

It all adds up to

Livability

**Annual Report and Financial Statements for
the year ended 31 March 2022**

Registered Charity 1116530

Company Registration Number 5967087

Letter from our Patron



BUCKINGHAM PALACE

In whatever circumstances, Livability continues to provide dedicated, professional care and support to the children, young people and adults with disabilities who use its services. With almost 1,000 people in its care, Livability has had to grow and adapt to change, taking swift corporate decisions and implementing those decisions across a complex organisation.

As Patron of Livability, I am aware of the positive impact that the charity has had during the year, and the difference it made, and continues to make, for the people it supports, even through the introduction and application of necessary strict protective measures. The people that Livability serves were able to flourish by adapting activities, ensuring connections with loved ones were maintained. In fact, Livability's residential services went the extra mile to boost the confidence of those in their care, providing safe entertainment and exercise classes during restricted life.

In some respite from the ever-present pandemic, many of Livability's services came together to launch our first recipe book, with recipes from those we support and some celebrity chefs. During this year Livability launched a new Quality Forum, in which a group of people supported regularly come together to listen to others in our Adult Services to examine and discuss the support they receive. This is another example of Livability's commitment to inclusion and to raising standards.

In line with many charities, the year from April 2021 to March 2022 saw an increase in corporate agility for Livability, together with consolidation of its purpose and value in the sectors it inhabits. Board strategy away days were held digitally, and a number of new and experienced trustees were recruited to bolster this strategic development.

I look forward to visiting services again when this becomes possible. I thank and congratulate all staff, volunteers and supporters on their achievements as we emerge from what was a tough year.

A handwritten signature in black ink, appearing to read 'Anne', with a long horizontal flourish extending to the right.

A message from Livability's Chair

Welcome to the 2021/2022 Annual Report.

This has been another difficult year for all in the Care sector. We were emerging from Covid lockdowns towards the end of the year, however in some ways the problems worsened, as we saw significant staff shortages emerging, resulting in limits on service users in Care, and developing increased expensive Agency use.

Through all this, I am immensely proud of all our staff at every level. The demands on them have been greater than ever. Members should be reassured! I am particularly pleased that our Christian foundation is being demonstrated more at all levels.

For the first time in recent times, we are showing a net surplus. Our management team have made good progress on this - but there remains much to do, particularly coping with the increased Agency costs. There is still an underlying Operating loss in 2021/22, covered by property sales.

Livability was founded to do work that otherwise would not have been done. Today both our Care and Education services deliver care for children, young people and adults with disabilities to a depth and breadth that simply could not be done by the State.

A handwritten signature in black ink, appearing to read 'J. H. Robinson', with a horizontal line underneath the name.

John Robinson, Chair of Trustees

A message from Livability's Chief Executive

If the last year was a year like no other, this year set out for a replay. We were duped several times by the false dawn of potentially "normal" living. This was coupled with the added complexity of different lockdown rules and different testing regimes for each area of business.

Perhaps the lowest point in the year came from the compulsory termination of employment for our unvaccinated care staff. These government actions feel no more justifiable with hindsight, nor with the passage of time.

Societal change has been significant and the staffing crisis is in its sharpest focus in the care sector.

None of this, however, has dampened our spirits or reduced the quality of our carers and our educationists. Our greatest "normality" is that we put each child, young person and adult at the heart of all we do.



Sally Chivers, Chief Executive

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Trustee Report

Purpose of the Charity

Livability is established for the public benefit and for charitable purposes, according to the laws of England and Wales. The objects of the charity are to:

- To assist or educate any person in charitable need and, in particular but without limitation, any person with disabilities and the parents, guardians and carers of such people by whatever means.
- To provide facilities, support, advice and assistance for Christian congregations, other Christian groupings and community groups seeking to alleviate charitable needs.
- These objects are pursued in each case in a manner which authenticates the Christian faith and its moral principles, in a spirit of love and practical Christian service.

Public benefit summary

Trustees have complied with their duties to have regard to the public benefit guidance (published by the Charity Commission), in exercising powers and duties to which the guidance is relevant. In preparing this report and the accounts, Trustees have demonstrated their compliance with the requirements set out in the guidance by:

- Providing a review of the significant activities undertaken by the charity to carry out its purposes for the public benefit.
- Providing details of purposes and objectives.
- Providing details of the strategies adopted and activities undertaken to achieve the purposes and objectives.

Structure, governance and management

Livability is a charity registered in England, number 1116530, and a company limited by guarantee registered in England and Wales, number 5967087. It is governed by its Articles of Association dated 7 November 2013. In the event of winding up, each Member's liability is limited to £1. Livability was established in 2007 as a merger of The Shaftesbury Society and John Grooms.

Group structure

Livability is the parent charity of a group of charities and operating companies. Operating subsidiary charitable companies in the group are:

- **Kingsley Hall Church and Community Centre**, providing community services in Dagenham, East London.
- **The Shaftsbury Society** A disability charity with investment income.

The active subsidiary trading companies in the group are:

- **Livability Icanho Limited**, providing acquired brain injury rehabilitation services.
- **Holton Lee Limited**, providing venue hire on the Holton Lee site in Dorset.
- **Livability Contracting Services Limited**, providing construction services.

Livability and its subsidiary charities also include the assets, liabilities, funds, income and expenditure of a number of charitable trusts that are linked to the charitable companies in the group, through linking directions from the Charity Commission. These charities are set out in Note 7 to the accounts.

The Board of Trustees

The Board of Trustees is responsible for the governance of Livability and for ensuring that its activities are within its charitable objects. It sets the strategic direction for the charity but responsibility for the implementation is delegated to the Executive Leadership Team, led by the Chief Executive Officer (CEO). The Board rigorously monitors and scrutinises the performance of the charity and the executive.

All Trustees are non-executive directors who usually serve a maximum of three terms of three years. Trustees are appointed initially by the Board of Trustees, and then reappointed at the charity's Annual General Meeting (AGM).

Each Trustee gives their time voluntarily and as such receives no benefits from Livability other than reasonable expenses. However, a Trustee may provide professional or other services to the charity on normal commercial terms if this is deemed in its interest and subject to governance processes in line with guidance from the Charity Commission and the Charities Act.

The Board ensures its Trustees provide the experience and skills required to perform its critical role effectively.

There is a programme of training linked to Trustee appraisals and a formal Board review. There are two away-days in each annual governance cycle to ensure matters of strategic significance are considered in depth.

The Board's business meetings are held every two months. Monitoring of the performance of key areas of activity is delegated to Committees and to Local Advisory Boards.

Chief Executive Officer

The CEO is responsible to the Board for the direction of the activities and the performance of Livability in meeting the strategic goals set by the Trustees and in compliance with the policies set by the Board.

The Executive Leadership Team (ELT) is responsible for strategic oversight and leadership of the charity; it comprises the CEO, the Executive Directors for Care Operations, for Finance, and for Education.

Achievements and Performance

Livability Care Operations

Wellbeing-focussed

Wellbeing-focussed

We will provide flexible, adaptive, exceptional services for the people we support as measured by how effectively we enable fulfilling life outcomes, promote positive wellbeing and form meaningful community connections.

We continued to develop our safeguarding “app” – this allows staff to raise concerns in real-time.

We improve the ‘life sum’ of all the people we support. We do this by recognising and acknowledging the individual needs, aspirations and skills of each person.

Meaningful collaboration

Meaningful collaboration

We will build mutually beneficial partnerships with those who share our values, particularly with the Christian church, in order to grow our combined impact in making community more livable for disabled people.

We hold a weekly online meeting for every supported person to share their world with our Livability Chaplaincy Service.

We held a 2021 online Christmas Carol Service that was accessible for all the people we support; the event was co-produced by the people we support.

We set up a Makaton choir; the choristers use this special form of signing.

We developed a forum for the people we support: it is called Changes for the Future.

The Changes for the Future forum took part in the Archbishop of Canterbury's Reimagining Care Consultation; this has achieved national recognition.

Going deep

Going deep

We will develop our services, programmes and relationships with the view that being deeply involved in a locality in multiple ways is better than being too thinly spread across disconnected geographical areas.

We have continued to define and hone the efficiency of our services; during the year we have closed several services that were uneconomical and did not fit within this strategy.

Well Organised

Well organised

We will have robust systems and processes in place to be able to work in more agile and responsive ways in a rapidly changing environment.

We rolled out our Back to Basics training.

We launched our new Dementia Strategy.

We developed our Root Cause Analysis Tool Kit to help us establish and understand the lessons we have learnt.

We continued the rollout of Log My Care to help us manage people's care more effectively through an electronic platform.

We launched our new Clinical Governance Framework.

Livability Education

Our programmes of study are based on enabling learners to develop skills for adult life, extending friendships and providing opportunities for personal development, as well as the opportunity to contribute to the communities we share. We work closely within our wider organisation to benefit from the skills and experience of our Care Operations Directorate.

Learners choose to come to Livability Education settings to find and fulfil their potential and to lead a flourishing life. We are passionate in our desire to reduce social, employment and health inequalities and are aspirational for our learners, our staff and our services.

In the next phase we will develop our ability to support lifelong learning for all who live, learn and work with us as part of our Livability family.

Wellbeing-focussed

Wellbeing-focussed

We will provide flexible, adaptive, exceptional services for the people we support as measured by how effectively we enable fulfilling life outcomes, promote positive wellbeing and form meaningful community connections.

Staff wellbeing remained a key topic in staff meetings. Initiatives included free breakfasts, an onsite parking raffle and a monthly “Final Friday” event. The ‘You Said, We Did’ approach maintained an authentic approach to this work.

We improve the ‘life sum’ of all students and staff who are part of our close family of schools and colleges. We do this by recognising and acknowledging the individual needs, aspirations and skills of each learner.

Meaningful collaboration

Meaningful collaboration

We will build mutually beneficial partnerships with those who share our values, particularly with the Christian church, in order to grow our combined impact in making community more livable for disabled people.

Occupancy at Livability Victoria grew following a request from a Local Authority to open a new Early Years ASC class in February 2022. We invested in a new classroom and resources for this work and successfully recruited a new team of experienced staff. Following the launch, students settled well with families offering positive feedback.

Going deep

Going deep

We will develop our services, programmes and relationships with the view that being deeply involved in a locality in multiple ways is better than being too thinly spread across disconnected geographical areas.

Understanding of the local offer in our current geographical areas of business led to the feasibility study of a new project for a college for students requiring specialist placements in the South West. During early 2022 a business case for a third setting was approved with a small first year intake proposed for the following academic year.

Leadership capacity was strengthened across our settings with leadership restructuring and the appointment to substantive posts at senior level. This included to the post of Headteacher at Livability Victoria School following a rigorous recruitment process.

One hundred percent occupancy was maintained at Livability Nash College. Conversion rate from consultations during the admissions period increased by 20% on the previous year.

Well Organised

Well organised

We will have robust systems and processes in place to be able to work in more agile and responsive ways in a rapidly changing environment.

Education settings continued to manage the end of the pandemic. Students that needed additional support received tailored intervention and help from a variety of academic and therapy-based professionals.

As the year progressed, work-related learning and work experience resumed. Students became involved in a range of community events including the first open event in December since the start of the pandemic. All settings began to welcome back friends and families to a range of events and activities.

Settings continued to develop and refine virtual provisions with the provision of accessible learning activities becoming a standard part of the post-pandemic offer.

Livability Education increasingly developed with shared expertise supporting quality improvement work and growth.

Livability Gender Pay Gap

As per the Equality and Human Rights Commission regulations, on 5 April 2021, Livability's payroll 'snapshot date' report showed the mean hourly rate was £12.95 for Male and £11.96 for Female; this figure has decreased to 7.62% compared to last year 11.06%.

The median hourly rate has increased to £10.25 for Male and £10.11 for Female in 2021 from £9.22 for Male and £9.07 for Female in 2020.

Our median pay gap is 1.34%.

The difference in mean and median bonus pay remains at 0%, as our charity does not pay bonuses to staff.

Pay quartiles

The number of paid male and female in the four pay quartiles (upper, upper middle, lower middle and lower quartile) for the 2021 snapshot date and the 2020 snapshot date (5 April 2020) are as follows:

Upper quartile in 2021 was 26% (male) and 74% (female) and 26% (male) and 74% (female) for 2020. This shows there is no change in the number of females and in the number of males in this category, compared to last report.

Upper middle quartile in 2021 was 20% (male) and 80% (female) and 20% (male) and 80% (female) for 2020. This shows there is no change in the number of females and in the number of males in this category, compared to last report.

Lower middle quartile in 2021 was 19% (male) and 81% (female) and 19% (male) and 81% (female) for 2020.

Lower quartile in 2021 was 21% (male) and 79% (female) and 17% (male) and 83% (female) for 2020. This shows a 4% increase in the number of males in this

category, compared to 2020 figure and a 4% decrease of females in this category compared to 2020.

Livability will continue to monitor its employment and remuneration to ensure that pay is based on fairness.

Employment of people with disabilities

Currently, 2.39% of Livability employees have declared themselves to have a disability, a slight reduction from last year by 0.16%. We want to continue to increase the number of people with disabilities who work for us. As a Disability Confident Employer (level 2), we commit to making adjustments to meet the needs of job applicants with disabilities, employees and volunteers. We work with our staff with disabilities to ensure that they are fully supported during their employment.

