, providing real help to families when they need it most. Further detail can be found on the dedicated AUAF section of our website

<https://www.aberlour.org.uk/get-help/urgent-assistance-fund>.

In 2025-26 the AUAF has continued to alleviate poverty and provide support with family challenges through delivery of cash grants to families in urgent need. Between April 2025 to

March 2026 over £1.3m of grants has been distributed (£342k in 2024/25), reaching 3,160 families and supporting 8,551 people.

We focused our winter fundraising campaign (which ran from November 2025 to February 2026) on the impact of poverty, including our TV advert which helped gain additional funds for the AUAF and raised awareness of Aberlour's work. The Scottish Government also granted Aberlour a cash boost of £550k towards the work of the AUAF, through which we were able to increase the reach and impact of the fund. Grants from this additional funding were distributed in less than a month to families in 30 out of 32 Local Authority areas in Scotland, showing the reach of the AUAF as a nationwide fund available to families.

Impact of Aberlour Urgent Assistance Fund

Since April 2021, our Urgent Assistance Fund has given out

£3.8 million



We supported
19,931 children



and
11,000 families



£347 average
amount given



That's over
£1,980 a day!

We've supported families from **every local authority** in Scotland.



Donations to our Urgent Assistance Fund are directly benefitting families in desperate need across Scotland.

*Updated July 2026

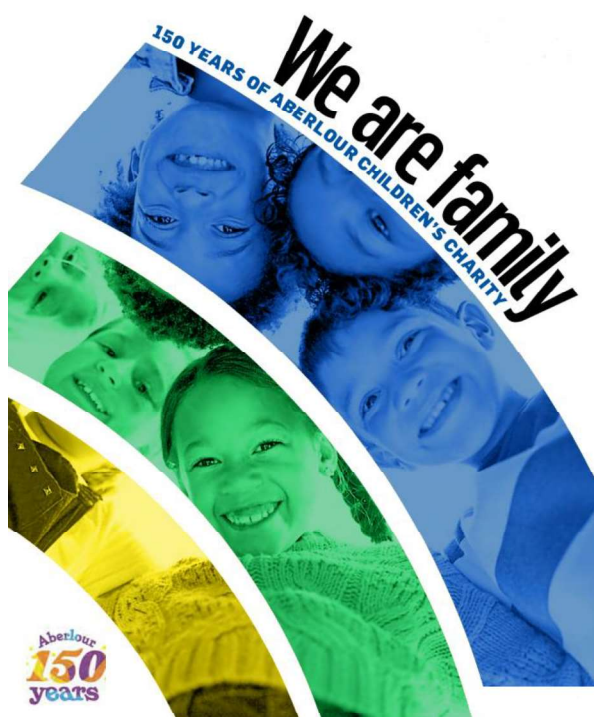
People & Culture

During 2025/26, the charity was recognised in The Sunday Times Top 100 Best Places to Work (large organisations category), marking the third consecutive year in which Aberlour has received this accreditation. This externally validated recognition reflects consistently high levels of employee engagement, organisational culture and workforce experience, as measured through an independent survey process based on staff feedback.

Survey results demonstrated strong performance across key indicators, with 93% of staff reporting that they are proud to work for Aberlour, alongside high levels of job satisfaction, trust in management and overall wellbeing. Feedback also indicated that employees feel empowered, respected and trusted in their roles, reflecting a positive and inclusive organisational culture.

93% of staff reported that they are "proud to work for Aberlour," highlighting the strength of employee engagement and alignment with the charity's values.

This recognition supports the charity's strategic focus on maintaining a positive, values-driven working environment, recognising the link between workforce wellbeing and the effective delivery of high-quality services.




THE SUNDAY TIMES

T Best Places to Work 2026

BIG ORGANISATION

The Board considers this achievement to be an important indicator of organisational health and sustainability, supporting staff retention and recruitment, and underpinning the charity's capacity to deliver positive outcomes for children, young people and families.

Aberlour remains committed to being a fair, inclusive and supportive employer. As an accredited Living Wage Employer, we use a robust job evaluation scheme to ensure men and women are paid equally for the same or similar roles. Our 2026 Gender Pay Gap Report shows a mean gender pay gap of 5.59%, an improvement on the previous year's 5.83%, while our median pay gap stands at 4.5%. Both measures remain significantly below the UK average gender pay gap of 12.8%, continuing a trend of relatively stable and low pay gap figures over recent years.

Like many organisations in the social care sector, Aberlour has a predominantly female workforce, with women making up around 85% of employees. Women are well represented throughout the organisation, including in senior leadership and management roles. The report highlights that the gender pay gap is influenced largely by workforce composition, with men under-represented in lower-paid roles and slightly over-represented in the highest-paid roles. We will continue to monitor our pay gap and workforce demographics to ensure we maintain fair employment practices and support our commitment to building a more equal society.

Volunteering

Volunteer Impact

Aberlour was supported by 308 volunteers during 2025/26, who contributed over 5,012 hours of direct support to children and families. In addition, Trustees contributed a further 450 hours of governance and leadership support.

Volunteers helped deliver 3,299 activity sessions for children and families, averaging approximately 65 sessions every week throughout the year. To ensure volunteers were well prepared for their roles, Aberlour delivered 316 training sessions, providing a total of 623 hours of volunteer training.

Volunteer retention remained strong, with 62 volunteers leaving during the year. Of these, 32 individuals were found not suitable for volunteering, while 30 volunteers left due to work or personal commitments.

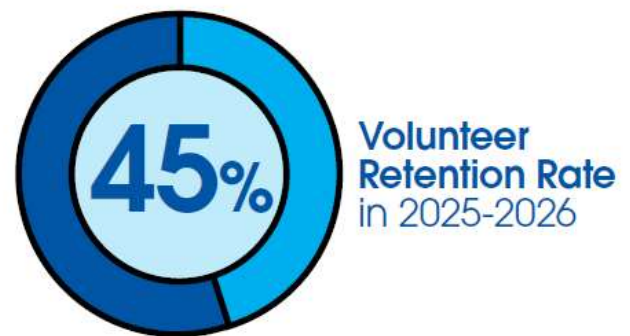
Volunteer Experience

Volunteer feedback was overwhelmingly positive:

- ✓ 93% of volunteers reported being very satisfied or satisfied with their volunteering experience.
- ✓ 100% said they were proud to volunteer with Aberlour.
- ✓ 100% would wholeheartedly recommend Aberlour as a place to volunteer.

These results demonstrate exceptionally high levels of volunteer engagement, commitment, and advocacy for the organisation

308 
volunteers
regularly volunteered
for Aberlour in 2025-2026



Outcomes for Supported Children, Young People and Families

Using the SHANARRI wellbeing framework, outcomes achieved were:

68.0% Met
9.8% Improving
5.7% New
16.0% Not Met
0.4% No Change

Overall, 83.5% of outcomes were either met or showing improvement, highlighting the positive difference that Aberlour's services and volunteers continue to make in the lives of children, young people and families across Scotland.

Top 3 reasons for leaving

- 1** End of Tenure / End of Service
- 2** My home circumstances have changed
- 3** My work circumstances have changed



Fundraising

Support from the Public & from Communities

During the year, we conducted a proactive fundraising campaign involving a professional fund-raising agency, Aspect Fundraising. This was our third campaign using the same partner and resulted in 398 members of the public signing up to a monthly gift after a positive conversation with professional fundraisers working on our behalf in various venues across Scotland.

Additionally, our Poverty Relief campaign conducted over the Christmas period resulted in almost 900 donations to our Urgent Assistance Fund, providing vital funds for families struggling to afford the essentials. Finally, 105 people took on a sponsored challenge such as the London Marathon, Edinburgh Marathon, the Kiltwalk, or a Skydive, to fundraise for Aberlour.

These were the highlights of a successful year for Aberlour's public fundraising. We are very grateful to all our donors, supporters and fundraisers for their generosity and commitment to supporting children and young people.

Standards, Compliance and Feedback

We ensure that all our fundraising activity complies with Aberlour's core values, sector-wide charitable Codes of Practices and the Scottish Fundraising Adjudication Panel. We are also registered with the Office of the Charity Regulator (OSCR). Additionally, Aspect Fundraising abide by the Fundraising Regulator's Code of Fundraising Practice and Regulation. There were no failures to comply with the above standards during the financial year set out above.

We partner with a telephone agency to welcome all new regular givers signed up by Aspect. We regularly listen to a random selection of call recordings supplied by the agency to monitor quality. We have also visited Aspect's fundraisers on site to observe how they represented our charity and the interactions they had with members of the public. We are more than satisfied that our partners are representing Aberlour to a high standard and in a manner that is respectful of our values.

We received no complaints, directly or indirectly through our partners. (NB: Aspect Fundraising explicitly declare that they are committed to achieving zero complaints on all their campaigns).

Duty to Public

Aspect Fundraising have extensive policies on protecting vulnerable people. All their professional fundraisers are trained in line with the Fundraising Regulator's Code of Practice and the Institute of Fundraising's guidance on Treating Donors Fairly.

We have obtained and discussed with them the relevant policies and procedures prior to entering into a partnership. It's important to state that no complaints or concerns were raised during the course of these activities. Additionally, our Fundraising staff met all the fundraisers who represent Aberlour; they all have many years of experience fundraising and are all trained on how to spot signs of vulnerability, and what to do in that event.

Legacies

During the year, we received four legacies, and we were notified of a further three which should be received in the coming year. We are always very honoured when supporters choose to include Aberlour Children's Charity in their will and wish to express our gratitude to them and their families.



