

# **St Elizabeth's Centre**

## **Annual Report and Financial Statements**

Year end 31 December 2021

Company Limited by Guarantee  
Registration Number  
11087989 (England and Wales)

Charity Registration Number  
1176777

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## Reference and administrative information

**Board of Trustees** Sister Patricia Ainsworth  
Sister Josephine Anne Clemence  
Mr John Coleby  
Mr James Conway  
Ms Claire Cook  
Mr Richard Crean  
Sister Veronica Hagen  
Mr Christopher Kemball (Chairman)  
Reverend Father Peter Lyness  
Bishop Paul McAleenan (Vice Chairman)  
Mr Robert Moore  
Mr Nicholas Seed

**Company Secretary** Ms Holly Venetia Phipps (resigned 30 June 2021)  
Mrs Mary Keane (appointed 14 September 2021)

**Company registration number** 11087989

**Charity registration number** 1176777

**Address** St Elizabeth's Centre  
South End  
Much Hadham  
Hertfordshire SG10 6EW

**Auditor** Buzzacott LLP  
130 Wood Street  
London EC2V 6DL

**Principal bankers** CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4 JQ

**Solicitors** Farrar & Co  
66 Lincoln's Inn Fields  
London WC2A 3LH  
  
Stanley Tee LLP  
95 London Road  
Bishop's Stortford  
Hertfordshire CM23 2LU

## Reference and administrative information

### Senior Leadership Team

<b>Chief Executive</b>	Ms Jill Rankin
<b>Chief Operating Office &amp; Deputy Chief Executive</b>	Mr Rhodri Jenkins (from Director of Finance 9 August 2021)
<b>Principal</b>	Ms Teresa Glynn – appointed 1 May 2021
<b>Director of Children's Health &amp; Care</b>	Ms Cheryl Allum-Clarke – appointed 18 June 2021
<b>Director of Adult Services</b>	Ms Caroline Theodorou – appointed 4 January 2022, resigned 9 September 2022
<b>HR Director</b>	Ms Gail Christey – resigned 20 August 2021

### Other officers

<b>Head of HR</b>	Rachele Gale – appointed 9 August 2021
<b>Head of Domiciliary Care</b>	Ms Cheryl Gow
<b>Assistant Director of Children's Services</b>	Ms Amaka Williams – appointed 2 August 2021
<b>Registered Manager Adult Services</b>	Ms Jenny Brand – appointed 1 September 2021
<b>Head of Children's Care Services</b>	Ms Diane O'Connor – resigned 10 September 2021
<b>Head of School</b>	Mrs Samantha Steinke-Sanderson – resigned 20 February 2022

### **Introduction**

The Board of Trustees ("**Trustees**") presents its report with the accounts of St Elizabeth's Centre ("**Charity**") for the year ended 31 December 2021 (note that the prior year comparatives relate to the 16 months ended 31 December 2020).

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report and strategic report for the purposes of company legislation.

The accounts are presented in accordance with the accounting policies set out on pages 32 to 35 therein and comply with the Charity's Memorandum and Articles of Association ("**Articles**"), the Companies Act 2006 and the requirements of United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The accounts follow the principles of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).

### **Structure, governance and management**

St Elizabeth's Centre was originally established in 1903 as one of the charitable works of the Congregation of the Daughters of the Cross of Liege (the "**Congregation**"), a Roman Catholic religious' congregation, founded in 1833 in Liege, Belgium. St Elizabeth's Centre operated as part of the Congregation until 30 September 2018, when the activities and assets of St Elizabeth's Centre were transferred to a newly registered charity with the name of 'St Elizabeth's Centre'. Some Trustees of the Congregation are also Trustees of the Charity.

The Charity was incorporated as a company limited by guarantee without a share capital on 29 November 2017 and registered as a charity with the Charity Commission on 22 January 2018. It is governed in accordance with the Articles.

The Articles require that the Charity has between five and fifteen Trustees. Trustees are appointed by the Archbishop of Westminster. The following Trustees were in office at 31 December 2021 and served throughout the period, except where shown.