However, we have more to do to promote employment of people with disabilities in the charity; we involve employees with disabilities, volunteers and the people who use our services, in making the charity an organisation that people want to work for. We support volunteering opportunities in a number of our services and offices across the organisation. We also provide services to support people with disabilities back into the workplace through specialist work skills development and work experience programmes.

Senior executive pay

Senior pay levels reflect the size and complexity of the organisation and the range of work carried out in health and social care with clinical and nursing services, special education provision and professional support services. Livability has noted the recommendations of the report of the National Council for Voluntary Organisations (NCVO) into senior executive pay. The Nomination, Remuneration & Governance sub-committee of the Board has reiterated the policy of the charity to set pay levels in line with median pay rates for the sector. Note 6 to the accounts shows the numbers of employees earning more than £60,000 in bands of £10,000.

Our approach to pay as an organisation is as follows:

Our key priority is to be a real living wage provider and as such, we give priority to having pay scales to reflect this for our lowest rate of pay.

We mirror the national terms and conditions for teachers where we are able (but not all terms). Again, this is based on affordability.

We implement recruitment and retention initiatives for hard-to-fill roles in our frontline services.

For growth-driven roles, such as Area Managers, we link pay to growth.

We apply the Hay Method of Job Evaluation for all other roles, to ensure pay is reflective of role requirements and pay is equitable and fair.

Modern Slavery Statement

Our Modern Slavery Statement is published on our website.

Fundraising

Our approach

This year has been a challenge for our fundraising.

Our approach to fundraising puts the supporter at the heart of everything we do, seeking to build long-term relationships and ensuring supporters have control over how they hear from us.

We work with approved partners and our payroll-giving programme enables supporters to give as they earn through their salary if they choose to. To ensure a good supporter experience, we monitor fundraisers acting on our behalf. We provide guidelines, policies and dedicated support to fundraisers acting for us in communities.

We ensure volunteers acting on our behalf in our office and within the community represent our charity in the best way, by providing policies, guidelines and dedicated support.

Fundraising standards

Our commitment to high fundraising standards is demonstrated by our individual staff membership of the Institute of Fundraising (IOF) and organisational membership of the Fundraising Regulator, who set and maintain the standard for charitable giving. We have also signed up to the Fundraising Preference Service, where supporters can manage the communications and fundraising requests they receive from charities, and in 2021-22 received five such requests.

We vigilantly adhere to regulation standards and General Data Protection Regulation (GDPR), both generally and in our fundraising practices. Our governance also extends to how we protect vulnerable people in the context of fundraising. Our People in Vulnerable Circumstances (PIVC) Policy makes sure that there is no undue pressure to give in the course of, or in connection with, fundraising for Livability.

We aim for everyone to have a positive fundraising experience and are pleased to have a low level of fundraising complaints. As in previous years, in 2021-22 we received no formal complaints; we are very proud of our outstanding supporter experience and customer service in this field.

Strategic Report

Financial outlook

The period under review continues to be challenging, negotiating the residual impacts of Brexit and Covid-19. This had a significant impact on the charity's finances but, as evidenced in later commentary, major steps forward were made over the course of the year as a result of the efforts of our Executive Team and all the staff. While much remains to be done, we have taken major strides forward.

Covid-19 funding

These financial statements include the financial benefits of accessing government/local authority funds to support the care sector during the period of the pandemic.

The Infection Control Fund (ICF) has taken centre stage in this regard. A total of £838,494 was received during the 2021-22 financial year to support infection control, rapid testing and workforce capacity due to Covid-19.

We also received £161,506 from the Coronavirus Job Retention Scheme (furlough) and the care worker's bonus scheme. These are accounted for within charitable income.

Going Concern

Going Concern

As has been documented in the national press, social care has been hit hard on the recruitment front. An almost perfect storm has been created through Brexit, the termination of contracts for non-vaccinated staff, poor levels of hourly pay from commissioners and a general malaise among the working public to undertake work involving personal care. This has led to a need to address shortfalls in labour with significantly more expensive agency staff with the consequent financial implications.

In recent years, Livability has made significant progress in delivering efficiency improvements which has helped to limit this impact and has additionally generated proceeds from property sales of £7.9m in the year ended 31 March 2022 to support the ongoing restructuring activity. In April 2022, Livability also reached an agreement with Metro Bank regarding long term funding arrangements replacing an expiring Revolving Credit Facility of £4m with an equivalent Term Loan which combined with existing term loan brings our total group borrowings to £10.2m.

In line with many in the sector, Livability is seeking to move to open book arrangements for its primary activities which will ensure the recovery of costs especially where, as with this year, those costs are driven by events outside the charity's control. In addition, fee rises in both Care Service Operations and Education are being negotiated with commissioners to reflect rising costs more generally, a licence has been obtained to employ EU nationals as an Authorised Sponsor, rates of pay are being reviewed and there is capacity to increase student numbers in the Education business particularly at the recently opened Millie College. Continuing action is being taken on the overhead base.

Outside of operational activity there are a small number of additional properties which will be placed on the market for sale (with estimated cash proceeds of £3.2m). There is also a large legacy (estimated value of £5.2m) due to the organisation and a commencement of the distribution of assets is anticipated during 2023. The Executive Team is discussing with Metro Bank the opportunity for a period of flexibility around the financial covenant whilst this remaining programme of property sales and the receipt of the major legacy are concluded.

Trustees agreed that the actions noted above must be addressed for Livability to be financially sustainable and, as such, the conditions noted above indicate the existence of a material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern,

Having considered the charity's forecasted cash flow projections covering a period of at least 12 months from the date of signing of the financial statements, the trustees have concluded that it is appropriate to adopt the going concern basis in the preparation of these financial statements.

Financial review

Overview

Though we continue to navigate the residual impact of Covid-19 and Brexit especially in relation to staffing to deliver our services, 2021/22 sees us returning to Surplus from previous years' deficits.

Our Operating Surplus is £3.3m before recognising additional benefits from Property, Investment and Pension revaluations amounting to £11m. Despite this positive turnaround, we continue to strive across all operational areas to improve efficiency and cost savings to mitigate the post Brexit and Covid-19 impact on our service delivery cost as grant support falls off.

Income for the year was £53.5m, an increase of £7.4m over 2021 (£46.1m) levels. This was driven by four factors: income from charitable activities increased by £3.1m, alongside increases in Other Trading activities £2.2m and Gains from Disposal of Fixed assets £2.5m while Donations decreased by £.6m

Total expenditure of £50.1m (2021: £48.4m) an increase of by £1.7m. This increase was driven by a growth in the cost of Raising funds £0.7m; £1.6m for Other expenditure cushioned by a reduction in Cost of Charitable activities of £0.7m.

Net Income was £3.3m compared with previous year's deficit of £2.3m, a £5m improvement.

Operational performance was further improved by actuarial gain on revaluation of the defined benefit pension fund of £1.9m (2021: £4.6m loss). Gains on property and investment revaluation were £8m and £0.9m respectively.

Key performance indicator for the group

	2021/22	2020/21
Key performance indicators	£'000	£'000
Total income	53,516	46,138
Operating costs	50,287	48,433
Operating surplus/(deficit) for the year (after investment gains/losses)	3,229	(2,295)

As was the case last year, the challenging macro and operating conditions faced by charities in the disability and care sector mean that financial constraints are now part of the operating environment, with no realistic prospect of this lessening.

We have made good progress over the course of the year with the implementation of our comprehensive transformation plan including:

1. Increasing operating contribution
2. Increasing net fundraising revenue
3. Reducing central support costs
4. Rationalising the property portfolio

During the year under review, the charity continued its programme of engaging with our local authority commissioners to ensure that fee levels are appropriate for the changing needs of the people we care for.

Reserves policy

The Board of Directors has considered the level of reserves which should be maintained within the Group and this is reviewed annually. Such reserves are needed to cover, for example, working capital, future property repairs and the risk of possible shortfall in charitable income.

At the year ended 31 March 2022, Livability held a total of £47.4m in reserves (2021: £33.1m).

Of these total reserves including the pension reserve, £34.1m (2021: £20.3m) are unrestricted.

In addition, the Trustees have considered and set a reserves policy which requires that unrestricted funds equivalent to a range of eight to 12 weeks of total organisational expenditure is held.

The charity's unrestricted general reserve at the end of the year was £34.1m. This represents 34 weeks of total unrestricted organisational expenditure, which is better than the range determined by our reserves policy. (Based on an average weekly expenditure of £1m)

We have also considered our free reserves. We have calculated our free reserves using the broad guidelines set out by the Charity Commission. Effectively, we have taken our Group net assets and deducted restricted and endowed funds. As we are an organisation that actively uses properties, we have also deducted unrestricted fixed assets unless they are subject to sale in future years (and as such aren't required for ongoing operations). This provides us with negative free reserves of £2.8m. As noted elsewhere in the report, there are various steps that have been and will be taken to improve the underlying financial performance of the organisation, during the financial year under review, and going forward.

Free reserve calculation

	31/03/2022	31/03/2021
	£'000	£'000
Group net assets	47,383	33,154
Less: Restricted funds	(6,717)	(6,161)
Less: Endowed funds	(6,601)	(6,663)
Subtotal	34,065	20,330
Less: Fixed assets (asset reliant organisation)	(40,547)	(33,090)
Add back: Pension Liability 'reserve'	37	3,625
Subtotal	(6,445)	(9,135)
Add back: Functional fixed assets to be sold in following years	3,661	11,710
Free reserves	(2,784)	2,575

Investment policy

In line with Livability reserves policy, at any point in time we may hold cash and other assets that are surplus to immediate requirements. The policy of the Board of Trustees is to invest surplus funds to meet the following objectives:

- To match the risk and maturity of the investments with the requirement for available funds.
- To invest in liquid assets which can be converted to cash quickly, although it is recognised that the majority of surplus funds are currently held in fixed assets.
- To invest in a way that does not conflict with the charity's aims and objectives and which is prudently risk-free. The majority of Livability's surplus funds is currently held in fixed assets, funds held for long-term investment that form the Endowed Funds and a low value of shareholdings that have been donated to the charity. Other surplus funds are held in cash.
- To invest in our staff, which is crucial for our continuing provision of high-quality services and avoids any quality, safety or reputational risks.

The charity uses the services of Royal London Cash Management to invest its surplus funds. A decision is taken on a case-by-case basis as to whether to retain or dispose of any donated investments.

S172 Working with our stakeholders

This is a mandatory statement reporting how Directors have complied with their duty to have regard to the matters in section 172 (1) (a)-(f) of the Companies Act 2006 ('the Act').

The children, young people and adults we support, their families and representatives

We issue a twice-yearly customer service survey to the people we support, to families and to carers. We operate a “You Said, We Did” response to findings from the surveys.

We hold regular residents’ and tenants’ meetings with the people we support.

We have developed a Changes for the Future forum; this comprises the people we support and is chaired by them. The Executive Team hears their voices and responds to their observations.

The Care Operations Directorate endorses the ‘nothing about me, without me’ initiative. This ensures that the people we support are central to any decision made about their care and to their preferences. The Quality Team ensures this methodology is central to our co-production work.

Our Safeguarding Board reviews, scrutinises and protects our relationship with the children, young people and adults we support.

We spend time getting to know our students and their families so that we can develop personalised programmes of study.

Our staff

Throughout this reporting period Board members reviewed decisions that helped keep the people we support and our staff safe. These decisions were examined against the requirement to work efficiently in the interest of the charity’s objects.

Our Staff Wellbeing & Engagement Forum Champions foster a culture of openness in line with our corporate values. The focus of the forums has evolved to include the employee experience.

Staff remained on the frontline in our Care Operations settings throughout further waves of Covid-19 and lockdowns, supported by local and national managers. Quality issues continued to be monitored and assessed. Individual services received virtual visits from executive Directors and Trustees, followed by in-person visits once this became appropriate.

Staff in our education centres also worked throughout the lockdown periods.

Bournemouth, Christchurch and Poole Council (BCP) provided a commitment to placing learners in our proposed new College. Ongoing engagement with BCP resulted in a request for places for a new cohort of learners at Victoria School.

Staff within our support functions continued to work remotely; they came together for virtual briefings from the Executive Leadership Team and business areas. A safe return to the workplace was implemented at offices in London and Gateshead.

Our Trustees

Our usual annual Trustees’ visits to Care Operations and Education Services were limited due to the restrictions this year; a few visits were made, however.

Trustees received regular updates from each Executive Director. The Services Quality & Performance Committee considered employee matters, demographics, staff recruitment and retention rates, diversity, whistleblowing, learning & development and pay issues.

Our supporters and volunteers

This year we joined together with almost 100 supporters and volunteers for a live, online Christmas Extravaganza.

A regular newsletter was sent out to our Vice Presidents.

Our CEO participated in HRH The Princess Royal's Charities Forum.

Our regulators

Our regulatory bodies include the Care Quality Commission, the Regulation and Improvement Authority, Care Inspectorate Cymru, Ofsted, the Education & Skills Funding Agency and the Charity Commission. We continue to build on our strong relationships with our regulators.

Compliance with regulatory frameworks and performance against those are scrutinised at the Services Quality & Performance Committee and the Livability Safeguarding Board together with each of the Education Local Advisory Boards (LABs).

Our local communities

Our LABs include a community member who is chosen specifically to represent their community. The Boards include members from a range of commissioning Local Authorities in order to scrutinise the quality of our work and the impact and outcomes for those we support.