Support from Trusts, Foundations & Philanthropists

The achievements highlighted in this report would not have been possible without the generosity and commitment of our funders and supporters. At Aberlour, we are privileged to work alongside trusts, foundations and individuals who share our vision that every child and family should have the opportunity to flourish.

Their investment in our services enables us to provide vital support to children, young people and families across Scotland, helping us to respond to challenges, create opportunities and deliver lasting positive change. We are immensely grateful for their partnership, trust and belief in our work.

We are delighted to recognise and thank the following donors who made a significant contribution to Aberlour during the year.

- ✓ **William Grant Foundation**
£60,000 for Perinatal Mental Health
Befriending in Forth Valley and Lothians
- ✓ **William Grant Foundation**
£42,260 for Youthpoint Moray
- ✓ **Elevate Great**
£25,000 for Perinatal Mental Health
Befriending in Forth Valley
- ✓ **Charles Gordon Foundation**
£73,189 for Perinatal Mental Health
Befriending in Lothians
- ✓ **Charles Gordon Foundation**
£100,000 for UAF
- ✓ **The Northwood Charitable Trust**
£35,500 for Dundee Outreach
- ✓ **Essentia Foundation**
£59,655 for Guardianship Wellbeing
- ✓ **Rayne Foundation**
£30,000 for Guardianship Wellbeing
- ✓ **Baillie Gifford**
£30,000 for Guardianship Wellbeing
- ✓ **Alliance Scotland, Self Management Fund**
£35,000 for Guardianship Wellbeing



Quality & Safeguarding

In 2025/26 Aberlour had over 60 services – All are supported by our internal quality team to ensure that we deliver care and support to the highest standard.

We have an updated quality assurance framework which includes quality assurance and audit processes for both registered and non-registered services.

Aberlour currently has 31 registered services:

- ✓ 18 Care homes
- ✓ 8 Support services (care at home)
- ✓ 4 Support service (not care at home)
- ✓ 1 Day care service
- ✓ 2 Fostering (including one adult placement)
- ✓ 2 Housing support (combined registration with support service - care at home)

22 of our services (71%) are categorised as 'Low risk' by the Care Inspectorate. 7 are categorised as medium risk (23%). 2 are currently considered high risk (6%).

During the reporting year, 16 inspection reports were published. Of these:

- ✓ 5 improved,
- ✓ 9 maintained their previous grades of 5 = very good
- ✓ one 5 was a 'promise assurance inspection' focussing on key areas that are essential to upholding children and young people's right to be safe and be at the centre of their care.

The reports use The Promise foundation headings of: 'Voice', 'Care' and 'People'. Five inspection reports were published in Q4, all maintaining their previous very good scores. Across the reports written over 2025-26, 11/16 focused on one inspection area only, namely 'How well do we support children and young people's rights and wellbeing?'. No requirements were made for any of the inspections.

Aberlour currently has 44 services, service groups, or sites that require a health and safety Inspection. Over the reporting period, 37 of these received an inspection. Others received an inspection either side of the financial year.

Fire Risk Assessments (FRA) continue to be carried out by an external provider. 27 of the 35 sites requiring an FRA were completed this year.

For both inspection types, dates have been arranged for the outstanding venues.

Emerging themes from the inspection types are fed back at 4-monthly health & safety steering group meetings.

A health and safety gap analysis has been commissioned through our insurers for completion in 2026/27 with results and recommendations to follow.



Financial Review

In 2025/26 Aberlour celebrated our 150th year by continuing to grow, expand our reach and increase our impact. We obtained new work, securing longer-term funding and expanding existing services.

Overview

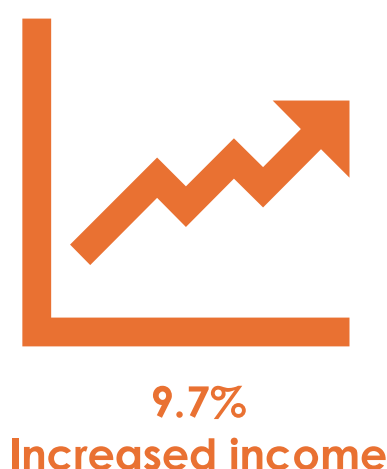
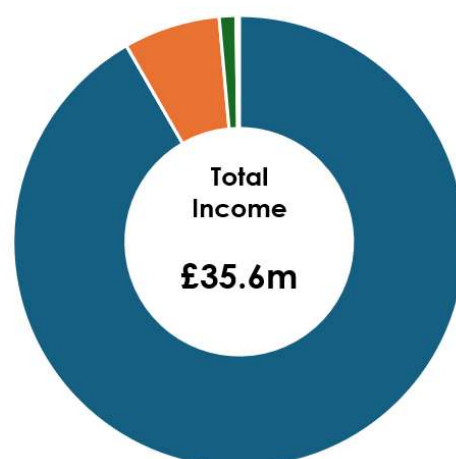
Aberlour continues to operate within a complex funding environment, with a mixture of local authority, government and trust funding for services provided, as well as generous donations from organisations and members of the public. Aberlour has continued to increase our spend on charitable activities, with the growth in services provided during the year.

Our overall financial performance in the current year is better than anticipated, with a planned use of restricted and unrestricted reserves which had been budgeted for. The year's results also include good performance from our investment portfolio, as well as gains on revaluation of properties, all adding to our overall surplus in the Statement of Financial Activities.

Analysis of the financial performance of the organisation is overseen by the Finance Committee, who report back to the full Board on a regular basis.

Income

Total Income for the year was £35.6m (£32.5m 2024/25), an overall increase of 9.7%. Income from charitable activities was £32.7m (£29.6m 2024/25), highlighting the growth in our service delivery. Income from donations and legacies was £2.5m (£2.4m 2024/25), an increase which in part was due to better performance from our fundraising efforts through campaigns in-year and successful donor relationships with the public. Overall investment income continued to perform well with £426k (£392k 2024/25) in dividends received and bank interest.

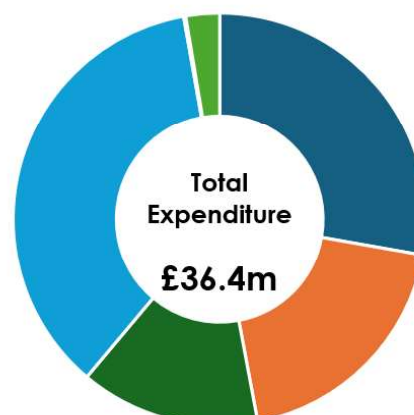


Expenditure

Total expenditure for the year was £36.4m (£32.9m 2024/25), an increase of 11%. This is primarily a result of the increase in services mentioned above, as well as inflationary and statutory uplifts in staffing expenditure.

Salary costs have increased due to cost-of-living awards agreed by the Board of Trustees as part of annual budgeting processes and consideration of living wage and inflationary increases.

Spend on charitable activities is still our largest category of spend, making up 97% of Aberlour's expenditure, which includes the following categories: Children & Families Affected by disability; Children & Families affected by drugs and alcohol; Early Years and Early Intervention and Prevention. The split of how Aberlour's money is spent is shown in the graph below.



- £10.127m Children and families affected by disability
- £7.035m Children and families affected by drugs and alcohol
- £5.135m Early years
- £13.157m Early intervention and prevention
- (£0.059m) Surplus on Sale of Fixed Assets
- £0.963m Raising Funds

Balance Sheet

The balance sheet shows a net assets position of £21.485m (£21.391m 2024/25). Included within this total is £5.369m of restricted reserves. These reserves have been raised during the year or in prior years for a specific purpose or have conditions over their use. Further detail on the restricted reserves and their movements is in note 21.

Unrestricted Reserves at 31st March 2026 are £16.116m of which £348k is designated to fund individual project deficits where funding is yet to be confirmed for the continuation of services. £100k of the designated funds are also set aside to fund development initiatives and pilot new service ideas.

Our fixed asset reserve including revaluation reserve is also part of unrestricted funds at £6.504m, and represents the cost of tangible fixed assets after depreciation.

Our Cash position remained strong during the year with the balance of cash at bank and in hand at 31st March 2026 being £2.723m (£3.577m 2024/25).

Financial Reserves

Free reserves are held within the main investment portfolio, largely provided by generations of donors over the years. It is the Board's policy to seek to at least maintain the real value of this fund, so that income will continue to be available to further Aberlour's objectives. Following the reclassification allowed by OSCR in 2021 of what was the "Endowment Fund", the whole of the investment value is included as unrestricted

reserves, providing more flexibility in furtherance of objectives and priorities.

Restricted funds are held for a specific purpose determined externally by third party funders and cannot be used for alternative purposes. Designated funds are earmarked by the Board to cover future known commitments. Unrestricted funds are available to the trustees for our charitable purposes. A breakdown of funds is provided in Note 20 of the financial statements.

Free Reserves	2025/26 £m	2024/25 £m
Total Unrestricted Reserves per SOFA and Balance Sheet	16.116	16.504
Less: Unrestricted Tangible Fixed Assets	6.504	6.736
Less: Designated Reserves	0.348	0.335
Total "Free Reserves"	9.264	9.435
This includes the unrestricted investment portfolio, which is accessible to the charity as unrestricted, however is currently utilised to provide a financial return to continue Aberlour's objectives.		
Main Investment Portfolio	9.665	9.073
Unallocated Unrestricted Reserves	(0.401)	0.362
Total "Free Reserves"	9.264	9.435

Investments

The Trustees oversee the management of the charity's investment portfolios with the objective of safeguarding capital, generating sustainable income, and supporting the long-term financial resilience of the organisation.