**Structure, governance and management** (continued)

***Trustees***

<b>Trustee</b>	<b>Appointed / Resigned</b>
Mr Christopher Kemball (Chairman)	
Bishop Paul McAleenan (Vice Chairman)	
Sister Patricia Ainsworth	
Sister Josephine Anne Clemence	
Sister Veronica Hagen	
Ms Claire Cook	
Mr James Conway	
Mr John Coleby	
Mr Richard Crean	Resigned 16 February 2021, reappointed 22 March 2022
Ms Freda Kelly	Resigned 25 September 2021
Mr Robert Moore	
Mr Nicholas Seed	
Father Peter Lyness	
Mr Chris Pugh	Resigned 15 March 2021

Trustees are encouraged to attend any conferences, courses and seminars which they feel are relevant to keep themselves apprised of any changes in the relevant legislation or best practice regarding the governance of the Charity. In addition, professional advice is extensively sought and relied upon by the Trustees, particularly in the areas of law, finance, accounting, property and investment.

***Trustees' expenses***

All Trustees are non-executive and do not receive any remuneration from the Charity in connection with their duties as a Trustee. No Trustee had any beneficial interest in any contract with the Charity.

***Organisation***

The Board of Trustees meets six times a year. In addition, there is a Finance Audit and Risk Committee and a Health Care and Quality Committee to consider those areas of the Charity's operations in more detail, as well as separate Boards of Governors for the School and the College. The Senior Leadership Team (SLT) consisting of the Chief Executive Officer, Chief Operating Officer, Principal (previously called Director of Education and Skills) and Director of Adult Services, undertake the routine management of the Charity.

**Structure, governance and management** (continued)

***The Senior Leadership Team***

The following members of the SLT were in office at 31 December 2021.

Senior Leadership Team	Role
Ms Jill Rankin	Chief Executive Officer
Mr Rhodri Jenkins	Chief Operating Officer and Deputy Chief Executive Officer
Ms Cheryl Allum-Clarke	Director of Adult Services
Ms Teresa Glynn	Principal

The pay of the Senior Leadership Team is reviewed regularly and approved by the Trustees, based upon independent external recommendation. The pay of the Senior Leadership Team is benchmarked against other charities in the sector.

***Public Benefit***

Charity law requires the Trustees to include in their annual report a confirmation that they have had regard to the guidance of the Charity Commission regarding public benefit. The Trustees are also required to provide information which demonstrates how the Group and Charity meets the guidance.

This report describes the aims and activities of the Group and Charity which the Trustees believe contribute significantly to the aims of the Group and Charity and meet the criteria established by the Charity Commission for assessing public benefit. In particular, where fees are charged for the services provided, the services are provided on the basis of need and the cost is largely met from public finances.

**Aims and Activities**

***Aims***

The Objects of the Group and Charity are the promotion of the Catholic religion, the advancement of education and the promotion of physical and mental health for people of all ages who have epilepsy or other complex needs on the basis of need and regardless of their religious, cultural or ethnic background by the provision of:

- (a) education (including cultural, social, moral and spiritual development);
- (b) training and other activities to develop their skills, capabilities and capacity to engage in work;
- (c) care and health support; and
- (d) facilities for leisure time occupation in the interests of social, moral and spiritual welfare; in accordance with the teaching, rites and practices of the Catholic Church and (save for purposes incidental and ancillary to those objects) no other purposes.

## Aims and Activities (continued)

### Activities

Based on a 40-acre site in Hertfordshire, the Group and Charity provide:

- ◆ Support to over 200 children, young people and adults each year.
- ◆ Highly-specialised residential accommodation, with 24-7 care, including:
  - ◇ a care home with nursing support ("**Home**"), comprised of 12 specially-adapted bungalows;
  - ◇ supported living accommodation in the nearby town of Bishop's Stortford
  - ◇ a fully accessible children's home spread over eight bungalows: and
  - ◇ on-site supported living accommodation for our College students;
- ◆ Specialist education, including:
  - ◇ a 'non-maintained special school' for children aged 5-19 ("**School**"); and
  - ◇ a 'Section 41 approved special post-16 institution' ("**College**") for young people aged 19-25, offering a 3-year programme that focuses on developing key skills;
- ◆ Health and therapeutic support including:
  - ◇ 24-hour nursing support, including epilepsy-specialist nurses, specialist learning disability nurses and paediatric nurses; and
  - ◇ access to on-site therapeutic programmes including occupational therapy, physiotherapy, speech & language therapy and emotional & behavioural support;
- ◆ Key skills development and leisure opportunities, both on and off-site, including vocational and therapeutic activities, music, crafts, sensory activities, IT and sports.

Through the Charity's multi-disciplinary approach, with its academic teams, carers, health staff, therapists and managers working together towards a common goal, the Charity ensures its service users get the best possible chance to realise their full potential. The Charity provides personalised care plans that meet the needs of each individual, encompassing their education, care, health and wellbeing, and social skills, and encouraging independence so far as possible.