During the year we partnered locally with Barclays Digital Eagles to receive training in relation to cyber awareness, protection and prevention.

Environment commitment

Energy Usage – Livability National Office

The building meets the highest benchmarks for energy performance and the building's energy strategy delivers a reduction in the building's carbon emissions: BREEAM Excellent EPC B:47 High level of passive energy control. This results in reduced heating, cooling and lighting demands. Intelligent building controls allowing energy savings by providing high levels of energy conservation and recovery. Ground-source energy systems exist to further reduce building energy requirements. The building uses low carbon ground-source cooling, heating and domestic hot water.

Water conservation measures include rainwater harvesting for flushing toilets. A building management unit enables comprehensive reporting and management of energy and water use.

SECR Executive Summary

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (also known as SECR) requires us to disclose our annual energy use and greenhouse gas (GHG) emissions, and related information on energy efficiency measures undertaken and an energy efficiency ratio. We continue to take proactive and urgent action to reduce our emissions.

1.1 SECR Energy Use and Carbon Emissions Disclosure

	Current Reporting Year 2022	Current Reporting Year 2021	Change (%)
Energy Consumption Used to Calculate Emissions Heating Fuels (kWh)	7,502,448	8,913,971	(-)16%
Energy Consumption Used to Calculate Emissions Electricity (kWh)	2,628,376	3,632,319	(-)28%
Energy Consumption Used to Calculate Emissions Transport Fuels (kWh)	469,474	299,542	(+)57%
Scope 1 - Emissions Combustion from Heating Fuels (tCO ₂ e)	1,375.9	1,639.0	(-)16%
Scope 1 - Emissions Combustion from Transport Fuel (tCO ₂ e)	2.94	17.4	(-)83%
Scope 2 - Emissions from Purchased Electricity (tCO ₂ e)	558.10	846.8	(-)34%
Scope 3 - Emissions Consumption from Business Travel (tCO ₂ e)	79.4	52.0	(+)53%
Total Emissions (tCO₂e)	2,043	2,555.0	(-)20%
Intensity Ratio (EBITDA Figure)	3.225	1.168	(+)176%
Total tCO₂e / EBITDA Figure	633.42	2,187.64	(-)71%

1.2 Methodology

The Green House Gas (GHG) Reporting Protocol – Corporate Standard has been followed to allow easy comparison with equivalent organisational reporting. Carbon emissions are therefore reported as Scope 1, 2 and 3 emissions. The report has also used the 2021 UK Government's Conversion Factors for Company Reporting.

1.3 Benchmarking and Intensity Metrics

We selected the EBITDA figure as our intensity metric for SECR works. The carbon emissions have decreased by 20% however against the intensity metric the total TCO₂e/EBITDA has increased by 176%. This figure has increased dramatically as the EBITDA between the Baseline report and this FY has reduced by 71%.

1.4 Carbon Offset & Green Tariffs

We have no qualifying carbon offsets during this financial period nor do we have any qualifying green tariffs or sourced renewable energy contracts in place.

1.5 Energy Efficiency Actions

We have demonstrated our commitment to reducing their carbon emissions within this financial year by contracting an external provider, ESOS-Energy, to undertake preliminary decarbonisation reports across the property portfolio. These audits took place during the 2021 – 2022 financial year along with the development of a carbon reduction plan using the audits. Coupled with this, systems to better capture data (particularly property data would provide more accurate reporting in future and reduce the amount of estimation used to compile the results).

Principal risks and uncertainties

Livability's work with vulnerable people means that inherent risks are ever-present. We have safeguarding policies and procedures which are regularly reviewed and ensure that concerns are effectively identified, reported, and responded to. We work in partnership with regulators and statutory organisations as required.

Our risks fall into five major categories:

1. Reputational – the risk of damaging our reputation through regulatory and other failings associated with the delivery of our services

Our reputation is critical to our status as a trusted provider. This risk is managed through a robust set of performance indicators and allied to assurance controls in safeguarding, financial and operational settings, fraud prevention and detection controls, and the wider policies and procedures upheld through the Quality & Practice frameworks covering both Care Operations and Education settings.

2. Operating margins – pressure from limited income growth and increasing cost

In common with other providers of public sector-funded services, there is an ongoing risk of failure to uplift our costs. This affects our ability to invest in the improvement and expansion our services. We seek to mitigate this risk with an extensive Cost Reduction Plan.

3. Pensions – Livability's three closed defined-benefit pension schemes are subject to risks around their funding, outside the control of Livability

The continued requirement to fund the deficits has a material impact on Livability's ability to invest in the growth and development of its services and facilities. Livability works with industry experts to ensure needs are balanced with current beneficiaries of the charity with those of its current and future pensioner populations.

4. Cash availability – the low operating margins alongside significant funding requirements such as recovery payments for the closed pension schemes means that cash availability is an ongoing risk. The risk is tightly monitored and reported to the Board.

5. Recruitment and retention – the risk of workforce shortages

There are known workforce shortages affecting the wider health, education and social care sectors. Livability is committed to becoming recognised as an employer of choice to attract and retain the workforce needed to sustain high standards across the service portfolio. Livability has also set a strategic goal to lower the sickness absence rate and has initiatives to foster staff engagement, employee wellbeing and to support the development of all.

The Board and Executive Leadership Team monitor the financial performance of the charity and associated risks through a dashboard spreadsheet and staff meetings.

Statement of Trustees' responsibilities for the Financial Statements

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Annual Report, incorporating the strategic report, and the financial statements, in accordance with applicable law and regulations.

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 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 Group and charity and of the incoming resources and application of resources, including the income and expenditure, of the Group and 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.

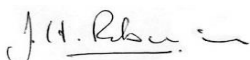
Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility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

Disclosure of information to auditor

Each of the members of the Board of Trustees has confirmed that:

- so far as he or she is aware, there is no relevant audit information of which Livability's auditors are not aware
- he or she has taken all the steps that he or she ought to have taken as a member of the Board in order to make himself or herself aware of any relevant audit information and to establish that Livability's auditors are aware of that information.

The report of the Board was approved by the Board on 18 January 2023 and signed on its behalf on 18 January 2023 by John Robinson, Chair.



Chair of Trustees

Independent Auditors' Report to members of Livability

Independent Auditor's Report to the Members of Livability

Opinion

We have audited the financial statements of Livability (the "charitable company") and its subsidiaries (the "group") for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Charitable Company Statement of Financial Activities, the Group and Charitable Company Balance Sheets, the Group and Charitable Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2022 and of the group's and charitable company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that whilst Trustees consider the going concern basis to be appropriate, there are a number of uncertain factors in the forecasts used to consider going concern. The principal uncertainties are the timing of cash receipts of a significant legacy and further property disposals and the operational effectiveness of plans to increase fee rates and reduce operational expenditure. In addition, the forecasts predict a need for a loan covenant waiver which at this time has not been agreed with the lender. Therefore, at the date of signing these financial statements there are plausible but not remote scenarios whereby the plans are not delivered in line with the forecast resulting in a cash deficit. As stated in Note 1, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the charity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, 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.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including internal specialists. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Care Quality Commission and OfSTED Standards, General Data Protection Regulation, employment legislation and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing revenue items, including local authority agreements and contracts to ensure the fees charged are in line with the terms of the agreement, and agree to bank, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, CQC and Ofsted, and reading minutes of meetings of those charged with governance.

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

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

Use of our report

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



Julia Poulter

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London, United Kingdom

18 January 2023

Statement of Financial Activities incorporating an income and expenditure account for the year ended 31 March 2022

Group	2021/22	Note	Unrestricted Funds	Restricted Funds	Endowment funds	Total Funds
			£'000	£'000	£'000	£'000
Donations and Legacies	2		4,398	1,563	-	5,961
Charitable Activities	2		41,769	376	-	42,145
Other Trading Activities	2		2,784	-	-	2,784
Investments	2		48	-	-	48
Gain on Disposal of Fixed Assets	4		2,578	-	-	2,578
Total Income			51,577	1,939	-	53,516
Expenditure on:						
Raising Funds	5		1,648	27	-	1,675
Charitable Activities	5		45,373	485	62	45,920
Other	5		1,848	844	-	2,692
Loss on Disposal of Fixed Assets	4		-	-	-	-
Total Expenditure			48,869	1,356	62	50,287
Net Income/(Expenditure)			2,708	583	(62)	3,229
Transfer between funds	14		32	(32)	-	-
Actuarial Gains/(losses)	13		1,930	-	-	1,930
Net gain/(loss) on revaluation of properties	3		8,045	-	-	8,045
Net gain/(loss) on revaluation of Investment	3		926	5	-	931
Net Movement in funds			13,641	556	(62)	14,135
Reconciliation of funds			20,330	6,161	6,663	33,154
Total funds carried forward			33,971	6,717	6,601	47,289

Results in the statement of financial activities derive from continuing operations.

Statement of Financial Activities incorporating an income and expenditure account for the year ended 31 March 2021

Group	Note	Unrestricted Funds	Restricted Funds	Endowment funds	Total Funds
		£'000	£'000	£'000	£'000
Donations and Legacies	2	3,715	2,842	-	6,557
Charitable Activities	2	38,962	32	-	38,994
Other Trading Activities	2	532	-	-	532
Investments	2	4	44	7	55
Gain on Disposal of Fixed Assets	4	-	-	-	-
Total Income		43,213	2,918	7	46,138
Expenditure on:					
Raising Funds	5	942	55	-	997
Charitable Activities	5	45,693	656	62	46,411
Other	5	366	588	-	954
Loss on Disposal of Fixed Assets	4	71	-	-	71
Total Expenditure		47,072	1,299	62	48,433
Net Income/(Expenditure)		(3,859)	1,619	(55)	(2,295)
Transfer between funds	14	453	(453)	-	-
Actuarial Gains/(losses)	13	(4,557)	-	-	(4,557)
Net gain/(loss) on revaluation of properties	3	-	-	-	-
Net gain/(loss) on revaluation of Investment	3	148	9	57	214
Net Movement in funds		(7,815)	1,175	2	(6,638)
Reconciliation of funds		28,145	4,986	6,661	39,792
Total funds carried forward		20,330	6,161	6,663	33,154

Results in the statement of financial activities derive from continuing operations.

Statement of Financial Activities incorporating an income and expenditure account for the year ended 31 March 2022

Charity	Note	Unrestricted Funds	Restricted Funds	Endowment funds	Total Funds
		£'000	£'000	£'000	£'000
Donations and Legacies	2	4,180	1,270	-	5,450
Charitable Activities	2	41,765	-	-	41,765
Other Trading Activities	2	78	-	-	78
Investments	3	9	-	-	9
Net gain on Disposal of Fixed Assets	4	2,578	-	-	2,578
Total Income		48,610	1,270	-	49,880
Expenditure on:					
Raising Funds	5	1,645	27	-	1,672
Charitable Activities	5	44,871	137	-	45,008
Other	5	-	844	-	844
Net Loss on Disposal of Fixed Assets	4	-	-	-	-
Total Expenditure		46,516	1,008	-	47,524
Net Income/(Expenditure)		2,094	262	-	2,356
Transfer between funds	14	32	(32)	-	-
Actuarial Gains/(losses)	13	1,930	-	-	1,930
Net gain/(loss) on revaluation of properties	3	8,045	-	-	8,045
Net gain/(loss) on revaluation of Investment	3	924	5	-	929
Net Movement in funds		13,025	235	-	13,260
Reconciliation of funds		20,303	2,395	5,985	28,683
Total funds carried forward		33,328	2,630	5,985	41,943

Results in the statement of financial activities derive from continuing operations.

Statement of Financial Activities incorporating an income and expenditure account for the year ended 31 March 2021

Charity	Note	Unrestricted Funds	Restricted Funds	Endowment funds	Total Funds
		£'000	£'000	£'000	£'000
Donations and Legacies	2	3,715	1,459	-	5,174
Charitable Activities	2	38,165	-	-	38,165
Other Trading Activities	2	7	-	-	7
Investments	3	4	-	6	10
Net gain on Disposal of Fixed Assets	4	-	-	-	-
Total Income		41,891	1,459	6	43,356
Expenditure on:					
Raising Funds	5	932	55	-	987
Charitable Activities	5	44,483	73	-	44,556
Other	5	306	588	-	894
Net Loss on Disposal of Fixed Assets	4	71	-	-	71
Total Expenditure		45,792	716	-	46,508
Net Income/(Expenditure)		(3,901)	743	6	(3,152)
Transfer between funds	14	453	(453)	-	-
Actuarial Gains/losses	13	(4,557)	-	-	(4,557)
Net gain/(loss) on revaluation of properties	3	-	-	-	-
Net gain/(loss) on revaluation of Investment	3	148	9	52	209
Net Movement in funds		(7,857)	299	58	(7,500)
Reconciliation of funds		28,160	2,096	5,927	36,183
Total funds carried forward		20,303	2,395	5,985	28,683

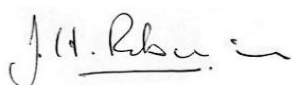
Results in the statement of financial activities derive from continuing operations.