Investment management is delegated to professional investment managers, Quilter Cheviot, with performance and strategy subject to regular review by the Trustees.

The charity's investment policy seeks to balance income generation and capital growth while maintaining an appropriate level of risk. Funds are invested across a diversified portfolio of asset classes, including equities, fixed income securities, collective investment vehicles, property and infrastructure investments. This diversification aims to mitigate market risk and ensure stability of returns over the long term.

The Trustees prioritise:

- Preservation of capital in real terms
- Generation of income to support charitable activities
- Sufficient liquidity to meet operational requirements
- Investment in a broadly diversified portfolio across sectors and geographies.

Environmental, social and governance (ESG) considerations are taken into account through the selection of investment vehicles and underlying assets, where consistent with financial objectives.

Investment Structure

At 31 March 2026, the charity held two managed investment portfolios:

Main Investment Portfolio:
£9.7m total market value

Urgent Assistance Fund (UAF) Portfolio:
£1.6m total market value

The combined investment portfolio therefore totalled approximately £11.3m at the year end.

Both portfolios are actively managed and invested across:

- Global equities (UK, US, Europe and emerging markets)
- UK Government bonds (gilts) and corporate bonds
- Collective investment funds and Exchange-traded funds (ETFs)
- Property and infrastructure assets
- Cash balances for liquidity.

Investment Performance

Main Portfolio

The Main Portfolio increased in value from £9.2m to £9.7m over the year. This reflects strong underlying market performance and active portfolio management.

Realised gains: £309k
Unrealised gains: £540k

Income generation remained robust, with total income of approximately £316k, derived from a balanced mix of dividends, interest, and property income.

Urgent Assistance Fund Portfolio

The UAF Portfolio increased in value from £1.54m to £1.62m over the year.

Realised gains: £47k
Unrealised gains: £87k

Total income generated during the year amounted to approximately £54k.

Income Generation

Across both portfolios, investments continue to provide a diversified and reliable income stream, comprising:

- Dividend income from UK and international equities
- Interest from fixed income securities and cash deposits
- Distributions from collective investment vehicles
- Property and infrastructure income

This income supports the charity's charitable activities and contributes to financial sustainability.

Portfolio Activity

The portfolios are actively managed, with transactions undertaken throughout the year to:

- Rebalance asset allocation
- Respond to market conditions
- Maintain diversification
- Realise gains where appropriate

Notable activity included investment in UK government bonds and diversified funds, alongside the disposal of certain equity holdings. Cash withdrawals during the year reflect the use of investment funds to support operational requirements.

Risk Management

The Trustees recognise that investments are subject to market, currency and liquidity risks. These risks are mitigated through:

- Diversification across asset classes and geographies
- Use of professionally managed portfolios
- Regular monitoring of investment performance
- Maintaining an appropriate level of cash and liquid assets

Conclusion

The charity's investment portfolios performed positively during the year, delivering both capital growth and a strong income return. This performance supports the long-term financial stability of Aberlour and enables continued investment in its charitable activities.

The Trustees will continue to review the investment strategy to ensure it remains aligned with the charity's objectives, risk appetite and wider financial position.

Going Concern

The Board of Trustees remains of the opinion that Aberlour can continue to meet its obligations, as they fall due for the foreseeable future. Consequently, these financial statements have been prepared on the Going Concern basis. The Trustees and Senior Leadership Team have prepared budgets and forecasts including a strategic plan through to 2030/31 which show no concerns with regards to the financial resilience of the organisation.

The current challenging financial environment is anticipated to continue, and this is likely to be exacerbated by turbulent geo-political and economic circumstances. These financial statements continue to demonstrate Aberlour has significant financial resilience, with a strong balance sheet, diversity in the source and duration of funding from public sector organisations and a strong demand for our services from commissioners is anticipated to continue.

In order to corroborate this, the Senior Leadership Team has gone through long term budget forecasting through to 2030/31. This used assumptions on service income factoring in aspects of growth already underway and the long-term impacts of this on overall Aberlour income. The assessments included an element of income attrition, making forecasts more realistic, allowing for some income loss in certain areas.

While uncertainty exists, this is not to the extent that it casts any doubt on the ability of Aberlour to continue operating, even in the worst-case scenario. Even under a pessimistic long term budgeting scenario, it is appropriate for these accounts to be prepared on a going concern basis.



Principal Risks and Uncertainties

The Trustees regularly assess the strategic risks facing the charity in detail at the Improvement, Audit & Risk Committee, and make recommendations to the Board on any formal changes to the risk register. This process is carried out every six months.

The Trustees are satisfied that systems are in place to mitigate exposure to strategic risks as well as actions identified, and work undertaken by management to manage these risks throughout the year.

A risk management policy is in place which guides the identification, classification and scoring of risks throughout the organisation. This ensures a comprehensive strategic risk register is formally maintained to ensure the key risks are identified and the mitigation measures are effective.

Aberlour categorises risks into 7 categories:

- ✓ Strategic/Policy
- ✓ Operational/Service Delivery
- ✓ Information/Data
- ✓ Financial
- ✓ Reputational/Credibility
- ✓ People
- ✓ Accountability/Governance

Principal risks	How these risks are managed
Failure to maintain and evidence a high quality of service provision Risk Category: Reputational/ Credibility	Aberlour Quality Assurance Framework, developed in 2024/25, includes: overarching principles, quality assurance tools and controls which ensure we maintain high standards in relation to care and support. This includes self-evaluation activity, quarterly and annual reviews for all services, case file audits, incident and external manager review processes. Ongoing investment in staff use and development of Aberlour case and service management system and data capture. Our organisational management structure developed with consistent focus on quality-of-service delivery. Service learning and action plans are developed as necessary.

Principal Risks and Uncertainties (continued)

Principal risks	How these risks are managed
Historic abuse claims out with redress scheme timeframe Risk Category: Reputational/ Credibility & Financial	Aberlour continues to demonstrate a willingness to full disclosure and providing requested information. Openness in our approach to claims made and how we respond to them. Fully participate and provide evidence requested supporting individual cases brought to Aberlour directly or through third parties. Enquiry process in place for individuals or groups that want to lodge a complaint. We engage with abuse claim groups and demonstrate a willingness to listen to support claimants. Aberlour has conducted a detailed review of relevant insurance policies in place during possible periods of relevance, there is comprehensive insurance cover in place. If necessary, through appointed legal or insurance representatives, we attempt to agree any necessary fair and early settlements.
Failure to safeguard children, young people and families while in Aberlour's care Risk Category: People	Robust and up to date child protection policies and procedures are in use and understood. Rigorous and repeated staff development on safeguarding and child protection is undertaken annually. On-Call safeguarding support is in place across Aberlour service delivery where required. Safeguarding leadership events take place annually, including organisational safeguarding for managers' programme. Aberlour safeguarding oversight group established and meeting quarterly. Client Management Systems developed to better record and capture monitoring outcomes for safeguarding referrals.

Principal Risks and Uncertainties (continued)

Principal risks	How these risks are managed
Public sector funding uncertainty Risk Category: Financial	Aberlour maintains a diversity of income streams and services from a variety of local authorities, government and other funders. Securing long-term funding through contracts and tender opportunities to limit short term uncertainty. Continue to secure alternative income and business flows taking advantage of new business opportunities using Aberlour infrastructure and investments. Diligently manage opportunities for income uplifts for services. Keeping under review utilisation of reserves policy and use of Aberlour resources. Continuing to identify opportunities for cost reduction in annual budget setting. Risk management policy and focused approach to local risk capture planning for any services where income may be at risk.
Recruitment & Retention of Staff Risk Category: Operational / Service Delivery	Approaches to recruitment varied using all possible options available to recruit best candidates. Developing a leadership programme to ensure focus on staff opportunities, development and learning programmes. Ensuring Aberlour is competitive in its salary and rewards package, annual baselining of sector salary scales and matching to internal staff roles. Creating a positive culture of support and opportunities for staff within Aberlour, and where concerns arise, we take them seriously (Whistleblowing policy in place) Conducting annual all staff surveys to measure staff concern areas and opportunities to address concerns. Review of our pension offering to staff, through use of brokers to ensure best value is being achieved.

Principal Risks and Uncertainties (continued)

Principal risks	How these risks are managed
Cyber Security Threats Risk Category: Information/ Data	Aberlour case and marked sensitive data is stored in the Microsoft cloud, this data is protected via robust Microsoft monitored services for cyber security. Aberlour is accredited annually with Cyber Essentials Plus certification. We have also conducted an initial Centre for Internet Security (CIS) audit, this has listed areas for improvement and action plans are being developed to improve. Annual penetration testing of Aberlour digital infrastructure ensures that Aberlour's vulnerability to common cyber threats is better understood. This includes monitoring through an external company which provides 24/7, 365 days a year support. Digital Disaster recovery procedures are in place and Aberlour's business continuity plans (reviewed annually) give assurance that Aberlour is capable of recovering from a cyber-security attack. All staff are subject to ongoing awareness training in terms of recognising attempted cyber threats to Aberlour accounts and acting appropriately. Cyber Security Incident Response Policy & Procedure in place. External Cyber Security Advisor appointed. Cyber Security responsibilities clearly indicated in staff Job Descriptions. Cyber Resilience Team formed with representation from internal and external advisors.