## **Aims and Activities (continued)**

### ***Regulated Services***

At present there are six separate regulated services on site:

- ◆ Adult Care Home with Nursing
- ◆ Nursing Agency (provides nursing and therapy services into all the other regulated services on the site)
- ◆ Domiciliary Care Agency (which provides supported living to tenants in their own home)
- ◆ Children's Home
- ◆ College
- ◆ School

### **Achievements and performance**

The Trustees are pleased to report that the Charity has been able to declare a surplus of £203,000 for the year compared with a loss of £1,396,000 for the previous sixteen-month period. We achieved this, despite the restrictions of Covid-19 and without reducing front line services, by streamlining our central and administrative costs. However, as has been well reported, the care sector has been suffering from severe staff shortages caused by many individuals leaving from stress caused by the pandemic, the mandatory vaccine regime and low pay rates. The Trustees are pleased to confirm that in December last year St. Elizabeth's significantly increased our pay rates to £12 an hour thus bringing us into line with local employers. We hope during the current year to negotiate higher prices from our NHS and local authority commissioners to reflect our increased operating costs, as it is essential that the Charity makes sufficient surplus to continuously invest in improvement of our services and property.

Our overriding objective during the pandemic was to ensure the safety of our residents and staff as well as to ensure that the Charity remained solvent. Due to stringent measures taken at the onset of the pandemic, we were able to mitigate its effects and Covid deaths were limited to 1 resident with none amongst the staff in the period. Our hearts and prayers go out to the family and loved ones of the deceased.

Under our Chief Executive, Jill Rankin, and Chief Operating Officer, Rhodri Jenkins, we started a gradual process of transformation of St. Elizabeth's during the year. This is part of a multi-layered strategy comprising strengthening of middle management, simplification of our structures, transitioning to a data-based system, reducing central costs through better procurement and improving our properties. In doing this, we are working closely with our regulators and commissioners. These steps are important to ensure that we provide a safe and high-quality service to our residents. In this connection, while our Children's Home is still rated as Requires Improvement, we have recruited experienced senior managers and significantly improved our processes and systems during the year and remain confident that we will regain our previous Good rating at the next Ofsted inspection. Disappointingly, at the time of writing, we have been informed by CQC that our Adult Home and Supported Living have received an Inadequate rating.

**Achievements and performance (continued)**

Despite the large increase in staff pay at the end of last year, we are continuing to experience significant staff shortages. This industry-wide phenomenon has been exacerbated by continuing high rates of Covid-19 infection and absences which have put significant strain on our existing management and staff as they have had to take on extra rotas to compensate for absences. With support from the Diocesan Head of HR, we restructured our HR team during the year which has resulted in a dramatic improvement in our recruitment, induction and training ability. Initiatives have included a more focussed recruitment process, better induction and improved training, and more efficient use of bank staff. We have also applied for a number of Home Office licences to bring in suitably qualified and English speaking overseas carers. It will take several more months of the current year before we shall be able to see the results. We are lucky to have such an outstanding and dedicated HR team.

Despite these recruitment efforts, the level of vacancies in 2022 in the Adult Home has remained persistently high, resulting in significant challenges to our being able to operate a safe service.

Trustees and Management have engaged in an extensive consultation process with various stakeholder groups, which concluded on 13 September 2022.

Following this consultation process, in the best interests of those in our care, and with no prospect of safely staffing the service in the longer term or meeting the standards required of us, we have reluctantly concluded we have no option other than to close our Adult Care Home on 30 November 2022.

St Elizabeth's will, however, continue to operate as a residential school and college, supporting children and young people with epilepsy and other complex conditions where there is an increasing need for specialist care.

We were very sad to lose Fraser Morrison, a fellow trustee, who died suddenly of a heart attack last autumn. He was much respected for his wise counsel, kindness and common sense. Our thoughts and prayers are with Fraser and his family. We currently comprise 11 Trustees and are actively looking for additional Trustees. We are delighted that Richard Crean agreed to re-join the Board in March 2022. We are also delighted to have had the services of Mary Keane as Company Secretary. She comes with deep knowledge and experience, having previously been Company Secretary at Anchor, the large housing association and care home charity which caters for older people.

The outlook for the current year remains very challenging. The combination of staff shortages, increased operating costs due to the December pay rise and the risk that we are unable to recover all these costs from commissioners is putting pressure on our performance. Nevertheless, we now have an excellent management team and remain confident that we will successfully manage our way through these difficulties. As always, we are grateful for the support and commitment of our staff, our residents and their families. We are achieving amazing outcomes for those placed in our care.