Company Registration Number 5967087

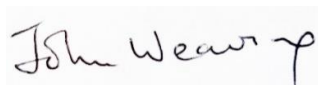
Balance Sheet – Livability Group and Charity for year ended 31 March 2022

		Group		Charity	
	Note	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Fixed Asset:					
Tangible Assets	8	43,172	38,575	37,693	35,244
Financial Investments	9	3,195	2,017	3,165	1,998
Social Investment	10	4,067	6,536	4,067	6,536
Total Fixed Assets		50,434	47,128	44,925	43,778
Current Assets:					
Debtors and Stocks	11	5,154	4,182	6,618	3,126
Cash at Bank		7,833	4,069	6,160	2,963
Total Current Assets		12,987	8,251	12,778	6,089
Liabilities					
Creditors: Amounts falling due in 1 year	12	(6,299)	(11,996)	(6,637)	(11,803)
Net Current Assets		6,688	(3,745)	6,141	(5,714)
Total Asset less Current Liabilities		57,122	43,383	51,066	38,064
Creditors: Amounts falling beyond one year	12	(9,796)	(6,604)	(9,086)	(5,755)
Net Assets excluding Pension Liability		47,326	36,779	41,980	32,308
Defined Benefit Pension Liability	13	(37)	(3,625)	(37)	(3,625)
Total Net Assets		47,289	33,154	41,943	28,683
The Funds of the Charity					
Permanent Endowment Funds	14	6,601	6,663	5,985	5,985
Restricted Funds	14	6,717	6,161	2,630	2,395
Unrestricted Funds	14	34,008	23,955	33,365	23,928
Pension Reserve	14	(37)	(3,625)	(37)	(3,625)
		47,289	33,154	41,943	28,683

The report was approved by the Board and signed in its behalf on 18 January 2023.



Chair: John Robinson



Trustee: John Weaving

Statement of Cashflows for the year ended 31 March 2022

	Note	Group		Charity	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Cashflows from Operating activities					
Net cash provided by/(used in) by operating activities	C1	(381)	2,419	(1,015)	1,681
Cashflows from Investing activities					
Dividends, Interest and rent from Investments		-	55	-	10
Proceeds from the sales of property, plant and equipment		7,940	626	7,940	626
Cash flows from investing activities					
Purchase of Property, Plant and Investment		(322)	(750)	(322)	(120)
Proceeds from sales of investments		-	630	-	630
Purchase of Investments		-	-	-	-
Net cash provided by/(used in) investing activities		7,618	561	7,618	1,146
Cash flows from financing activities					
Interest on financing activities		(393)	(351)	(393)	(326)
Repayments of borrowings		(254)	-	(254)	-
Cash inflow from borrowing		(2,826)	(2,419)	(2,759)	(2,419)
Net cash provided by /(used in) financing activities		(3,473)	(2,770)	(3,406)	(2,745)
Change in cash and cash equivalents in the period		3,764	210	3,197	82
Cash and cash equivalents at the start of the period		4,069	3,252	2,963	2,260
Cash and cash equivalents at the end of the period		7,833	3,462	6,160	2,342

Notes to the statement of cashflows

C1: Reconciliation of net income /(expenditure) to net cash flow from operations**Net income/(expenditure) for the year as stated in the Statement of Financial Activities**

Adjustments for:

Depreciation

Revaluation/(Impairment) of functional assets

Revaluation/(Impairment) of social investment (Gain)/Losses on investments

Dividends, interest and rent from investments

Interest on financing activities

Non-cash movements in defined benefit pension scheme

(Gain)/Losses on the disposal of fixed assets

(Increase)/Decrease in debtors

Increase/(Decrease) in creditors

Net cash flow provided by/(used in) Operations

Group		Charity	
2022	2021	2022	2021
£'000	£'000	£'000	£'000
4,160	(2,081)	3,285	(2,943)
523	1,406	712	1,306
5,110	-	5,110	(216)
(224)	(125)	(224)	(125)
(931)	-	(929)	-
-	(55)	-	(10)
421	351	393	326
1,930	(1,680)	1,930	(1,680)
(2,578)	71	(2,578)	71
(3,095)	1,329	(3,492)	1,761
(5,697)	3,203	(5,222)	3,191
(381)	2,419	(1,015)	1,681

C2: Analysis of cash and cash equivalents

Cash at bank and in hand

Notice of deposits

Overdraft facility repayable on demand

Total cash and cash equivalents

Group		Charity	
At 31 March	At 31 March	At 31 March	At 31 March
2022	2021	2022	2021
£'000	£'000	£'000	£'000
7,833	4,069	6,160	2,963
-	-	-	-
-	-	-	-
7,833	4,069	6,160	2,963

C3: Analysis of changes in net debts**Group**

Cash

Cash equivalents

Overdraft facility repayable on demand

Loans falling due with one year

Loans falling due after one year

Finance obligations

Total

At start of year	Cashflow	Other non cash changes	At year end
£'000	£'000	£'000	£'000
4,069	3,764	-	7,833
-	-	-	-
-	-	-	-
4,069	3,764	-	7,833
(827)	-	390	(437)
(6,604)	(2,826)	(390)	(9,820)
-	-	-	-
(3,362)	938	-	(2,424)

Charity	At start of year	Cashflow	Other non cash changes	At year end
	£'000	£'000	£'000	£'000
Cash	2,963	3,197	-	6,160
Cash equivalents	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-
	2,963	3,197	-	6,160
Loans falling due within one year	(826)		412	(414)
Loans falling due after one year	(5,755)	(2,759)	(412)	(8,926)
Finance obligations	-	-	-	-
Total	(3,618)	438	-	(3,180)

Note 1 Accounting Policies

The policies below set out the bases of recognition and measurement used by Livability and its subsidiary charities and companies for material items in the financial statements.

Basis of preparation

The consolidated financial statements have been prepared on a going concern basis, in accordance with applicable accounting standards, under the historical cost convention, as modified by the inclusion of investments at market value. They have also been prepared in accordance with the Charities SORP (FRS 102)

Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 as applied to charitable companies.

Livability meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis

The consolidated financial statements include the income, expenditure, assets, liabilities and funds of Livability and its subsidiary charities and companies. These amounts are included on each line in the financial statements with investments, transactions and balances between the members of the Livability charity group eliminated so that the consolidated financial statements report the interactions between the Livability group and external parties.

Going Concern

As has been documented in the national press, social care has been hit hard on the recruitment front. An almost perfect storm has been created through Brexit, the termination of contracts for non-vaccinated staff, poor levels of hourly pay from commissioners and a general malaise among the working public to undertake work involving personal care. This has led to a need to address shortfalls in labour with significantly more expensive agency staff with the consequent financial implications.

In recent years, Livability has made significant progress in delivering efficiency improvements which has helped to limit this impact and has additionally generated proceeds from property sales of £7.9m in the year ended 31 March 2022 to support the ongoing restructuring activity. In April 2022, Livability also reached an agreement with Metro Bank regarding long term funding arrangements replacing an expiring Revolving Credit Facility of £4m with an equivalent Term Loan which combined with existing term loan brings our total group borrowings to £10.2m.

In line with many in the sector, Livability is seeking to move to open book arrangements for its primary activities which will ensure the recovery of costs especially where, as with this year, those costs are driven by events outside the charity's control. In addition, fee rises in both Care Service Operations and Education are being negotiated with commissioners to reflect rising costs more generally, a licence has been obtained to employ EU nationals as an Authorised Sponsor, rates of pay are being reviewed and there is capacity to increase student numbers in the Education business particularly at the recently opened Millie College. Continuing action is being taken on the overhead base.

Outside of operational activity there are a small number of additional properties which have been placed on the market for sale (with estimated cash proceeds of £3.2m). There is also a large legacy (estimated value of £5.2m) due to the organisation and a commencement of the distribution of assets is anticipated during 2023.

The Executive Team is discussing with Metro Bank the opportunity for a period of flexibility around the financial covenant whilst this remaining programme of property sales and the receipt of the major legacy are concluded.

Trustees agreed that the actions noted above must be addressed for Livability to be financially sustainable and, as such, the conditions noted above indicate the existence of a material uncertainty that may cast significant doubt upon the entity's ability to continue as a going concern.

Having considered the charity's forecasted cash flow projections covering a period of at least 12 months from the date of signing of the financial statements, the trustees have concluded that it is appropriate to adopt the going concern basis in the preparation of these financial statements.

A. Funds

Unrestricted funds

Unrestricted funds arise from income donated to or earned by the charity in pursuit of its charitable objectives and may be applied in any way that meets those charitable objectives.

Designated funds

Designated funds are those unrestricted funds that the Trustees have identified and set aside to meet particular purposes or to segregate them from the General Fund. A more detailed description of these funds is available at note 14.

General Fund

The Charity's General Fund are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds

Restricted funds are those funds that are available for specific, restricted purposes within the overarching charitable objectives of Livability. Restricted funds arise from conditions attached to them by the donor or the activity generating the funds, by deliberate requests for such funds by the Charity. Subsidiary charities whose objectives are consistent with, but more narrowly drawn than, those of Livability are also reported within restricted funds.

Permanent endowment funds

Restricted endowment funds represent assets that are specified by their donor to be retained and used by the Charity to pursue its objectives, unless the donor specifies otherwise.

Transfers between funds

During the year, £32k was transferred from restricted funds to unrestricted funds. The transfer relates to expenditure which came out of unrestricted funds instead of restricted as represented in Note 14.

Purchases of fixed assets generate a transfer from the fund providing the funding for the purchase to the relevant designated reserve. Disposals of fixed assets generate a transfer from the designated reserve to general funds unless there is a restriction on the use of the disposal proceeds.

Payments of deficit contributions to pension schemes cause a transfer from General Fund to the Pension deficit fund, and repayment of loans generates a transfer from the General Fund to the Property Fund.

Note 1 Accounting Policies (cont'd)**Income**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, legacies and grants

Income from donations, legacies and grants is recorded in the financial statements when entitlement to the income is established, it is more likely than not that the income will be received and the amount to be received can be reliably estimated and any conditions required to receive the funds have been met or are within the control of the charity. In practice, most donations income is recognised when received.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy is recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured. Where a life interest in an estate exists, no income is recognised other than from distributions from that estate to Livability.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

Income from charitable activities

Where Livability provides services or goods in return for payment, the income from these items is recognised when Livability completes its part of the agreement by delivering the services or goods.

Grants related to performance of contractual obligations are recognised when Livability has entitlement to the income, it is probable that income will be received and the amount of income can be measured reliably.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Income tax recoverable

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Note 1 Accounting Policies (cont'd)

B. Expenditure and allocation of support costs

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been listed in such a way as to accumulate all the charity's costs of employees, goods and services relating to a particular activity of the charity under that activity heading. Direct costs, including attributable salaries and associated costs, are allocated on an actual basis to the key areas of activities. Indirect costs (support costs), primarily comprising staff costs of employees based at the charity's National Office in London, are allocated to each activity heading using a number of identified cost drivers, including expenditure as a proxy measure for usage of resources and staff numbers.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

C. Fundraising Costs

Expenditure on raising funds comprise salary costs and other associated expenditure relating to the generation of voluntary income.

D. Tangible fixed assets

Tangible fixed assets are significant physical items of property, plant and equipment held for continuing use by the charity in delivering its charitable objectives.

Recognition

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting date.

Fair values are determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. If there is no market-based evidence of fair value because of the specialised nature of the tangible fixed asset and it is rarely sold, except as part of a contributing business, the charity estimates fair value using an income or depreciated replacement cost approach.

Gains and losses on revaluation are recognised in the Consolidated statement of financial activities, with a separate revaluation reserve being shown in the Statement of funds note.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Note 1 Accounting Policies (cont'd)

Separate components

The charity holds freehold buildings with significant components that have materially different useful lives from the rest of the building. These components are depreciated separately over their individual lives at the following rates:

Main Fabric	- 100 years
Pitched Roof	- 70
Flat Roof	- 40
Windows and Doors	- 40
Boilers and Heaters	- 15
Mechanical systems	- 30
Bathrooms	- 30
Kitchens	- 20
Lifts	- 25
Electrics	- 40
Alarm and Security	- 15

Freehold land and assets in the course of construction are not depreciated.

Other Fixed Assets

Assets are depreciated evenly to their estimated residual values over their estimated useful lives as follows:-

Leasehold buildings	over the lease term
Horticultural buildings	over 25 years
Equipment, fittings and furniture	over 5 years
Plant and machinery	over 20 years
Cars	over 4 years
Minibuses and coaches	over 6 years
Computers and software	over 3 years
Chalets and mobile homes	over between 10 and 30 years

The residual value of all assets is assumed to be zero.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated statement of financial activities.

Note 1 Accounting Policies (cont'd)

E. Financial Investments

Investments are items of property and other assets held to generate income and capital growth for the Charity.

Listed and other financial investments

Investments that have a ready market where the value can be determined by reference to published data are valued at the bid price. Where no market is available in the investments, they are valued at cost less impairment.

Investment properties

Investment properties are initially measured at cost and subsequently at fair value with any change therein recognised in the statement of financial activities. Livability's valuation methodology is to obtain external revaluation of its investment properties on a five-year rolling basis. The properties were externally revalued in 2022. In the intervening period between the 5 years, the charity has obtained pre-market advice on projected sales. More recent property disposals support the trustees view that the book values are not materially misstated.

Investments in group entities

Investments in group entities are held at their cost less any identified impairment.

Gains and losses

All gains and losses are taken to the Statement of Financial Activities as arise. Realised gains and losses on investments is calculated as the difference between sales proceeds and their opening carrying value. Unrealised gains and losses are calculated as the difference between fair value at year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

F. Social investments

Programme-related investments

Programme-related properties are properties that are held by the charity and provided to individuals or organisations in delivering charitable objects which are line with Livability's own charitable objects. This type of fixed asset is held without seeking to make a return, other than one which is incidental.