Principal Risks and Uncertainties (continued)

Principal risks	How these risks are managed
Failure to manage Aberlour data and information held Risk Category: Information / Data	Have a managerial post responsible for all Aberlour information governance issues and compliance with relevant legislation. This post closely works with the IT and Digital team to ensure alignment with information governance policy and technical solutions for compliance. An Information Governance Committee has been established and an Information Coordinators Group has also been established across Children & Families services to monitor and support compliance with records management and information governance compliance. We have developed a detailed Information Management policy. We have detailed policies around meta tagging, sensitivity marking and records management. Using external expertise to advise on current information governance management practices and where improvements can be made, this will be repeated periodically. All staff undertake annual information governance mandatory refresher training courses to keep them up to date.



Plans for future periods

Our organisational strategy for success, “Being Brave – for Children, Young People & Families 2021-2027”, stated our ambitions as being able to:

Grow our services to support more children and families earlier.

- ✓ Reach more diverse communities.
- ✓ Influence policy and practice by elevating the voices of children and families.
- ✓ Being nimble and encourage change and innovation.
- ✓ Become the best employer that we can be – somewhere people choose to work and stay.
- ✓ Ensure our organisation is sustainable financially, socially, and environmentally - and is focussed on children and families.
- ✓ Achieve digital confidence, maturity and capability for a modern sustainable organisation.

Our business success measures centre on quality, impact, sustainability, and growth. Service and regional plans feed into our organisational plan so they can be easily monitored.

A continued application of the Shipley approach to competitive tenders emphasises the merits of Aberlour to commissioners. This is felt to be a key factor in our recent successes in tenders across Scotland. Our services ensure that we are able to respond to the demands created through the self-directed support agenda and other spot purchase opportunities.

We continue to market and promote the organisation, and Aberlour’s brand awareness continues to grow with the general public. This is an area we recognise we need to continue to emphasise, and have plans to continue promotional activity through various mediums, with an emphasis on digital and continuing the success of our TV advertising during campaigns.

Our reputation within professional networks and academic fields continue to strengthen and we are well respected for our experience, quality, and innovation.

Growth Success Measures

Our strategy also clearly sets out growth targets which we will look to achieve by the end of the strategy period (2021–2027), which include:

- ✓ Increase in overall revenue by 60% (from 2021).
- ✓ Continue to grow and diversify our residential care placements.
- ✓ Increase support for women in recovery and their children. We aim to reach a capacity of 12 placements by 2027.
- ✓ Develop 2 new community-based recovery support services.
- ✓ Grow the percentage of individuals supported by our early intervention services by 25%.

Structure, Governance and Management

History & Governance Structure

Aberlour began as an orphanage in 1875, founded by Canon Charles Jupp with funding from Miss Macpherson Grant of Aberlour village in Moray. Originally established to care for "mitherless bairns," the orphanage grew into one of Scotland's largest children's institutions, housing up to 500 children at its peak. Over time, the charity evolved, shifting from large-scale residential care to more tailored support services for vulnerable children, young people, and families across Scotland.

On 31 March 2010, the charitable trust was wound up and on 1 April 2010 all assets, liabilities and undertakings were transferred entirety to a charitable company limited by guarantee, Aberlour Child Care Trust.

The Office of the Scottish Charities Regulator (OSCR) approved the transfer, with the principles and ethos of Canon Jupp continuing, now reflected in Aberlour's values of Integrity, Challenge, Innovation and Respect.

Board of Trustees - Recruitment & Induction

The Board of Trustees of Aberlour (those of which held office since 1st April 2025 are listed on page 3) are the members of the charity with their liability limited to £1 each.

A review of the constitution was concluded in March 2026 to ensure governance remains effective and flexible to adapt to future developments.

The Board comprises individuals elected as Trustees by the Board, based on their experience and ability to make positive contributions to governance of the charity. New Trustees have references taken up, along with enhanced Disclosure Scotland checks. Induction packs and briefings on Aberlour's policies and plans are provided and Trustees are encouraged to visit operational Services.

It is Board practice to elect Trustees to serve an initial four-year term, which can be extended for a second four years with Board approval. Regular and ongoing training is provided to Trustees on governance and matters topical in the childcare sector.

Board Meetings & Committees

The Board meets at least four times a year. In March of each year, the Board approves the strategic plan and budget for the forthcoming financial year.

The Board also monitors performance and outcomes via its four standing committees namely:

- Finance (held quarterly)
- Improvement, Audit & Risk (held quarterly)
- People & Culture (held quarterly)
- Investment (held bi-annually)

Implementation of the strategy, financial plan and decision making is delegated to the Chief Executive and the senior leadership team in line with the Board's delegation of authority policy.

Pensions

Aberlour maintains a defined contribution scheme (provided by Scottish Widows) that is available to all employees. This scheme has an enhanced uplift Employer's contribution for those with long service.

Salary sacrifice arrangements for pension contributions through the defined contribution scheme are available to staff where it is suitable for employees, which further enhances Aberlour's pension offering.

Aberlour also provides defined contribution arrangements for employees affected by auto-enrolment through the UK Government-backed NEST scheme.

Related Parties

Aberlour currently has no subsidiary undertakings either of its own or in collaboration with third parties, to deliver its charitable objectives.

Investments

Investment policy is reviewed regularly, and performance is assessed biannually by the Investment Committee. The portfolio continues to be managed by Quilter Cheviot Investment Management on a total return basis with the objective of at least maintaining its value in real terms, while meeting our organisational requirement for income to support Aberlour's activities which are not funded from contractual income. Appropriate benchmarks have been adopted to provide an assessment of performance and return.

The value on 31 March 2026 was £9.665m at 31st March 2026. A separate investment portfolio held for the purposes of the Aberlour Urgent Assistance Fund was valued at £1.620m at 31st March 2026.

Movements in investments in total are set out in Note 14. We remain confident that the highly, resilient investments favoured by Quilter Cheviot will prove to be robust in the longer-term.

Income from the main portfolio and interest earned during the year was £372k compared with £343k in 2024/25. The Aberlour Urgent Assistance Fund portfolio generated £54k compared with £49k in 2024/25 which was restricted to be fully applied to the AUAF. Total Investment Income was £426k (note 6). The investment managers are clear about the targets set for them and are focussed on their achievement.

Aberlour's ethical investment policy is a key determinant of investment decisions taken by Quilter Cheviot. The portfolios fully reflect our organisational values and ethical investment policy. Socially responsible investing is a concept at the forefront of investment holdings, and a key requirement is that the portfolio must not be invested in shares of companies whose activities exploit children or are clearly detrimental to their well-being. The ethical parameters were reviewed in August 2026.

Under the policy, share exclusions now apply to:

- Irresponsible marketing of alcohol to children.
- Armament sales to oppressive regimes.
- Pornography.
- Tobacco manufacture.
- Human Rights Violations – directly and via supply chains.
- Product Responsibility - when evident that infant nutrition is compromised.
- Pharmaceuticals - product responsibility requirements.
- Environmental excessive damage.
- Thermal coal.
- Cannabis as a recreational involvement.

Remuneration Policy

Aberlour pays no less than the Scottish Living Wage to staff and is committed to maintaining this policy, proudly holding membership of the Living Wage Foundation. Any changes to remuneration, other than cost-of-living arrangements, are assessed, and justified using the job evaluation scheme and the associated pay scales.

There is a job evaluation scheme against which all jobs are evaluated across the organisation, including promoted posts.

Senior Leadership Team salaries are included within the job evaluation scheme noted above. A benchmarking review of Senior Leadership salaries was carried out in 2024, and adjustments were proposed and approved by the Board. This is reviewed annually, with the Chief Executive's pay being decided on at the People & Culture Committee, for inclusion in the annual budget for overall Board approval.

How we meet Section 172 of The Companies Act 2006

The Trustees of Aberlour Child Care Trust are mindful of their duties under Section 172(1) of the Companies Act 2006 and of the importance of considering stakeholder interests in decision-making. Strong corporate governance underpins the organisation's approach and is fundamental to how Trustees discharge their responsibilities and exercise stewardship of the charity.

In fulfilling these duties during the financial year, the Trustees have had regard to the following:

The likely long-term consequences of decisions

- ✓ The Trustees are committed to safeguarding the long-term future of Aberlour, recognising the importance of its heritage and ongoing role in supporting children, young people and families. Decisions are taken with a focus on sustainability, service continuity and organisational resilience, ensuring that stakeholders — including staff, commissioners, donors, policymakers and regulators — retain confidence in the charity's ability to deliver its strategic and operational objectives.
- ✓ Long-term strategies have been developed, approved and implemented, focusing on organisational viability, sustainability and growth. These strategies are widely communicated and embedded across the organisation, reinforcing Aberlour's position as a trusted strategic partner.

The interests of employees

Aberlour is a people-centred organisation, and its employees are fundamental to the delivery of high-quality care. The Trustees recognise the importance of attracting, supporting and retaining a skilled workforce.

The charity seeks to meet and, where possible, exceed employment best practice, supported by benchmarking, internal quality assurance processes, and external accreditations including Investors in People and Investors in Diversity. Aberlour is a Living Wage employer, reflecting its commitment to fair and ethical employment practices.

A wide range of learning and development opportunities is provided, supported by both organisational and individual development plans. Staff engagement is actively encouraged through forums such as the Staff Council, consultation exercises and feedback mechanisms, including exit interviews. Insights gained from these processes have informed improvements to employment terms and conditions, contributing to stronger recruitment and retention outcomes.

Staff achievements are recognised through regular engagement initiatives, including an annual Staff Conference which promotes shared learning, celebrates success, and communicates future priorities. Aberlour's inclusion in the Sunday Times Top 100 Best Places to Work in 2024, 2025 and 2026 reflects the positive impact of these initiatives, and the organisation remains committed to continuous improvement based on staff feedback.