**Achievements and performance (continued)**

***Achievements***

This report covers the operations for the 12 months ended 31 December 2021. Over the past 12 months, the Charity has supported:

- ◆ 86 adults aged 18+ across 11 fully accessible residential bungalows, with nursing and therapeutic support, as part of the care home provision;
- ◆ 12 adults in the supported living accommodation in nearby Bishop's Stortford;
- ◆ 21 learners aged 19 - 25 at the College, 92% of whom were residential and living in the specially adapted on-site bungalows;
- ◆ 51 children aged 5 - 19 in the School, 88% of whom lived on site (some term-time only and others 52-weeks a year) in the specially-adapted Children's Home;
- ◆ 32 adult day service users, who live locally but come to the site to participate in the extensive daytime programme of recreational, physical and vocational activities; and

Graduation success:

11 learners from College and 7 students from School graduated in July 2021.

Leavers from College transitioned into a range of settings including: supported living, further education at SENSE, voluntary work experience and community activities such as attending the Theatre. A student from School is now undertaking a Community Activator Coach Apprenticeship and works in the School as a member of staff.

Two students from School were offered and commenced placements in College.

Academic achievements

College: during the academic year September 2020 to July 2021, 100 % of learners made progress in both English and mathematics, in year and from their starting points. Through assessment in Preparation for Adulthood 69 % made outstanding progress and 31 % made above expected progress. Furthermore 8 learners received accreditation for Skills for Working Life and 16 achieved accreditation or Personal Progress.

School: By the end of the academic year 100% of students made progress in all areas, of which 22% of students made 21 or more steps of progress. 95 % made 1 – 20 steps of progress in reading and writing, with 87 % in communication. 51 % made 1 – 20 steps and 49 % made 21 + steps in mathematics. It is notable that 20 young people achieved accreditation units through City and Guilds.

The School was also approved to deliver City and Guilds qualifications in English and mathematics alongside the College. This is a very positive development and will be reflected in the curriculum planning for 2021/22.

**Achievements and performance** (continued)

***Achievements*** (continued)

Outings by residents

Despite Covid restrictions during the year we were able to successfully organise trips for residents:

- ◆ White Horse pub in Wareside hosted Christmas afternoon tea for our School students;
- ◆ School children went to Cammas Hall to do some pumpkin picking;
- ◆ Adult residents and day clients took part in High Wych Scarecrow Festival;
- ◆ The recruitment team attended and hosted a number of recruitment stands in the community;
- ◆ Fundraising and HR attended Bishop's Stortford Means Business event;
- ◆ We hosted a number of Christmas stalls in the community; and

Fundraising Successes 2021:

Thanks to the generosity of a large number of supporters, including Charitable Trusts, Corporates, Individuals and Community Groups, the Charity successfully fundraised from the following sources:

- ◆ Community, St Elizabeth's Events, Third Party Events: £96,192
- ◆ Legacies: £91,170
- ◆ Supporter Donations: £26,798
- ◆ Trusts: £61,411

This fundraising has allowed us to invest in:

- ◆ 2 new Outdoor Gyms (School end & College locations) for residents and staff to enjoy;
- ◆ Funds allocated towards a New Outdoor Sensory Garden (planned for Spring 2023);
- ◆ New Wheel Chair Sensory Garden area for Chilton House Children's Home;
- ◆ Upgrading and New equipment for the Children's Health Centre;
- ◆ Upgrading bathrooms, bedrooms and communal areas in some of the Adult accommodation; and
- ◆ Upgrading bathrooms, bedrooms and communal areas in some of the Children's accommodation.

### Future Plans

As already noted, the year was impacted by the staffing crisis and Covid. This has meant that the 5-year strategic plan has started at a slower pace than was anticipated. However, the six key objectives remain:-

<b>Respected provider of choice</b>	To be the respected provider of choice and market leader, centre of excellence initially in the South East, for people with learning disabilities, epilepsy and other challenging health conditions.
<b>Robust operating model</b>	Ensure a robust operating model that delivers a consistent and sustainable financial surplus. Retain services for adults, but focus on growing and developing services for children as this is where we are most likely to be able to make the most impact.
<b>Property upgraded</b>	The on-site property portfolio is to be significantly upgraded. Capital expenditure will be managed on a priority basis to include utilities, fire safety and infrastructure. We recognise that fundraising will be integral to the success of these projects. Off-site opportunities and services to also be developed for adults to create real opportunities for community living in partnership with capital providers.
<b>Be a leading employer</b>	Promote excellence, pride, continuous improvement and personal growth. Offer ethical pay scales.
<b>Respected brand</b>	A respected, recognisable, brand, supported by effective communications that engages the widest possible audience.
<b>Modern business intelligence</b>	Modern integrated systems and a developed Business Intelligence function.