Properties held in trust by Livability are held at historical transfer costs.

G. Financial Instruments

Financial instruments are contracts that give rise to a financial asset for one party to the contract and a financial liability or equity instrument for the other party.

Basic Financial Instruments

Livability and its group entities have basic financial instruments that are recognised when the provisions of the contract are met and for which the accounting policies are as follows:

Note 1 Accounting Policies (cont'd)

Cash at bank and in hand

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

Trade debtors and other amounts receivable

Trade debtors and other amounts receivable are recognised at the value defined by the contract, agreement or legislation giving rise to the amount receivable. Impairment of receivable amounts is recognised as expenditure in the Statement of Financial Activities.

Trade creditors and other amounts payable

Trade creditors and other amounts payable are recognised at the value defined by the contract, agreement or legislation giving rise to the liability.

Bank loans

Bank loans are recognised at the present value of the cash flows under the loan agreement, discounted at the effective interest rate for each bank loan.

Other Financial Instruments

The accounting policies for other financial instruments are as follows:

Derivative financial assets and liabilities

Livability carries derivative financial assets and liabilities at their fair value and accounts for changes in fair value through the Statement of Financial Activities. Interest rate collars, which are a combination of a put and a call interest rate option, are valued at the option value using standard tools for the calculation of such items. Amounts payable or receivable under loan contracts for the purchase of property made to or by the charity that vary with the price of the related property are recognised separately from the loan itself and changes in the value are recognised in the Statement of Financial Activities. The loan is accounted for as a basic financial instrument as set out above.

H. Entity combinations

Entity combinations are the effect on the accounts of Livability and the Livability group of changes to the structure of the charity and the group that arise from the purchase of businesses and companies, the gift of charities and mergers between charities. In accounting for entity combinations, Livability applies the requirements of FRS 102 s19 and section PBE34.75 – PBE34.86.

Unless the requirements for merger accounting are met, an acquiring entity is identified in an entity combination, being the dominant party in a charity merger or the contractual acquirer of a business or company.

In all combinations the assets and liabilities of the entity joining the group that exist at the date of combination are included in the group accounts. These assets and liabilities may include Intangible assets such as brand value, customer lists and order books that are not recognised in the individual financial statements of an acquired entity. All assets and liabilities in the combination are initially recognised at their fair values. After that date, the accounting policies set out in this note are applied to recognition, de-recognition and valuation of the assets and liabilities.

When the transaction is in substance a gift from the Trustees or members of an existing charity, a gift with the value of the net asset value of the assets and liabilities of the gifted charity is recorded and an

Note 1 Accounting Policies (cont'd)

investment with the same value is recorded in the books of the charity. Transaction costs associated with the combination are recognised in the statement of financial activities (SOFA) as incurred.

When a business or company is purchased, the cost of the investment is recognised as the fair value of the consideration payable, including transaction costs.

I. Impairment of assets

At each accounts date, the recoverable amounts of assets are assessed to determine whether they have fallen below their carrying values. When the recoverable amount of an asset falls below its carrying amount, the value of the asset is said to be impaired. The carrying amount is reduced to the recoverable amount with the loss in value reported in income and expenditure.

The recoverable amount of an asset is the higher of the amount that can be generated by using the asset or by selling it. When assessing the recoverable amount of purchased goodwill, the cash flows arising from the group of assets that make up the cash-generating unit in an entity combination are used to assess the amount generated by using the assets. The amount attributable to goodwill is taken to be the excess of the recoverable amount of the cash-generating unit over the fair values of the individual assets in the cash-generating unit.

J. Leases

Operating leases

Where Livability acts as the lessee, the cost of operating leases is recognised by spreading the total payments under the lease, including lease premiums paid, evenly over the lease term. Lease incentives that reduce the rent payable under the lease are taken as part of the total payments.

Where Livability acts as the lessor, income is recognised by spreading the total receipts under the lease evenly over the lease term. Lease incentives paid and premiums received are treated as part of the total receipts. Costs of arranging the lease of an asset are added to the cost of the leased asset and recognised over the lease term in the same way as the lease income.

K. Short-term employee benefits

The liability to pay short-term employee benefits, which are mainly salary, the entitlement to paid leave and related employment taxes, is recognised as the employees earn entitlement to pay and paid leave under the terms of their employment contract, with a corresponding expense recognised in expenditure. Amounts paid are deducted from the liability when paid.

L. Redundancy and termination payments

Redundancy and termination payments are recognised in the Statement of Financial Activities when they become due for payment as a result of notice given to staff or agreement between the charity and the employee.

M. Pensions

Defined contribution pension schemes

Contributions to defined contribution pension schemes are recognised in the Statement of Financial Activities when entitlement to the contributions has been earned by the member of staff. The cost is allocated to the activity within which the staff member has worked and the fund that is resourcing the activity.

Note 1 Accounting Policies (cont'd)

Defined benefit pension schemes – single employer schemes

As the principal employer in such schemes, Livability has a duty to fund the schemes to enable them to pay the benefits due to the scheme members. A liability equal to the net present value of future liabilities payable under the schemes net of the fair value of the assets of the scheme is recognised at the date of the accounts.

The net present value of the future liabilities is calculated for each scheme by a qualified actuary using the project unit credit method, taking account of expected changes to future benefits arising from salary changes and changes in pension payments from inflation and other effects. The discount rate applied to the future liabilities is set by reference to the return rate from high-quality corporate bonds with the same currency and similar maturity as the pension payments.

An interest charge equal to the unwinding of the discount on the net liability is recognised each year. The costs of administration of the schemes are recognised as an expense each year.

Changes to the net liability from changes to actuarial assumptions underlying the valuation and the difference between the actual return on assets and that included in the annual interest charge are recorded as actuarial changes and presented in the SOFA within other recognised gains and losses.

Defined benefit pension schemes – multi-employer schemes

The multi-employer defined benefit pension scheme is accounted for as a defined contribution scheme, due to insufficient information available from the actuary, to split the assets and liabilities of the scheme by employer, to enable the scheme to be accounted for as a defined benefit scheme.

Contributions made towards the scheme are charged to the Statement of Financial Activities when they become payable.

Where Livability has a liability to pay deficit reduction payments to multi-employer schemes, the present value of the agreed payments are discounted using the corporate bond rate as an appropriate discount rate. The discount is unwound annually with the unwinding effect charged to the Statement of Financial Activities.

N. Cash flows

The consolidated cash flows of Livability and its subsidiary companies are shown and reported using the indirect method of calculating cash flows, eliminating flows between the entities in the Livability group.

O. Properties held for Sale

Properties held for sale are stated at the lower of carrying value and net realisable value (NRV). NRV is based on the actual or estimated selling price less all further costs to completion.

P. Taxation Status

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The subsidiary companies make qualifying donations of all taxable profit to Livability. No corporation tax liability on the subsidiaries arises in the accounts.

Note 1 Accounting Policies (cont'd)

Q. Judgements and Uncertainties

In preparing these financial statements, the directors have made judgements to determine whether there are indicators of impairment of the charity's tangible fixed assets. Factors taken into consideration in reaching such a decision include the economic viability, expected future financial performance of the asset and valuation of investment and fixed assets.

The other key source of estimated uncertainty is in relation to the depreciation of tangible fixed assets (see note 8).

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Fixed assets and investments are annually valued to assess and recognise any change in values. (see accounting policy note 1.D for further details)

Estimates of the net pension liability depend on a number of complex judgements relating to the discount rate used, changes in retirement ages and mortality rates. The group engages a firm of actuaries to provide expert advice about the assumptions made and the effect on the pension liability of the changes in these assumptions (see accounting policy note 1.M for further details).

Note 2 Analysis of Income for the year ended 31 March 2022

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total Funds £'000
Donations and Legacies				
Donations	1,026	405	-	1,431
Income from Charitable events	20	-	-	20
Legacies	2,264	21	-	2,285
Grants from government and other public bodies	1,088	1,137	-	2,225
Total Donations and Legacies	4,398	1,563	-	5,961
Charitable Activities				
Residential and Community	33,268	-	-	33,268
Education and Care	8,477	376	-	8,853
Community Engagement	-	-	-	-
Trusts	24	-	-	24
Total Charitable Activities	41,769	376	-	42,145
Other Trading	2,784	-	-	2,784
Investment Income	48	-	-	48
Total Income	48,999	1,939	-	50,938

Note 2 Analysis of Income for the year ended 31 March 2021

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total Funds £'000
Donations and Legacies				
Donations	842	2,150	-	2,992
Income from Charitable events	-	-	-	-
Legacies	897	104	-	1,001
Grants from government and other public bodies	1,976	588	-	2,564
Total Donations and Legacies	3,715	2,842	-	6,557
Charitable Activities				
Residential and Community	29,803	32	-	29,835
Education and Care	9,102	-	-	9,102
Community Engagement	57	-	-	57
Trusts	-	-	-	-
Total Charitable Activities	38,962	32	-	38,994
Other Trading	532	-	-	532
Investment Income	4	44	7	55
Total Income	43,213	2,918	7	46,138

Note 2 Analysis of Income for year ended 31 March 2022

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total Funds £'000
Donations and Legacies				
Donations	916	405	-	1,321
Income from Charitable events	-	-	-	-
Legacies	2,264	21	-	2,285
Grant from Government & Other public bodies	1,000	844	-	1,844
Total Donations and Legacies	4,180	1,270	-	5,450
Charitable Activities				
Residential and Community	33,268	-	-	33,268
Education and Care	8,473	-	-	8,473
Community Engagement	-	-	-	-
Trusts	24	-	-	24
Total Charitable Activities	41,765	-	-	41,765
Other Trading	78	-	-	78
Investment Income	9	-	-	9
Total Income	46,032	1,270	-	47,302

Note 2 Analysis of Income for the year ended 31 March 2021

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total Funds £'000
Donations and Legacies				
Donations	842	767	-	1,609
Income from Charitable events	-	-	-	-
Legacies	897	104	-	1,001
Grant from Government & Other public bodies	1,976	588	-	2,564
Total Donations and Legacies	3,715	1,459	-	5,174
Charitable Activities				
Residential and Community	29,006	-	-	29,006
Education and Care	9,102	-	-	9,102
Community Engagement	57	-	-	57
Trusts	-	-	-	-
Total Charitable Activities	38,165	-	-	38,165
Other Trading	7	-	-	7
Investment Income	4	-	6	10
Total Income	41,891	1,459	6	43,356

Note 2a Grants receivable from government and other public bodies for the year ended March 2022

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds £'000	Total Funds £'000
Grant Income				
Greater London Authority	-	844	-	844
Rural Payment Agency	-	-	-	-
Coronavirus Job Retention Scheme (CJRS)	162	-	-	162
Inner and Outer London Authorities	240	-	-	240
Non-London Local Authorities	686	293	-	979
	1,088	1,137	-	2,225

£838,494 of Grant income from London and Non London local Authorities were received for Covid 19 related control measures including PPE

Note 2a Grants receivable from government and other public bodies for the year ended March 2021

Group	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds Total Funds £'000	Total Funds £'000
Grant Income				
Greater London Authority	-	588	-	588
Rural Payment Agency	9	-	-	9
Coronavirus Job Retention Scheme (CJRS)	465	-	-	465
Inner and Outer London Authorities	132	-	-	132
Non-London Local Authorities	1,370	-	-	1,370
	1,976	588	-	2,564

Grant income from London and Non London local Authorities received for Covid 19 related control measures including PPE

Note 2a Grants receivable from government and other public bodies for the year ended 31 March 2022

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds Total Funds £'000	Total Funds £'000
Grant Income				
Greater London Authority	-	844	-	844
Rural Payment Agency	-	-	-	-
Coronavirus Job Retention Scheme (CJRS)	162	-	-	162
Inner and Outer London Authorities	240	-	-	240
Non-London Local Authorities	598	-	-	598
	1,000	844	-	1,844

Grant income from London and Non London local Authorities received for Covid 19 related control measures including PPE.

Note 2a Grants receivable from government and other public bodies for the year ended 31 March 2021

Charity	Unrestricted Funds £'000	Restricted Funds £'000	Endowment funds Total Funds £'000	Total Funds £'000
Grant Income				
Greater London Authority	-	588	-	588
Rural Payment Agency	9	-	-	9
Coronavirus Job Retention Scheme (CJRS)	465	-	-	465
Inner and Outer London Authorities	132	-	-	132
Non-London Local Authorities	1,370	-	-	1,370
	1,976	588	-	2,564

Grant income from London and Non London local Authorities received for Covid 19 related control measures including PPE.