Business relationships with suppliers, partners and stakeholders

Aberlour operates with a strong commitment to ethical business practices, consistent with its organisational values. Suppliers are selected through fair and transparent procurement processes, taking into account quality, expertise and value for money.

The charity maintains strong relationships with partners across the third sector, public authorities, and professional bodies. Active participation in forums, stakeholder consultations and child protection committees supports collaboration, knowledge sharing and the maintenance of high professional standards.

Impact on the community and the environment

The Trustees recognise the importance of operating responsibly within the communities served. When developing new services, Aberlour engages proactively with local communities to ensure developments are appropriate and positively received, while always prioritising the best interests of the children and young people in its care.

An Environmental Policy, approved by the Board, guides the organisation's approach to sustainability. Environmental considerations are incorporated into planned maintenance programmes and capital investment decisions. An organisation-wide group promotes awareness and supports the identification of opportunities to improve environmental performance. The charity also seeks appropriate professional advice to form decisions regarding estate development and fleet management.

Maintaining high standards of business conduct

Aberlour is committed to maintaining high standards of integrity and accountability. The charity has established long-standing partnerships with organisations that share its values and continues to develop strategic relationships that support its mission.

The organisation has actively contributed to national initiatives, including engagement with the Scottish Child Abuse Inquiry, demonstrating openness, accountability and a commitment to learning. Aberlour has also engaged with the Scottish Government in the development of the Financial Redress Scheme and is a named contributor, with a commitment of £1.6 million payable by 2030. At 31 March 2026, £670,000 had been paid, with the remaining balance recognised within the financial statements.

Acting fairly between members

The Trustees and Executive Team are committed to fairness, transparency and inclusivity in all aspects of governance. Board and Committee meetings are conducted in a professional and respectful manner, ensuring that all participants are able to contribute effectively to decision-making.

Sustainability Report & Annual Energy Efficiency Statement

As part of our wider commitment to responsible resource management, Aberlour seeks to reduce its environmental footprint and contribute to a more sustainable future for children and young people across Scotland.

Aberlour is committed to the responsible management of its resources, including the efficient use of energy across its operations. The Trustees recognise that improving energy efficiency not only reduces environmental impact but also supports long-term financial sustainability, enabling more resources to be directed towards the delivery of Aberlour's charitable activities.

During the year, Aberlour has continued to progress initiatives aimed at improving energy performance across its estate. Following completion of the Energy Savings Opportunity Scheme (ESOS) Phase 3 assessment in the prior year, the charity has begun implementing a number of the recommended actions. These measures focus on practical and cost-effective improvements and are being incorporated into planned maintenance and asset management programmes.

The charity has also initiated the procurement of renewable energy supplies, including 100% renewable electricity and green gas. This exercise seeks to balance value for money with the charity's ambition to reduce reliance on carbon-intensive energy sources. Where feasible, preference is given to suppliers offering verifiable renewable energy generation.

In addition, the charity is exploring opportunities to invest in on-site renewable energy solutions. Feasibility work is underway in relation to the potential installation of solar photovoltaic panels and battery storage at selected high-energy-use properties. Any investment decisions will be subject to appropriate financial appraisal and operational considerations.

Sustainability continues to be a key consideration in capital investment decisions. A planned redevelopment project in Aberdeen is being designed regarding environmental performance, including the potential use of low-carbon heating systems, enhanced thermal efficiency, and incorporation of renewable technologies, where these represent an appropriate and cost-effective solution.

Across its existing operations, the charity has continued to implement a range of measures to monitor and manage energy consumption, including:

- Installation of automated heating controls and LED lighting across priority sites
- Increased engagement with staff to promote energy-efficient behaviours
- Enhanced monitoring of energy usage through smart metering
- Ongoing review of the vehicle fleet to identify opportunities to improve efficiency

The Trustees will continue to monitor energy usage, costs and associated risks, and will seek to identify further opportunities to improve efficiency where practicable. These actions form part of the charity's broader commitment to ensuring that resources are used effectively in support of its core purpose of delivering high-quality services to children, young people and families.



Emissions & Energy Consumption

The total emissions of Aberlour Child Care Trust for the period Apr-25 to Mar-26 amounted to 597 tCO₂e, representing an increase of 14% compared to 525 tCO₂e in Apr-24 to Mar-25. This increase was primarily driven by an increase in the number of sites operating during the reporting period, resulting in higher overall energy consumption. Electricity consumption increased by 13%, while natural gas consumption increased by 36%, contributing to the rise in total emissions.

- ✓ Scope 1 emissions increased by 19%, largely due to higher natural gas consumption associated with the expanded operational footprint.
- ✓ Scope 2 emissions decreased by 4%, despite electricity consumption increasing by 13%, indicating the benefit of lower electricity emission factors.
- ✓ Scope 3 emissions increased by 12%, primarily driven by higher indirect transport activity, with indirect transport energy consumption increasing by 10% compared to the previous reporting period.

A proportion of the energy consumption data reported for the year was estimated due to gaps in available consumption records. Approximately 15.84% of electricity consumption (kWh) and 9.87% of natural gas consumption (kWh) was estimated.

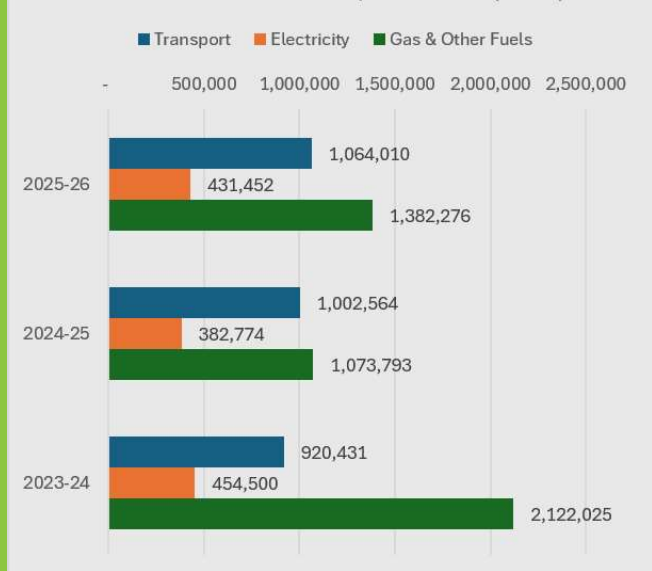
Total reported energy consumption for the reporting period, including electricity, natural gas, kerosene, direct transport, and indirect transport, was 2,877,739 kWh. Of this, approximately 192,807 kWh (6.70%) was based on estimated consumption where actual consumption data was unavailable. This should be taken into consideration when reviewing the reported energy consumption and associated emissions.

Scope 1: Activities for which Aberlour is responsible involving the combustion of gas, or consumption of fuel for the purposes of transport.

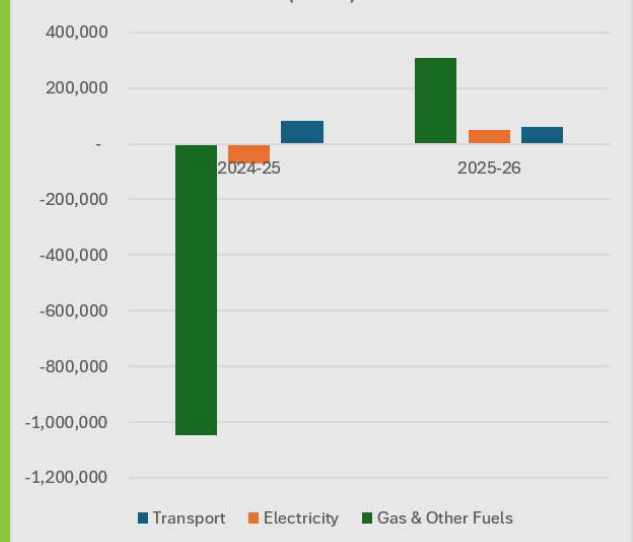
Scope 2: The purchase of electricity by the company for its own use, including for the purpose of transport.

Scope 3: All other indirect emissions that occur including employee travel and are considered to be a material source of emissions.

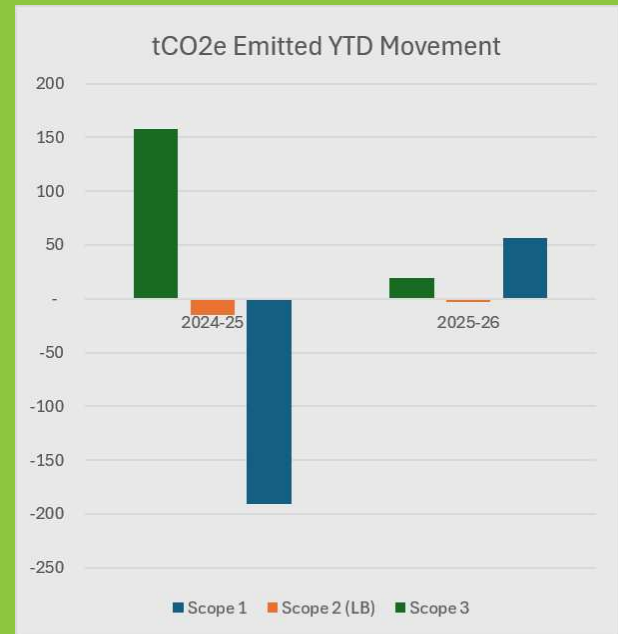
Year on Year Consumption Data (KwH)



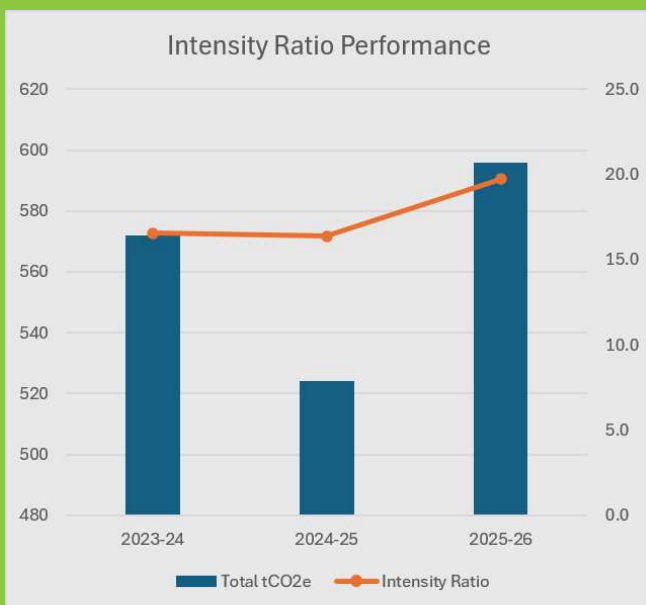
Year on Year Consumption Movement (KwH)



Emissions & Energy Consumption



The emissions intensity ratio is calculated by dividing total emissions by an intensity metric, which in this case is annual revenue. The emissions intensity ratio increased from 16.4 to 16.6, representing an increase of 1%. Based on tCO₂e/£m. This indicates that emissions increased at a greater rate than turnover during the reporting period.



Statement of Trustees' Responsibilities

Including appointment of
Auditors and overall approval



Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Annual Report, which incorporates the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Charity law and company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law and company law the Trustees 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Disclosure of Information to Auditor

To the knowledge and belief of each of the persons who are Trustees at the time the report is approved:

1. So far as the Trustee is aware, there is no relevant information of which the charitable company's auditor is unaware; and
2. They have taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approval

In approving the Directors' (Trustees') Report, the Trustees are also approving the Strategic Report in their capacity as Company Directors. The report was approved by the Trustees on 28th September 2026 and signed on their behalf by:

David T Robb

David Robb
Chair

05/10/26

Independent Auditor's Report



Independent Auditor's Report to the Trustees and Members of Aberlour Child Care Trust

Opinion

We have audited the financial statements of Aberlour Child Care Trust (the 'charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under 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 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 cast significant doubt on the 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 Report of the Board of Trustees and the strategic report prepared for the purposes of company law and included within the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees and the strategic report, included within the trustees' annual report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the 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 43, the trustees (who are also the directors of the charitable company for the purposes of company

law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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 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 audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 Report of the Board of Trustees.

The most significant laws and regulations that have an indirect impact on the financial statements are the Public Services Reform (Scotland) Act 2010, the Social Care and Social Work Improvement Scotland (Requirements for Care Services) Regulations 2011, The Social Care and Social Work Improvement Scotland (Registration) Regulations 2011, The Social Care and Social Work Improvement Scotland (Applications) Order 2011, The Data protection Act 2018 and The Health and Care (Staffing) (Scotland) Act 2019. We inquired of management in respect of any breaches in respect of the above and reviewed correspondence with and reports from regulatory authorities such as the Care Inspectorate and the Information Commissioner's Office.

The audit engagement team identified the risk of management override of controls as the area 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 and challenging judgments and estimates.

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

Use of our report

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been

undertaken so that we might state to the members and the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Kelly Adams

Kelly Adams (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
3rd Floor
2 Semple Street
Edinburgh
EH3 8BL
United Kingdom
Date **06/10/26**

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Financial Statements



Statement of Financial Activities

	Note	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Income from:							
Donations and legacies	3	994	1,464	2,458	1,219	1,183	2,402
Charitable activities	4	11,454	21,229	32,683	11,244	18,381	29,625
Other trading activities	5	-	38	38	-	37	37
Investments	6,14	372	54	426	343	49	392
Other	7	(14)	55	41	25	8	33
Total		12,806	22,840	35,646	12,831	19,658	32,489
Expenditure on:							
Raising funds	8	957	7	964	1,045	7	1,052
Charitable activities	9	12,091	23,302	35,393	11,150	20,667	31,817
Total		13,048	23,309	36,357	12,195	20,674	32,869
Total (expenditure)/ income		(242)	(469)	(711)	636	(1,016)	(380)
Realised gains on investments		309	47	356	340	55	395
Unrealised gains/(losses) on investments	14	540	87	627	(297)	20	(277)
Net income/(expenditure)		607	(335)	272	679	(941)	(262)
Transfers between funds	10	(815)	815	-	(1,196)	1,196	-
Other recognised gains/(losses):							
Gains/(losses) on revaluation of fixed assets		(180)	-	(180)	(591)	-	(591)
Net movement in funds		(388)	482	94	(1,108)	255	(853)
Funds brought forward		16,504	4,887	21,391	17,612	4,632	22,244
Funds carried forward	20,21	16,116	5,369	21,485	16,504	4,887	21,391

Balance Sheet

	Note	2026 £000	2025 £000
Fixed Assets			
Tangible Assets	13	7,195	7,427
Investments	14	11,285	10,682
		18,480	18,109
Current Assets			
Debtors	15	3,657	3,115
Cash at bank and in hand		2,723	3,577
Short term investments		267	258
		6,647	6,950
Liabilities			
Creditors – amounts falling due with one year	16	(2,227)	(2,533)
Net current assets		4,420	4,417
Total assets less current liabilities		22,900	22,526
Creditors – amounts falling due after one year	16	(745)	(930)
Provision for liabilities and charges	17	(670)	(205)
Net assets		21,485	21,391
Charity funds			
Restricted funds	21	5,369	4,887
Unrestricted funds	21	13,550	14,460
Revaluation reserve	13,21	2,566	2,044
Total Charity funds		21,485	21,391

The financial statements were approved and authorised for issue by the Directors on 28th September 2026

David T Robb

David Robb
Chair of the Board of Trustees

05/10/26

Cash Flow Statement

	2026 £000	2025 £000
Net (expenditure)/income as per SOFA	272	(262)
Adjustments for:		
Gains losses on investments	(983)	(118)
Profit on sale of fixed assets	(59)	(2)
Depreciation charges	211	203
(Increase)/decrease in debtors	(542)	102
Increase/ (decrease) in creditors	(511)	466
Interest and dividends	(425)	(392)
Increase of provisions	536	-
Net cash used in operating activities	(1,501)	(3)
Cash flows from investing activities		
Dividends and interest from investments	425	392
Purchase of tangible fixed assets	(303)	(1,307)
Proceeds of sale of tangible fixed assets	199	2
Purchase of investments	(1,526)	(1,670)
Proceeds of sale of investments	1,822	1,951
Purchase of short-term investments	-	-
Net cash used in investing activities	617	(632)
Change in cash and cash equivalents	(884)	(635)
Cash and cash equivalents at the start of the reporting period	3,756	4,391
Cash and cash equivalents at the end of the reporting period	2,872	3,756
Analysis of cash and cash equivalents (note 22)		
Cash at bank and in hand	2,723	3,577
Deposits – investments (note 14)	149	179
	2,871	3,756
Reconciliation to cash per balance sheet		
Cash at bank and in hand	2,723	3,577
Cash per balance sheet	2,723	3,577

Notes to the Financial Statements



Notes to the Financial Statements

Note 1 - General information

Aberlour Child Care Trust is a private company limited by guarantee, incorporated in Scotland, UK. The charity's registered office, company number and charity number are disclosed on page 1 to these financial statements. The principal activity of the charity is the provision of childcare services in Scotland.

Note 2 - Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Functional currency is sterling and level of rounding is to the nearest £'000.

Aberlour Child Care Trust meets the definition of a public benefit entity under FRS 102. The preparation of the financial statements in compliance with FRS 102 requires the use of certain accounting estimates. It also requires the Directors to exercise judgement in applying the charity's accounting policies, as shown in the remainder of the note.

Going concern

The Board of Trustees remains of the opinion that Aberlour can continue to meet its obligations, as they fall due for the foreseeable future. Consequently, these financial statements have been prepared on the going concern basis. The Trustees and Executive Team have prepared budgets and forecasts including a Strategic Plan through to 2029/30 which show no concerns with regards to the financial resilience of the organisation.

The current challenging financial environment is anticipated to continue, and this is likely to be exacerbated by turbulent geo-political and economic circumstances. These financial statements continue to demonstrate Aberlour has significant financial resilience, with a strong balance sheet, diversity in the source and duration of funding from public sector organisations and a strong demand for our services from commissioners is anticipated to continue.

In order to corroborate this, the Executive Team has gone through long term budget forecasting through to 2029/30. This used assumptions on service income factoring in aspects of growth already underway and the long-term impacts of this on overall Aberlour income. The assessments included an element of income attrition, making forecasts more realistic, allowing for some income loss in certain areas.

While uncertainty exists, this is not to the extent that it casts any doubt on the ability of Aberlour to continue operating, even in the worst-case scenario. Even under a pessimistic long term budgeting scenario, it is appropriate for these accounts to be prepared on a going concern basis.

Investments

Investments are carried at bid market value. Gains and losses on revaluation and disposal are recognised in the year in which they arise.

Revalued gains and losses are recognised in other recognised gains or losses unless the losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case excess losses are recognised in the statement of financial activities.