Note: 3 Income from Investments for the year ended 31 March 2022

Group	Unrestricted Fund £'000	Restricted Fund £'000	Endowment Fund £'000	Total £'000
Analysis of Income from Investments				
Property Rental	39	-	-	39
Interest Receivable	-	-	-	-
Dividends from Investments	9	-	-	9
Total Investment income	48	-	-	48
Analysis of gain/loss from Investment Revaluation				
Listed Investment	11	5	-	16
Investment Property	1,139	-	-	1,139
Social Investment	(224)	-	-	(224)
Total (gains)/loss from Investment Revaluations	926	5	-	931

Note: 3 Income from Investments for the year ended 31 March 2021

Group	Unrestricted Fund £'000	Restricted Fund £'000	Endowment Fund £'000	Total £'000
Analysis of Income from Investments				
Property Rental	2	44	-	46
Interest Receivable	-	-	-	-
Dividends from Investments	2	-	7	9
Total Investment income	4	44	7	55
Listed Investment	148	9	57	214
Investment Property	-	-	-	-
Social Investment	-	-	-	-
Total loss/(gains) from Investment Revaluations	148	9	57	214

Note: 3 Income from Investments for the year ended 31 March 2022

Charity	Unrestricted Fund £'000	Restricted Fund £'000	Endowment Fund £'000	Total £'000
Analysis of Income from Investments				
Property Rental	-	-	-	-
Interest Receivable	-	-	-	-
Dividends from Investments	9	-	-	9
Total Investment income	9	-	-	9
Analysis of gain/loss from Investment Revaluation				
Listed Investment	11	5	-	16
Investment Property	1,139	-	-	1,153
Social Investment	(224)	-	-	(224)
Total (gains)/loss from Investment Revaluations	924	5	-	929
Analysis of loss/gain from Property Revaluation				
Functional Property	8,045	-	-	8,045
Total (gain)/loss from Investment Revaluations	8,045	-	-	8,045

Note: 3 Income from Investments for the year ended 31 March 2021

	Unrestricted Fund £'000	Restricted Fund £'000	Endowment Fund £'000	Total £'000
Charity				
Analysis of Income from Investments				
Property Rental	2	-	-	2
Interest Receivable	-	-	-	-
Dividends from Investments	2		6	8
Total Investment income	4	-	6	10

Analysis of gain/loss from Investment Revaluation

Listed Investment	148	9	52	209
Investment Property	-	-	-	-
Social Investment	-	-	-	-
Total (gains)/loss from Investment Revaluations	148	9	52	209

Analysis of gain/loss from Property Revaluation

Functional Property	-	-	-	-
Total (gains)/loss/ from Investment Revaluations	-	-	-	-

Note: 4 Profit/(Loss) on Disposal of Fixed assets for

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Disposal Proceeds net of costs	7,940	626	7,940	626
Net book value of disposal assets	(5,362)	(697)	(5,362)	(697)
Gain/(Losses) on Disposal	2,578	(71)	2,578	(71)

Note 5 Expenditure Analysis for the year ended 2022

Group	Unrestricted Funds £'000	Restricted Fund £'000	Endowment Funds £'000	Total Funds £'000
Analysis of Expenditure				
Raising Funds	1,648	27	-	1,675
Internal Fundraising Costs	-	-	-	-
Support Costs	-	-	-	-
Total Raising Funds	1,648	27	-	1,675
Costs of Charitable activities	-	-	62	62
Residential and Community	36,924	116	-	37,040
Education	8,417	369	-	8,786
Community Engagement	32	-	-	32
Trusts	-	-	-	-
Total Charitable activities	45,373	485	62	45,920
Other	1,848	844	-	2,692
Impairment of Social Investments	-	-	-	-
(Gain)/Loss on Disposal of Fixed Assets	-	-	-	-
	1,848	844	-	2,692
Total Expenditure	48,869	1,356	62	50,287

Note 5 Expenditure Analysis for the year ended 31 March 2021

Group	Unrestricted Funds £'000	Restricted Fund £'000	Endowment Funds £'000	Total Funds £'000
Analysis of Expenditure				
Raising Funds	760	55	-	815
Internal Fundraising Costs	37	-	-	37
Support Costs	145	-	-	145
Total Raising Funds	942	55	-	997
Costs of Charitable activities				
Residential and Community	36,002	604	62	36,668
Education	9,438	52	-	9,490
Community Engagement	253	-	-	253
Trusts	-	-	-	-
Total Charitable activities	45,693	656	62	46,411
Other	150	588	-	738
Impairment of Social Investments (Gain)/Loss on Disposal of Fixed Assets	216	-	-	216
	71	-	-	71
	437	588	-	1,025
Total Expenditure	47,072	1,299	62	48,433

Note 5 Expenditure Analysis for the year ended 31 March 2022

Charity	Unrestricted Funds £'000	Restricted Fund £'000	Endowment Funds £'000	Total Funds £'000
Analysis of Expenditure				
Raising Funds	1,645	27	-	1,672
Internal Fundraising Costs	-	-	-	-
Support Costs	-	-	-	-
Total Raising Funds	1,645	27	-	1,672
Costs of Charitable activities				
Residential and Community	36,422	116	-	36,538
Education	8,417	21	-	8,438
Community Engagement	32	-	-	32
Trusts	-	-	-	-
Total Charitable activities	44,871	137	-	45,008
Other	-	844	-	844
Impairment of Social Investments	-	-	-	-
(Gain)/Loss on Disposal of Fixed Assets	-	-	-	-
	-	844	-	844
Total Expenditure	46,516	1,008	-	47,524

Note 5 Expenditure Analysis for the year ended 31 March 2021

Charity	Unrestricted Funds £'000	Restricted Fund £'000	Endowment Funds £'000	Total Funds £'000
Analysis of Expenditure				
Raising Funds	760	55	-	815
Internal Fundraising Costs	37	-	-	37
Support Costs	135	-	-	135
Total Raising Funds	932	55	-	987
Costs of Charitable activities				
Residential and Community	34,895	21	-	34,916
Education	9,343	52	-	9,395
Community Engagement	245	-	-	245
Trusts	-	-	-	-
Total Charitable activities	44,483	73	-	44,556
Other	90	588	-	678
Impairment of Social Investments	216	-	-	216
(Gain)/Loss on Disposal of Fixed Assets	71	-	-	71
	377	588	-	965
Total Expenditure	45,792	716	-	46,508

Allocation of Support Costs for year ended 31 March 2022

	Raising Funds	Residential & Communication	Education	Community Engagement	Total 2022
	£'000	£'000	£'000	£'000	£'000
Senior Management	38	232	59	-	329
Human Resources	81	493	126	-	700
Finance	305	1,863	474	-	2,642
Information Technology	241	1,470	374	-	2,085
Corporate Services	224	1,366	348	-	1,938
Marketing and Communications	29	174	44	-	247
	918	5,598	1,425	-	7,941

Group Only			
Analysis of Direct and Support Costs			
	Direct Costs	Support Costs 2021/22	Total
	£'000	£'000	£'000
Internal Fundraising cost			
Bought in services	1,422	253	1,675
Support costs	-	-	-
Total Raising Funds	1,422	253	1,675
Costs of Charitable activities	30,820	6,282	37,102
Residential & Community	7,391	1,395	8,786
Education	21	11	32
Community Engagement	-	-	-
Trusts			
Total	38,232	7,688	45,920
Other	2,692	-	2,692
Impairment	-	-	-
Loss on disposal	-	-	-
	42,346	7,941	50,287

Group Only			
Analysis of Direct and Support Costs			
	Direct Costs	Support Costs	Total
	£'000	2020/21 £'000	£'000
Internal Fundraising cost			
Bought in services	815	145	960
Support costs	37	-	37
Total Raising Funds	852	145	997
Costs of Charitable activities	31,046	5,622	36,668
Residential & Community	7,983	1,507	9,490
Education	169	84	253
Community Engagement	-	-	-
Trusts	-	-	-
Total	39,198	7,213	46,411
Other	738	-	738
Impairment	216	-	216
Loss on disposal	71	-	71
	41,075	7,358	48,433

Net income/(Expenditure) is stated after charging		
	Group	
	2022	2021
	£'000	£'000
Depreciation	1,156	1,406
Audit current year	70	119
Other services	-	-
Other group auditors	-	-
Interest payable	393	351
Operating lease charges:		
Land and Buildings	642	622
Other equipment	37	41

Note: 6 Staff and Staffing costs				
	Group		Group	
	2022	2022	2021	2021
	Number	FTE	Number	FTE
Education Services	281	250	257	199
Residential and Community Services	963	866	1,081	687
Community Engagement	1	1	1	2
Generating Funds	6	9	6	16
Support Function	123	135	114	86
Total	1,374	1,261	1,459	990

Analysis of staff costs	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Wages and Salaries	26,657	27,980	26,221	27,517
Social Security costs	2,155	2,306	2,125	2,281
Employer contributions to defined contribution pension schemes	885	986	875	976
Operating Costs of defined benefit pension	256	115	256	115
Redundancy and Termination Payments	117	321	117	321
Agency staff	5,877	4,035	5,877	4,035
Total staff cost	35,947	35,743	35,471	35,245

For the Group, redundancy payments were £101k (2021 £321k) and the termination payments were £16k (2021 £Nil).

High paid staff - Group

The number of staff with remuneration excluding employer pension contribution of £60,000 or above, split into bands of £10,000 was:

	2022	2021
£60,000 - £69,999	8	7
£70,000 - £79,999	1	2
£80,000 - £89,999	1	2
£90,000 - £99,999	2	-
£100,000 - £109,999	-	-
£110,000 - £119,999	-	-
£120,000 - £129,999	-	1
£130,000 - £139,999	-	-
£140,000 - £149,999	-	-
£150,000 - £159,999	1	-

Remuneration of key management personnel (Executive Leadership team)

	2022 £'000	2021 £'000
Wages and salaries	356	687
Contributions to defined contribution pension schemes	7	18
Termination payments	-	-
Employers national Insurance	45	85
Agency staff	162	42
Total	570	832

Note 7: Subsidiary Undertaking

Name	Function	Company Registration	Charity	Year end
Livability Icanho Limited	Brain injury rehabilitation Services	2167304	N/A	31st March
Kingsley Hall Church and Community Centre, a company limited by guarantee.	Social and religious services to the Becontree Estate	6129881	1120001	31st March
Livability Contracting Services Limited	Construction and related services to the Livability group	3594964	N/A	31st March
East Holton Charity a company limited by guarantee	Dormant	2717228	1011867	31st March
Holton Lee Limited	Holiday accommodation	2871759	N/A	31st March
The Shaftesbury Society, a company limited by guarantee	Predecessor charity to Livability	38751	221948	31st March
Prospects for People with learning disabilities, a company limited by guarantee	Dormant	3305658	1060571	31st March
At Home in the Community Limited, a company limited by guarantee	Dormant	2470260	803280	31st March
John Grooms, a company limited by guarantee	Dormant	113685	212463	31st March
Prospects Trading Limited	Dormant	3222851	N/A	31st March
A Cause for Concern	Dormant	N/A	271600	31st March
Grooms Shaftesbury Limited	Dormant	3232362	N/A	31st March
Shaftesbury Care Limited	Dormant	3232329	N/A	31st March

	Turnover	Operating profit or net incoming/(outgoing) resources	Transfer to the charity	Aggregate Assets	Aggregate Liabilities	Net Asset/(Liabilities)
John Groom	-	-	-	-	-	-
Shaftesbury Society	1	3	-	47	-	47
Livability Icanho	806	94	94	94	94	-
Kingsley Hall Church and Community Centre	1,787	1,155	-	7,184	1,887	5,297
Livability Contracting Services Ltd	1,886	-	-	23	23	-
East Holton Charity	-	-	-	-	-	-
Holton Lee Ltd	-	-	-	-	-	-
Prospects for People with Learning disabilities	-	-	-	-	-	-
At Home in the Community	-	-	-	-	-	-
A Cause for Concerns	-	-	-	-	-	-
Livability Trading Ltd	-	-	-	-	-	-
Shaftesbury Care Ltd	-	-	-	-	-	-
	4,480	1,252	94	7,348	2,004	5,344

Note: 8 Tangible Fixed Assets					
Group	Functional Freehold Property £'000	Asset under construction £'000	Functional leasehold Property £'000	Other Fixed Assets £'000	Total £'000
Cost at 1 April 2021	38,851	865	1,685	10,512	51,913
Additions	207	1,962	-	112	2,281
Transfer	-	-	-	-	-
Disposals	(5,362)	-	-	-	(5,362)
Revaluation adjustments	5,110	-	-	-	5,110
Transfer to Parent	-	-	-	-	-
At 31 March 2022	38,806	2,827	1,685	10,624	53,942
Depreciation at 1 April 2021	(4,152)	-	(300)	(8,886)	(13,338)
Charged in the year	169	-	-	(692)	(523)
Revaluation Adjustments	2,934	-	-	-	2,934
Release on disposal	157	-	-	-	157
Transfer to Parent	-	-	-	-	-
At 31 March 2022	(892)	-	(300)	(9,578)	(10,770)
Net book value at 31 March 2022	37,914	2,827	1,385	1,046	43,172
Net book value at 31 March 2021	34,699	865	1,385	1,626	38,575

Group Fixed assets include assets with carrying values of £28m (2021: £25m) which have been pledged as security for bank loans disclosed in note 12.

During 2021/22 Financial year, Functional fixed assets were revaluation upward to the tune of £8.045m.

A further asset is subject to charge of £750,526 (2021: £750,526). The assets under construction representing Phase 1B of the ongoing redevelopment of Kingsley Hall was completed 27 May 2022.