Tangible fixed assets

Tangible fixed assets are included at cost and are depreciated by equal annual instalments over their estimated useful lives, which are:

Land & buildings - 50 years
Fixtures & fittings - 4 years
Vehicles - 4 years
Computer equipment - 1 to 4 years

The value for capitalisation of assets is £1,000.
Land is not depreciated.

Revaluation of land and buildings

Land and buildings are carried at fair value, as determined by an independent registered valuer, less accumulated depreciation and any impairment losses recognised after the date of any revaluation. Any revaluation increase arising on the revaluation of such land and buildings is credited to the revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the statement of financial activities, in which case the increase is credited to the statement of financial activities to the extent of the decrease previously charged. A decrease in the carrying amount arising on revaluation of such land and buildings is charged to the statement of financial activities to the extent that it exceeds the balance, if any, held in the property's revaluation reserve relating to a previous revaluation of that asset.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on deposit where funds can be accessed without penalty within three months or less from the opening of the account and cash held with the investment manager.

Short term investments

Short term investments comprise cash in high interest yielding accounts where funds can only be accessed after three months without incurring any penalties.

Operating leases

The cost of operating leases is charged to the statement of financial activities on a straight-line basis over the lease term.

Rentals received under operating leases are recorded within income in the year to which it relates.

Service income

Service income which is generated through the provision of services is recognised through the statement of financial activities in the period in which the service is performed.

Donations and legacies

This income is recognised through the statement of financial activities in the period which they are measurable and there is entitlement and probability of receipt.

Income is deferred in certain circumstances as follows:

- When service income is received in advance of the service being provided.
- When donors specify that income must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in the Statement of Financial Activities until the pre-conditions for use have been met.

Where a condition allows for the recovery of any unexpended service income or donations, a liability is recognised when repayment becomes probable.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is probable. If the amount is not known, the legacy is treated as a contingent asset.

Grant Income

This income is recognised through the statement of financial activities in the period which they are measurable and there is entitlement and probability of receipt. Grant conditions are noted and any restrictions noted determine the treatment of that income within restricted funds.

Donated Goods/Services

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

Investment income

Investment income is accounted for in the period in which the dividend is declared.

Expenditure

Expenditure is recognised when a legal or constructive obligation arises. Expenditure is allocated to the activity to which it relates, directly or apportioned on the basis of ratios of activity.

Charitable expenditure comprises those costs incurred by the charity on its activities and services. Cost of generating funds includes financing costs and fundraising costs.

Governance costs are those costs which are directly attributable to the governance arrangements of the charity and its strategic management.

Support costs consist of indirect costs to the charity. These include finance, human resources, IT and operational costs. Support costs are apportioned over the charitable activities based on the percentage cost of activities undertaken directly.

Funds

Restricted funds have been received for specific purposes and may be repayable if underspent.

VAT

The company is not registered for VAT and accordingly costs are stated inclusive of applicable VAT.

Creditors

Short term creditors are measured at the transaction price.

Taxation

The company is recognised as a charity by HM Revenue & Customs and is exempt from Corporation Tax. No provision for taxation has been made in the accounts.

Financial instruments

Under FRS 102 financial assets and liabilities are given the technical term "financial instruments", and the directors are required to indicate how these are recognised and measured in the financial statements. All financial instruments held by the company are considered basic and as such are treated in line with well-established accounting convention. An analysis is given in note 18.

The company operates two defined contribution pension schemes, one operated by Scottish Widows and one being an auto-enrolment scheme operated by NEST. Contributions payable to the Schemes are charged to the Statement of Financial Activities in accordance with FRS 102, section 28.

Termination benefits

Termination benefits are recognised through the statement of financial activities in the period in which they relate to. Where there is a constructive obligation at the year end, the expected costs are provided for.

Pensions

Aberlour operates two defined contribution pension schemes, one operated by Scottish Widows and one being an auto-enrolment scheme operated by NEST. Contributions payable to the Schemes are charged to the Statement of Financial Activities in accordance with FRS 102, section 28.

Holiday pay accrual

Aberlour Child Care Trust is required to recognise a liability for unpaid holiday pay, per FRS 102. A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

Judgements and estimates

The preparation of these financial statements has required the Directors to make judgements, estimates and assumptions that affect the application of the policies and reported amounts. The areas involving a degree of judgement significant to the view given by these statements are:

Tangible fixed assets are depreciated over a period intended to reflect their estimated useful lives. The applicability of the assumed lives is

reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.

Tangible fixed assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Land & Buildings are subject to regular valuations at financial year-end dates, carried out by independent surveyors, with the movements in valuations being recognised appropriately through the Statement of Financial Activities and movement in revaluation reserves built up.

Provisions for dilapidations are generated to reflect the expected costs of dilapidation expenses following the cessation of the lease period. The provisions for dilapidations are reviewed annually, taking into account historical dilapidations incurred, further work completed on leased sites and physical condition of the properties.

Notes to the Financial Statements (continued)

Note 3 – Donations and legacies

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
National Lottery Community Fund	-	-	-	-	50	50
Donations	954	1,464	2,418	738	1,133	1,871
Charitable Donations	-	-	-	143	-	143
Legacies	3	-	3	325	-	325
Events and sponsorship	37	-	37	13	-	13
Total	994	1,464	2,458	1,219	1,183	2,402

Note 4 – Charitable activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Local authority and government funding	11,051	21,216	32,266	10,823	18,381	29,204
Receipts from service users	404	13	417	421	-	421
Total	11,455	21,229	32,683	11,244	18,381	29,625

Note 5 – Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Rental of surplus property	-	38	38	-	37	37
Total	-	38	38	-	37	37

Notes to the Financial Statements (continued)

Note 6 – Investment Income

	Government Stocks £000	Equities & Other £000	Total 2026 £000	Government Stocks £000	Equities & Other £000	Total 2025 £000
United Kingdom	44	267	311	33	220	253
Overseas	-	115	115	-	139	139
Total	44	382	426	33	359	392

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Dividend Income	316	54	370	281	49	330
Bank Interest	56	-	56	62	-	62
Total	372	54	426	343	49	392

Note 7 – Other

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Other	(14)	55	41	25	8	33
Total	(14)	55	41	25	8	33

Note 8 – Expenditure on raising Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted Funds £000	Restricted Funds £000	Total 2025 £000
Donations and Legacies	390	-	390	517	-	517
Fundraising, events and sponsorship	526	-	526	488	-	488
Investment Manager's Fee	41	7	48	40	7	47
Total	957	7	964	1,045	7	1,052

Notes to the Financial Statements (continued)

Note 9 – Expenditure on charitable activities

	Activities undertaken directly £000	Support costs £000	Total 2026 £000	Activities undertaken directly £000	Support costs £000	Total 2025 £000
Children & families affected by disability	9,328	799	10,127	8,875	307	9,182
Children & families affected by drugs and alcohol	6,480	555	7,035	6,788	234	7,022
Early years	4,730	405	5,135	4,394	152	4,546
Early intervention and prevention	12,116	1,039	13,155	10,700	369	11,069
Surplus on sale of fixed assets	(59)	-	(59)	(2)	-	(2)
Total	32,595	2,798	35,393	30,755	1,062	31,817

	Unrestricted £000	Restricted £000	Total 2026 £000	Unrestricted £000	Restricted £000	Total 2025 £000
Children & families affected by disability	3,746	5,581	9,327	3,020	5,854	8,874
Children & families affected by drugs and alcohol	4,711	1,768	6,479	4,994	1,794	6,788
Early years	509	4,220	4,729	499	3,895	4,394
Early intervention and prevention	2,219	9,898	12,117	2,264	8,435	10,699
Surplus on sale of fixed assets	(51)	(8)	(59)	(2)	-	(2)
Support Costs	957	1,843	2,800	372	690	1,062
Total	12,091	23,302	35,393	11,147	20,668	31,817

	Children and Families affected by disability £000	Children and Families affected by drugs and alcohol £000	Early Years £000	Early Intervention £000	Total 2026 £000
2026 – Support Costs					
Operations Management & Support	320	222	162	415	1,119
People & Quality	213	148	108	277	746
Finance, IT & Resources	160	111	81	208	560
Governance Costs	106	74	54	141	375
Total	799	555	405	1,041	2,800

Notes to the Financial Statements (continued)

Note 9 - Expenditure on charitable activities (Continued)

	Children and Families affected by disability £000	Children and Families affected by drugs and alcohol £000	Early Years £000	Early Intervention £000	Total 2025 £000
2025 – Support Costs					
Operations Management & Support	122	94	61	149	426
People & Quality	82	62	40	99	283
Finance, IT & Resources	61	47	30	74	212
Governance Costs	41	31	20	49	141
Total	306	234	151	371	1,062

Note 10 – Transfers between funds

	Unrestricted & Designated Funds £000	Restricted Funds £000	Total 2026 £000	Unrestricted & Designated Funds £000	Restricted Funds £000	Total 2025 £000
Transfers between funds	(815)	815	-	(1,196)	1,196	-
Total	(815)	815	-	(1,196)	1,196	-

Transfers from unrestricted funds to restricted funds were as a result of deficits in restricted funds which were met by unrestricted funds.

Note 11 – Staff costs

	Total 2026 £000	Total 2025 £000
Salaries	21,845	20,465
Social Security Costs	2,558	1,815
Employer's pension costs	1,573	1,398
Redundancy, settlement and ex-gratia payments	40	64
Total	26,016	23,742

No Director received remuneration in the current or prior financial year.

Included in salaries are redundancy payments of £40k (2025: £64k). There were no settlement payments made during this period £nil (2025: £nil). Staff costs do not include expenses reimbursement.

Notes to the Financial Statements (continued)

Note 11 – Staff costs (Continued)

Number of employees who received remuneration exceeding £60,000.

	2026	2025
Between £60,000 and £70,000	7	5
Between £70,001 and £80,000	2	5
Between £80,001 and £90,000	5	2
Between £90,001 and £100,000	-	-
Between £100,001 and £110,000	-	1
Total	14	13

None of the Executive Board members received any remuneration for their services as members of the Board. The Senior Leadership Team is regarded by the Directors as being "Key Management" as defined by FRS 102. The Senior Leadership Team holds the decision-making responsibility covering the whole organisation and for the year ended 31 March 2026 comprised 11 members of staff, this included 3 resignations and new starts (2025: 8). The total remuneration of the Senior Leadership Team for the period was £752K (2025: £670K). The terms and conditions relating to this group of employees is consistent to the wider workforce.

Average number of FTE employees during the year	2026	2025
Operational	373	371
Administrative & Support	84	88
Management	113	108
Total	570	567

Average number of employees during the year	2026	2025
Operational	523	428
Administrative & Support	138	115
Management	133	113
Total	794	656

Average number of employees during the year	2026	2025
Operational – Full Time	302	246
Operational – Part Time	221	182
Administrative & Support – Full Time	57	49
Administrative & Support – Part Time	81	66
Management – Full Time	109	97
Management – Part Time	24	16
Total	794	656

Notes to the Financial Statements (continued)

Note 12 - Audit & Accountancy Fees

	2026	2025
Audit Services	39	28
Total	39	28

Note 13 - Tangible Fixed Assets

2026

	Land & Buildings £000	Fixtures & Fittings £000	Vehicles £000	Computer Equipment £000	Under Construction £000	Total £000
Cost/ Valuation						
Balance at 01 April 2025	7,578	34	395	5	-	8,012
Additions	79	22	103	-	99	303
Disposals	(150)	-	(117)	-	-	(267)
Revaluation	(571)	-	-	-	-	(571)
Balance at 31 March 2026	6,936	56	381	5	99	7,477

Depreciation

Balance at 01 April 2025	(300)	(17)	(263)	(5)	-	(586)
Charge in year	(120)	(11)	(80)	-	-	(211)
Disposals	7	-	117	-	-	124
Revaluation	391	-	-	-	-	391
Balance at 31 March 2026	(23)	(28)	(226)	(5)	-	(283)

Net Book Value

31 March 2025	7,277	17	132	-	-	7,427
31 March 2026	6,913	28	155	-	99	7,195

Included in land and buildings is land valued at £1,280k (2025 - £1,536k) which is not depreciated.

Land and buildings using a historic cost basis had a cost of £6,153k (2025 - £6,224k) accumulated depreciation of £1,285k (2025 - £1,172k) and net book value of £4,868k (2025 - £5,052k) at 31 March 2026.

Both land and buildings were revalued in March 2026 by an independent valuer, DM Hall LLP, on an open market basis for existing use. Property valuations were compared against individual property revaluation reserves already held and where losses were incurred, those reserves were reduced. Where gains were noted, reserves were created or increased for those individual properties. £265k of Losses and £85k of gains were noted from this exercise, showing an overall net revaluation loss of £180k on the Statement of Financial Activities.

Notes to the Financial Statements (continued)

Note 14 - Investments

	2026 £000	2025 £000
Quoted Investments		
Market value at 1 April 2025	10,503	10,682
Acquisitions at cost	1,526	1,670
Disposals	(1,520)	(1,572)
Unrealised gains/(losses)	627	(277)
Market value (excluding cash held for reinvestment) at 31 March 2026	11,136	10,503
Historical cost at 31 March 2026	9,446	9,435
Accumulated unrealised gains/(losses)	1,690	1,068
Market Value (excluding cash held for reinvestment) at 31 March 2026	11,136	10,503
United Kingdom	5,000	5,559
Overseas	6,136	4,944
Cash held for reinvestment	149	179
Market value at 31 March 2026	11,285	10,682
Government stocks	991	1,157
Equities and other investments	10,145	9,346
Cash held for reinvestment	149	179
Market value at 31 March 2026	11,285	10,682

Note 15 - Debtors

	2026 £000	2025 £000
Grants & Fees	2,948	2,598
Taxation Recoverable	13	7
Accrued Income & Other Debtors	477	345
Prepayments	219	165
Total	3,657	3,115

Notes to the Financial Statements (continued)

Note 16 - Creditors

	2026 £000	2025 £000
Amounts falling due within one year:		
Trade Creditors	469	719
Funding Agencies – Deferred Income	448	621
Other Creditors	798	546
Other Taxation & Social Security	503	444
Pension Creditor	9	203
Total	2,227	2,533
Amounts falling due after one year:		
Other Creditors	745	930
Deferred Income:		
Opening Balance – Funding Received in Advance	621	478
Released in the period	(621)	(478)
Deferred during the period	448	621
Closing Balance – Funding Received in Advance	448	621

Note 17 - Provision for liabilities

	2026 £000	2025 £000
Property Dilapidation Costs:		
At 01 April 2025	205	205
Increase in provisions during year	465	-
At 31 March 2026	670	205

Notes to the Financial Statements (continued)

Note 18 – Financial instruments

	2026 £000	2025 £000
Financial Assets		
Financial assets measured as fair value	11,136	10,503

Note 19 - Operating Lease Commitments

	Due within 1 year £000	Due within 2-5 years £000	Due more than 5 years £000	Total £000
2026				
Property Leases	327	305	123	755
Photocopier Leases	23	69	2	93
Vehicle Leases	75	25	-	100
Total	425	399	122	948

	Due within 1 year £000	Due within 2-5 years £000	Due more than 5 years £000	Total £000
2025				
Property Leases	242	213	123	578
Photocopier Leases	2	-	-	2
Vehicle Leases	76	100	-	176
Total	320	313	123	756

Notes to the Financial Statements (continued)

Note 20 - Analysis of net assets between funds

2026

	Investments	Tangible Fixed Assets	Net Current Assets	Provisions	Total
	£000	£000	£000	£000	£000
Restricted funds	-	-	2,951	-	2,951
Restricted funds – AUAF	1,620	-	107	-	1,727
Restricted fixed asset reserve	-	691	-	-	691
Designated funds	-	-	348	-	348
Unrestricted funds	9,665	6,504	269	(670)	15,768
Total	11,285	7,195	3,675	(670)	21,485

Restricted funds of £5.4m in total comprise the following: £1.7m value of asset portfolio in relation to the Aberlour Urgent Assistance Fund (AUAF); £0.7m in relation to Restricted grants for fixed assets; remaining £3m relates to restricted funds across 75 contracts in various locations across Aberlour. Of these balances only 8 are above £100k individually: Family Outreach - Dumfries & Galloway, Scottish Guardianship Service, Glasgow Family Support - Early Intervention NE, Highland Residential - Inverness, YouthPoint Moray - Intensive Community Support, Options Aberdeen - Short Breaks & Care at Home, Family Matters - South Ayrshire, and P&K - Universal Whole Family Support Service.

Designated funds are those set aside to fund anticipated service shortfalls in income or areas where agreed investment of funds is used as a match funding - £248k. £100k is also designated as a development reserve to be used to fund new initiatives and tests of change throughout the year. Designated funds are anticipated to be used within the year.

2025

	Investments	Tangible Fixed Assets	Net Current Assets	Provisions	Total
	£000	£000	£000	£000	£000
Restricted funds	-	-	2,533	-	2,533
Restricted funds – AUAF	1,609	-	53	-	1,662
Restricted fixed asset reserve	-	691	-	-	691
Designated funds	-	-	335	-	335
Unrestricted funds	9,073	6,736	566	(205)	16,170
Total	10,682	7,427	3,487	(205)	21,391

Notes to the Financial Statements (continued)

Note 21 - Analysis of charitable funds

	Balance at 01 April 2025	Income	Expenditure	Gains/ (losses)	Transfers	Funds at 31 March 2026
	£000	£000	£000	£000	£000	£000
2026						
Unrestricted Funds	16,169	12,806	(13,048)	669	(828)	15,768
Designated funds	335	-	-	-	12	348
Restricted Funds	3,225	21,933	(22,331)	-	815	3,642
Restricted Funds – AUAF	1,662	907	(978)	136	-	1,727
Total	21,391	35,646	(36,357)	805	-	21,485

	Balance at 01 April 2024	Income	Expenditure	Gains/ (losses)	Transfers	Funds at 31 March 2025
	£000	£000	£000	£000	£000	£000
2025						
Unrestricted Funds	17,019	12,831	(12,195)	(548)	(937)	16,170
Designated funds	593	-	-	-	(258)	335
Restricted Funds	2,900	19,361	(20,232)	-	1,195	3,225
Restricted Funds – AUAF	1,732	297	(442)	75	-	1,662
Total	22,244	32,489	(32,869)	(473)	-	21,391

Note 22 - Analysis of changes in net debt

	At 01 April 2025	Cash flows	At 31 March 2026
	£000	£000	£000
Cash at bank and in hand	3,577	(854)	2,723
Deposits – Investments (note 14)	179	(30)	149
Total	3,756	(884)	2,872

Note 23 - Post Balance Sheet Events

Two properties have been purchased after 31st March 2026. These properties are in Kirkliston, Edinburgh at £522,576 and Letham, Angus at £402,196.



Aberlour Children's Charity

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