Note: 8 Tangible Fixed Assets

Charity	Functional Freehold Property £'000	Asset under construction £'000	Functional leasehold Property £'000	Other Fixed Assets £'000	Total £'000
Cost at 1 April 2021	35,557	-	1,685	11,093	48,335
Additions	207	-	15	100	322
Transfer	-	-	-	-	-
Disposals	(5,362)	-	-	-	(5,362)
Revaluation adjustments	5,110	-	-	-	5,110
Transfer to Parent	-	-	-	-	-
At 31 March 2022	35,512	-	1,700	11,193	48,405
Depreciation at 1 April 2021	(3,091)	-	(300)	(9,700)	(13,091)
Charged in the year	-	-	(24)	(688)	(712)
Revaluation adjustments	2,934	-	-	-	2,934
Release on disposal	157	-	-	-	157
Transfer to Parent	-	-	-	-	-
At 31 March 2022	-	-	(324)	(10,388)	(10,712)
Net book value at 31 March 2022	35,512	-	1,376	805	37,693
Net book value at 31 March 2021	32,466	-	1,385	1,393	35,244

Charity Fixed assets include assets with carrying values of £28m (2021: £22m) which have been pledged as security for bank loans disclosed in note 12.

During 2021/22 Financial year, Functional fixed assets were revaluation upward to the tune of £8.045m. A further asset is subject to charge of £750,526 (2021: £750,526).

Note: 9 Financial Investments

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Analysis of changes in investment values				
Investments at start of year	2,017	2,399	1,998	2,384
Additions	-	-	-	-
Disposals	-	(635)	-	(635)
Gains on revaluation/Listed Investment	1,178	253	1,167	249
Impairment of Subsidiary investment	-	-	-	-
Investments at the year end	3,195	2,017	3,165	1,998
Analysis of Investments				
Investment Properties	2,307	1,071	2,307	1,071
Cash and Equivalents	175	167	175	167
Listed investments	713	779	675	752
Investments in subsidiary entities	-	-	8	8
Total Investments	3,195	2,017	3,165	1,998

Note: 10 Social Investments

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Analysis of changes in investment values				
Investments at start of year	6,536	7,226	6,536	7,226
Additions	-	-	-	-
Disposals	(2,245)	(565)	(2,245)	(565)
Gains/(Losses) on revaluation	(224)	(125)	(224)	(125)
Social Investments at the year end	4,067	6,536	4,067	6,536
Analysis of Investments				
Social Investment	4,067	6,536	4,067	6,536
Total Investments	4,067	6,536	4,067	6,536

Note: 11 Debtors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade Receivables	1,637	1,164	1,630	1,058
Prepayments and Accrued Income	2,649	1,777	2,618	1,216
Other Debtors	868	1,241	707	945
Amounts due from Subsidiary undertaking	-	-	1,663	(93)
Investments at the year end	5,154	4,182	6,618	3,126

Note: 12 Creditors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amounts falling due within 1 year				
Derivative Financial Instrument Liabilities	-	131	-	131
Trade Payables	2,079	1,838	1,929	1,660
Accrued charges and Deferred income	1,790	2,386	1,753	2,342
Taxation and Social Security	587	2,659	587	2,739
Bank Loans within 1yr	437	4,000	414	4,000
Other Creditors	1,406	982	1,326	931
Amounts due to Group Entities	-	-	628	-
	6,299	11,996	6,637	11,803

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Amount falling due after more than 1 year:				
Accrued charge and Deferred income	-	-	-	-
Other loans	-	-	-	-
Bank loans	9,796	6,604	9,086	5,755
	9,796	6,604	9,086	5,755

The Bank Loans are repayable by instalments falling due in the following periods:

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Within 1 year	437	827	414	826
Within 1 - 2 years	450	835	426	835
Within 2 - 5 years	1,472	2,628	1,395	2,560
After 5 years	7,874	6,314	7,265	5,531
	10,233	10,604	9,500	9,752

The lenders, principle terms of borrowing and the security given for the borrowings are set out in the table below:

Facility Provider:	Interest Basis	Margin	31 March 22	Repayable by
		%	£'000	
Metro Bank Term Loan	Metro Bank base rate	3.25%	5,754	15/03/2029
Metro Bank Term Loan	Metro Bank base rate	3.75%	3,746	15/03/2029
Charity Bank Term Loan (Group - KHCC)	Bank of England	3.25%	733	20/06/2043

Note 13 Pensions

The Charity contributes to seven staff pension schemes, which are:

A Group Personal Pension Plan defined contribution scheme operated by **Aegon** which all permanent non-bank employees of Livability, who have successfully completed their probationary period of employment, were eligible to join until October 2013.

A Group Personal Pension Plan defined contribution scheme operated by the **People's Pension** into which all employees are enrolled when they meet the criteria for automatic enrolment and are not already enrolled in a pension scheme that meets the criteria of the Pensions Regulator.

A Group Personal Pension Plan defined contribution scheme operated by **Legal and General** into which all employees are enrolled when they meet the criteria for automatic enrolment and are not already enrolled in a pension scheme that meets the criteria of the Pensions Regulator

The Livability Final Salary Pension Scheme ("Livability DB scheme"), a defined benefit scheme which was closed to new members and further service accrual in June 2007. This scheme is administered by The Pensions Trust.

The John Grooms Pension and Assurance Scheme ("JGPAS"), a defined benefit scheme, which had been closed to new members some years ago, was closed to further service accrual in June 2007. This scheme is administered by XPS.

The Teachers' Pension Scheme (a multi-employer defined benefit scheme) in which teaching staff are eligible to be members, and to which the Charity contributes at a rate fixed by the Fund actuaries.

The Pensions Trust Growth Plan (a multi-employer defined benefit scheme). There are two active members of this scheme which is closed to further benefit accrual; contributions are made at the minimum level required to maintain membership of the scheme and for reduction of the deficit in the scheme. Withdrawal from the scheme would trigger a liability estimated at 31 March 2022 at £37,000 (2021: £204,000). There is no intention to withdraw from the scheme and therefore this liability is not recognised in the Accounts at 31 March 2022.

Kingsley Hall Church and Community Centre contributes to a defined contribution scheme operated by the Pensions Trust for one member of staff.

The Livability DB scheme and JGPAS were closed to new members and benefit accrual in June 2007; members employed at the closure date retain a link between their salary and benefits payable until their retirement or their earlier date of leaving employment.

The cost of employer contributions to the defined contribution plans was £1,774,000 in the year (2021: £1,745,000). There are no prepaid contributions in respect of any of the schemes at the balance sheet date.

The defined benefit schemes are both contracted-out of the State Second Pension Scheme (S2P) and their assets are held separately from those of the Charity. Contributions to the schemes were agreed with the schemes' Trustees, in accordance with the agreed technical provisions and recovery periods agreed for each scheme.

The last triennial valuation of the Livability DB scheme was carried out as at 30 September 2020 and has been updated to 31 March 2021 by an independent qualified actuary, in accordance with FRS 102.

This most recent actuarial valuation as at 30 September 2018 showed a deficit of £6,140,000. The employer has agreed with the Trustee that it will aim to eliminate the deficit over a period of 3 years and 10 months from 1 April 2020 by the payment of annual contributions of £1,100,000, increasing at 2.6% per annum with first

increase on 1 April 2021, in respect of the deficit. In addition, the employer will pay annual contributions of £115,000 in respect of scheme expenses.

The recovery contribution made to the Livability DB scheme by the Charity in the year was £1,244,000, as set out in the previous agreed deficit recovery plan, plus a contribution for administration expenses of £113,000.

An actuarial valuation of JGPAS was carried out as at 31 March 2015 and updated to 31 March 2021 by an independent qualified actuary. The recovery contribution made to the Scheme by the employer in the year was £530,000. The contributions for the year to 31st March 2023 are expected to be £Nil.

The assets in the schemes were:

	Livability DB	JGPAS	Growth Plan	Total
	2022	2022	2022	2022
	£000	£000	£000	£000
Equity	5,942	6,505	–	12,447
Bonds	18,260	11,092	–	29,352
Property	2,809	–	–	2,809
Other	12,087	–	–	12,087
Cash and current liabilities	493	2,723	–	3,216
Fair value of scheme assets	39,591	20,320	–	59,911
Present value of scheme liabilities	(39,388)	(19,188)	(37)	(58,613)
Effect of asset ceiling	(203)	(1,132)	-	(1,335)
Pension liability disclosed in the financial statements	-	-	(37)	(37)
The actual return on scheme assets over the period was:	1,626	372	–	1,998

The assets in the schemes were:

	Livability DB	JGPAS	Growth Plan	Total
	2021	2021	2021	2021
	£000	£000	£000	£000
Equity	4,594	6,241	–	10,835
Bonds	18,756	11,358	–	30,114
Property	2,206	–	–	2,206
Other	11,480	–	–	11,480
Cash and current liabilities	1,050	2,556	–	3,606
Fair value of scheme assets	38,086	20,155	–	58,241
Present value of scheme liabilities	(40,988)	(20,674)	(204)	(61,866)
Pension liability disclosed in the financial statements	(2,902)	(519)	(204)	(3,625)
The actual return on scheme assets over the period was:	2,950	1,284	–	4,234

The assets in the schemes were:

	Livability DB	JGPAS	Growth Plan	Total
	2020	2020	2020	2020
	£000	£000	£000	£000
Equity	4,377	5,021	–	9,398
Bonds	17,265	11,156	–	28,421
Property	1,762	–	–	1,762
Other	11,275	–	–	11,275
Cash and current liabilities	397	2,744	–	3,141
Fair value of scheme assets	35,076	18,921	–	53,997
Present value of scheme liabilities	–	–	–	–
Pension liability disclosed in the financial statements	35,076	18,921	–	53,997
The actual return on scheme assets over the period was:	–	–	–	–

The assets in the schemes were:

	Livability DB	JGPAS	Growth Plan	Total
	2019	2019	2019	2019
	£000	£000	£000	£000
Equity	16,427	5,612	–	22,039
Bonds	15,260	11,908	–	27,168
Property	1,531	–	–	1,531
Other	–	–	–	–
Cash and current liabilities	239	1,092	–	1,331
Fair value of scheme assets	33,457	18,612	–	52,069
Present value of scheme liabilities	(36,456)	(20,068)	(293)	(56,817)
Pension liability disclosed in the financial statements	(2,999)	(1,456)	(293)	(4,748)
The actual return on scheme assets over the period was:	–	–	–	–

Movements in the present value of the scheme liabilities have been:

	Livability DB	JGPAS	Total
	£000	£000	£000
Present value of liabilities at 31 March 2018	36,032	19,025	55,057
Current service cost	199	100	299
Interest cost	923	489	1,412
Remeasurement (gains) / losses	400	1,026	1,426
Benefits paid	(1,098)	(572)	(1,670)
Present value of liabilities at 31 March 2019	36,456	20,068	56,524
Interest cost	861	475	1,336
Remeasurement (gains) / losses	(901)	(649)	(1,550)
Benefits paid	(1,195)	(611)	(1,806)
Present value of liabilities at 31 March 2020	35,221	19,283	54,504
Current service cost	—	—	—
Interest cost	798	446	1,244
Remeasurement (gains) / losses	6,008	1,525	7,533
Benefits paid	(1,039)	(580)	(1,619)
Present value of liabilities at 31 March 2021	40,988	20,674	61,662
Current service cost	—	—	—
Interest cost	848	426	1,274
Remeasurement (gains) / losses	(1,196)	(1,175)	(2,371)
Benefits paid	(1,252)	(737)	(1,989)
Present value of liabilities at 31 March 2022	39,388	19,188	58,576

Movements in the fair value of scheme assets have been:

	Livability DB	JGPAS	Total
	£000	£000	£000
Fair value of scheme assets at 31 March 2018	31,575	17,450	49,025
Interest income	821	454	1,275
Expenses	(119)	—	(119)
Remeasurement gains / (losses)	1,118	675	1,793
Contributions by employer	1,160	605	1,765
Benefits paid	(1,098)	(572)	(1,670)
Fair value of scheme assets at 31 March 2019	33,457	18,612	52,069
Interest income	801	446	1,247
Expenses	(120)	—	(120)
Remeasurement gains / (losses)	945	(79)	866
Contributions by employer	1,188	553	1,741
Benefits paid	(1,195)	(611)	(1,806)
Fair value of scheme assets at 31 March 2020	35,076	18,921	53,997

	Livability DB	JGPAS	Total
Interest income	807	444	1,251
Expenses	(116)	–	(116)
Remeasurement gains / (losses)	2,143	840	2,983
Contributions by employer	1,215	530	1,745
Benefits paid	(1,039)	(580)	(1,619)
Fair value of scheme assets at 31 March 2021	38,086	20,155	58,241
Interest income	799	421	1,220
Expenses	(113)	–	(113)
Remeasurement gains / (losses)	827	(49)	778
Contributions by employer	1,244	530	1,774
Benefits paid	(1,252)	(737)	(1,989)
Fair value of scheme assets at 31 March 2022	39,591	20,320	59,911

	1,505	165	1,670
The Growth Plan	3,010	1,234	4,244

Movements in the recognised liability for payments due to the Growth Plan were:

	£000
Present value of payments at 31 March 2018	468
Interest cost	7
Contributions	(60)
Remeasurements	(122)
Present value of payments at 31 March 2019	293
Interest cost	4
Contributions	(49)
Remeasurements	(7)
Present value of payments at 31 March 2020	241
Interest cost	6
Contributions	(50)
Remeasurements	7
Present value of payments at 31 March 2021	204
Interest cost	1
Contributions	(52)
Remeasurements	(116)
Present value of payments at 31 March 2022	37

Amounts recognised in the Consolidated Statement of Financial Activities have been:

	2022	2021	2020	2019
	£000	£000	£000	£000
Expenses	113	116	120	119
Past service cost	–	–	–	299
Net interest cost	55	(1)	93	144
Included in net (income) / expenditure	168	115	213	562
Actuarial (gains) / losses	(1,930)	4,557	2,423	(488)
Total recognised (gains) and losses reported in the SOFA	(1,762)	4,672	2,636	74

Contributions and administration fees payable in the year ending 31 March 2021 are expected to be:

	£000
The Livability Final Salary Pension Scheme	1,215
The Pensions Trust Growth Plan	50
John Grooms Pension and Assurance Scheme	530
	1,795

Contributions and administration fees payable in the year ending 31 March 2022 are expected to be:

	£000
The Livability Final Salary Pension Scheme	1,244
The Pensions Trust Growth Plan	52
John Grooms Pension and Assurance Scheme	530
	1,826

Contributions and administration fees payable in the year ending 31 March 2023 are expected to be:

	£000
The Livability Final Salary Pension Scheme	1,289
The Pensions Trust Growth Plan	13
John Grooms Pension and Assurance Scheme	530
	1,832

Note: 14 (Group) Funds

	Restated Balance at 31 March 21 £'000	Income £'000	Expenditure £'000	Unrealised gains/(losses) £'000	Transfers £'000	Balance at 31 March 2022 £'000
Designated Funds						
Maintenance reserves - Designated	9,653	-	-	-	-	9,653
Revaluation fund	8,230	-	-	8,045	(1,658)	14,617
Total Designated funds	17,883	-	-	8,045	(1,658)	24,270
Unrestricted Funds						
General fund	6,072	51,577	(48,869)	926	32	9,738
Unrestricted Funds before Pension Liability	23,955	51,577	(48,869)	8,971	(1,626)	34,008
Pension Reserve	(3,625)	-	-	1,930	1,658	(37)
Total Unrestricted Funds	20,330	51,577	(48,869)	10,901	32	33,971
Restricted Funds						
Education	343	47	(36)	5	(12)	347
Residential & Community Services	1,694	368	(379)	-	(15)	1,668
Community Engagement	56	-	(27)	-	(4)	25
Giving by Lending	57	-	-	-	-	57
F Clements Will Trust	30	-	-	-	-	30
Kingsley Hall Church & Community Hall	2,863	1,513	(913)	-	-	3,463
Kingsley Hall, Dagenham	765	-	-	-	-	765
Prospects	61	2	(1)	-	(1)	61
Holton Lee	292	9	-	-	-	301
Total Restricted Funds	6,161	1,939	(1,356)	5	(32)	6,717
Permanent Endowment Funds						
Chiswick	475	-	-	-	-	475
Highway	2,503	-	-	-	-	2,503
Marsh St	922	-	-	-	-	922
Coney Hill Will	26	-	-	-	-	26
Welcome	986	-	-	-	-	986
Kingsley Hall, Dagenham	632	-	(62)	-	-	570
SHBEF	34	-	-	-	-	34
Shaftesbury Development	521	-	-	-	-	521
Beddington	68	-	-	-	-	68
Platt	496	-	-	-	-	496
Total Permanent Endowment Funds	6,663	-	(62)	-	-	6,601
Total Funds	33,154	53,516	(50,287)	10,906	-	47,289

During the year, £32k was transferred from restricted funds to unrestricted funds. Restricted funds are those funds available for specific, restricted purposes within the overarching charitable objects of Livability. All expenses were individually identified and satisfies the reason for the transfer from restricted to unrestricted fund.

Note: 14 (Group) Funds

	Restated Balance at 31 March 2020 £'000	Income £'000	Expenditure £'000	Unrealised gains/(losses) £'000	Transfers £'000	Balance at 31 March 2021 £'000
Designated Funds:						
Maintenance reserves - Designated	9,729	-	-	-	(76)	9,653
Revaluation fund	8,719	-	(27)	83	(545)	8,230
Total Designated funds	18,448	-	(27)	83	(621)	17,883
Unrestricted Funds						
General fund	10,445	43,213	(46,930)	65	(721)	6,072
Unrestricted Funds before Pension Liability	28,893	43,213	(46,957)	148	(1,342)	23,955
Pension Reserve	(748)	-	(115)	(4,557)	1,795	(3,625)
Total Unrestricted Funds	28,145	43,213	(47,072)	(4,409)	453	20,330
Restricted Funds						
Education	353	46	(39)	-	(17)	343
Residential & Community Services	1,360	828	(77)	-	(416)	1,694
Community Engagement	75	589	(588)	-	(20)	56
Giving by Lending	57	-	-	-	-	57
F Clements Will Trust	30	-	-	-	-	30
Kingsley Hall Church & Community Hall	1,987	1,460	(584)	-	-	2,863
Kingsley Hall, Dagenham	765	-	-	-	-	765
Prospects	61	2	(2)	-	-	61
Holton Lee	298	4	(10)	-	-	292
Total Restricted Funds	4,986	2,929	(1,300)	-	(453)	6,161
Permanent Endowment Funds						
Chiswick	475	-	-	-	-	475
Highway	2,475	4	-	24	-	2,503
Marsh St	922	-	-	-	-	922
Cloney Hill Will	26	-	-	-	-	26
Welcome	986	-	-	-	-	986
Kingsleys Hall, Dagenham	694	-	(62)	-	-	632
SHBEF	28	1	-	5	-	34
Shaftesbury Development	506	2	-	13	-	521
Beddington	53	-	-	15	-	68
Platt	496	-	-	-	-	496
Total Permanent Endowment Funds	6,661	7	(62)	57	-	6,663
Total Funds	39,792	46,149	(48,434)	(4,352)	-	33,154

Note: 15 Analysis of Net Assets by Funds for year ended 31 March 2022

	General	Designated	Pension	Restricted	Permanent Endowment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	15,981	24,566	-	-	2,625	43,172
Financial Investments	-	2,266	-	-	929	3,195
Social Investments	-	670	-	-	3,397	4,067
Cash	5,950	-	-	1,883	-	7,833
Other current assets	4,589	-	-	565	-	5,154
Current liabilities	(6,113)	-	-	(186)	-	(6,299)
Long-term liabilities	(3,192)	(5,754)	(37)	(850)	-	(9,833)
Funds at 31 March 2022	17,215	21,748	(37)	1,412	6,951	47,289

Note: 15 Analysis of Net Assets by Funds for the year ended 31 March 2021

	General	Designated	Pension	Restricted	Permanent Endowment	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible Fixed Assets	11,090	22,000	-	3,086	2,399	38,575
Financial Investments	-	1,088	-	-	929	2,017
Social Investments	-	3,139	-	-	3,397	6,536
Cash	3,006	-	-	1,063	-	4,069
Other current assets	3,617	-	-	565	-	4,182
Current liabilities	(11,811)	-	-	(185)	-	(11,996)
Long-term liabilities	-	(5,754)	(3,625)	(850)	-	(10,229)
Funds at 31 March 2021	5,902	20,473	(3,625)	3,679	6,725	33,154

Note: 16 Commitments and Contingent Assets

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Contracted	-	-	-	-
Approved not Contracted				
The amount 2022 £Nil; (2021 £Nil)				

Note: 17 Obligations under Operating Leases

Group and Charity	2022			2021		
	£'000 Land & Building	£'000 Other Equipment	£'000 Total	£'000 Land & Building	£'000 Other Equipment	£'000 Total
Within 1 year	1,391	28	1,419	1,101	34	1,135
In 2 - 5 years	3,840	13	3,853	3,834	33	3,867
Over 5 years	10,075	-	10,075	9,900	4	9,904
	15,306	41	15,347	14,835	71	14,906

Note: 18 Financial Instruments

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Financial Assets at Fair Value through income & Expenditure				
Financial Investments	3,195	1,998	3,165	2,017
Social Investments	4,067	6,536	4,067	6,536
Financial Liabilities at Fair Value through income & Expenditure				
Interest rate options	-	-	-	-
Secured loans	-	-	-	-
Financial Liabilities measured at amortised cost				
Bank loans	(10,377)	(6,604)	(9,500)	(5,755)
Trade creditors	(2,079)	(1,838)	(1,929)	(1,660)
Amounts due to subsidiaries	-	-	(628)	-

Note 19 Related Parties

Trustees received no remuneration in respect of their services as Trustees of Livability. Travel and other out of pocket expenses were reimbursed to 4 Trustees in the year to the value of £5,251 (2021:£90) and cost of providing training to Trustees in relation to their duties was £Nil (2021:Nil).

Livability paid £5,554 (2021:£5,544) in the year to provide indemnity Insurance for the Trustee.

Livability received donations of £360 (£2021:1,292) from the Trustees

2022	Shaftbury Society £'000	Livability Icanho Ltd £'000	Kingsley Church and Community Centre £'000	Livability Contract Services Ltd £'000	East Holton Charity £'000	Holton Lee Ltd £'000	Prospects for People Learning Disabilities £'000
Balance sheet amounts							
Amounts due to Parent undertaking	-	-	-	-	-	-	8
Amounts due from Parent undertaking	18	-	-	-	-	-	-
Income							
Donation from Parent Charity	-	-	-	-	-	-	-
Expenditure							
Charitable Donation paid							
2021							
Balance sheet amounts							
Amounts due from Parent undertaking	17	68	1	71	-	-	8
Income							
Donation from Parent Charity	-	-	-	-	-	-	-
Expenditure							
Charitable Donation paid	-	-	-	-	-	-	-

Post Balance sheet Events

After 1st April 2022, functional freehold properties were disposed of, generating £535k from Marion House.

Trusts and Supporters 2021-22

As well as the organisations listed below for their contributions towards our work, we also extend our thanks to those organisations who wished to remain anonymous, the families of those who remembered Livability in their Wills, and the thousands of generous individuals whose support makes such a huge difference to our work and the people we support.

Trusts and Foundations

Aldingbourne Gospel Trust

Barclays

Emmaus Christian Fund

Dudley and Geoffrey Cox Charitable Trust

Eric Stanton Northampton Trust

Essex Community Foundation

Fowler Smith and Jones Trust

Homelands Charitable Trust

Joan Ainslie Charitable Trust

Louis Ross Foundation

Norfolk Community Foundation

Talbot Village Trust

The Alice Ellen Cooper-Dean Charitable Foundation

The Barbara Price Charitable Trust

The Bradbury Foundation

The Bruce Wake Charitable Trust

The Colchester Catalyst Charity

The E F Bulmer Benevolent Fund

The Edith Murphy Foundation

The J & D Hambro CT

The Liz and Terry Bramall Foundation

The Nora and Olive Brewer Memorial Trust

The Rowlands Trust

The Scott Bader Commonwealth Ltd

The Thomson-Bree Charitable Trust

The Valentine Charitable Trust

Supporters

David & Julia Smith

Friends of Brackley

Friends of Dolphin Court

Friends of John Grooms Court

Friends of Keefield Close

Friends of Nash College

Friends of Livability North East

Friends of Talbot Manor

Friends of VEC

Friends of Victoria School

Friends of York House, Ossett

Helpcards

Masks for NHS Heroes

Wareham Golf Club

Organisational Details

Patron: Her Royal Highness, The Princess Royal

Vice-Patrons: The Rt Hon The Earl of Shaftesbury, Nicholas Ashley-Cooper

President: The Most Revd and Rt Hon Justin Welby, Archbishop of Canterbury

Senior Vice-President: Baroness Valerie Howarth of Breckland OBE

Vice-Presidents:

Lord Donald Curry of Kirkharle CBE

David Harmer

Roy McCloughry

The Rt Hon Lord McColl of Dulwich CBE

Sarah Omond

Pamela Rhodes

The Revd Canon Roger Royle

Revd Michael Shaw

Trustees:

Kate Clare, Chair of Trustees (appointed as Chair on 29 July 2019); Chair of Safeguarding Board (resigned 29 March 2022)

John Robinson CBE, Chair of Trustees and Chair of Strategic Business Committee (appointed as Chair on 29 March 2022)

Anne Anketell (appointed 22 June 2022)

Angus Brown (resigned 29 March 2022)

The Rt Revd Richard Frith (appointed 15 April 2022)

Duncan Ingram (appointed 15 April 2022)

Canon Sue Johns, Chair of Services Quality Committee (appointed 16 January 2020)

Heather Laffin (appointed 16 January 2020)

Tom O'Connor (appointed 15 April 2022)

Lisa Quinlan-Rahman (appointed 22 June 2022)

John Weaving, Chair of Audit Committee (appointed 16 January 2020)

Andrew Wilson (appointed 21 March 2018)

Peter Woodall (appointed 16 January 2020)

Senior officers:

Chief Executive Officer – Sally Chivers (appointed 29 July 2019)

Executive Director for Education - Adele Audin (appointed 19 January 2021)

Finance Director – Ayodele Laleye (appointed 3 February 2022)

Executive Director of Care Operations – Jane Percy (appointed 11 May 2019)

Principal Solicitors: Anthony Collins LLP, 134 Edmund Street, Birmingham, B3 2ES

Principal Bankers: Metro Bank plc, One Southampton Row, WC1B 5HA

Auditors: Crowe UK LLP, 55 Ludgate Hill, London EC4M 7J

Registered and Central Office: Livability, 6 Mitre Passage, London SE10 0ER

www.livability.org.uk