### *The Environment*

The Trustees are conscious of the Charity's corporate social responsibility to protect the environment. The Charity has adopted an Environmental Sustainability Policy.

### *Volunteers*

Over 15,000 hours of volunteering have been provided by a team of very dedicated volunteers, who support the work of the Fundraising Team and within the Charity Shop

## Financial Review

The net income (expenditure) for the unrestricted and restricted funds were as follows:

		Charitable activities			
		Home & Day Services	School & Children's Home	College & Domiciliary Care	Fundraising, shops & Investments
	<b>Total £'000</b>	£'000	£'000	£'000	£'000
School, College and Home income	<b>25,725</b>	10,970	8,279	5,300	1,176
Cost of raising funds	<b>(101)</b>	—	—	—	(101)
Fundraising and Trading	<b>(768)</b>	—	—	—	(768)
Charitable Activities	<b>(24,653)</b>	(11,303)	(8,108)	(5,242)	—
Net (expenditure) income before transfers	<b>203</b>	(333)	171	58	307

The net income (expenditure) for the unrestricted and restricted funds were as follows (12 months of trading):

- ◆ The Charity made an overall surplus of £218k before transfers to restricted funds.
- ◆ The restricted funds had a deficit of £15k in the period, giving an overall surplus of £203k.

All charitable activities make a positive contribution to the recovery of support service costs.

## Reserves Policy and Financial Position

The Trustees are conscious of the need to balance the requirements of the Charity's present service users and students against those in the future. This means that they have to determine the level of reserves to be carried forward to invest in future development. The Trustees consider that, given the nature of the Charity's work, the minimum level of reserves should be 3 months' annual expenditure.

The unadjusted general fund reserves of £7,331k represent approximately 3.5 months of annual expenditure. The Trustees are currently adopting a new 5-year strategy with the aim of generating sustainable operating surpluses to support investment in new facilities and improved services. In this context the reserves policy will be reviewed to ensure it is consistent with the long term financial strategy.

Restricted funds of £122k, as at 31 December 2021, are available for a range of smaller projects for which the Charity has received donations, but has not yet incurred the expenditure.

Designated reserves of £19,370k principally comprise the fixed asset fund, representing all net assets and liabilities connected to the fixed assets of the Charity.

Cash balances total £7,082k at 31 December 2021, consisting of £3,357k of short term deposits and £3,725k of cash at bank and in hand.

### **The Group and Charity's Assets**

The acquisitions and disposals of fixed assets during the period are recorded in note 10 to the financial statements.

Since the transfer of the Congregation's assets and activities to the Charity, the Charity's land and buildings have not been revalued.

### **Fundraising**

During the period a total of £1,161,000 was raised from gift aid, donations, legacies, shops and Fundraising activities:

- ♦ Shops £856,000
- ♦ Events £87,000
- ♦ Legacies & Individuals £218,000, of which was £88,000 was for restricted purposes
- ♦ We had six London Marathon runners who raised over £13,000 altogether.

The internal Fundraising Team engages with the local community groups and corporate partners to encourage these employees to raise funds and volunteer at the centre as part of their CSR (Corporate and social responsibilities).

Applications are also made to grant-making Trusts for capital projects, specific projects, and unrestricted funding.

The Centre has 9 charity shops across Hertfordshire and Essex. Due to National Lockdown restrictions as a result of the Covid-19 pandemic, the charity shops were only able to open for a maximum of 9 months in this period, and were required to follow strict social distancing measures, including limiting customer numbers and quarantining donations.

The Fundraising Team also runs a series of on-site events to raise funds, and supports individuals to fundraise and donate, by participating in challenge events, hosting fundraisers and raising awareness, within our local communities, networking and working with the local councils and BID teams. Our HR teams has joined the community events.

The Centre sends a newsletter twice-yearly to supporters who have expressed an interest in our work and runs 2 fundraising raffles throughout the year. The Centre does not make use of professional fundraising agencies.

The Charity is registered with the Fundraising Regulator and is committed to adhering to the Fundraising Code of Practice.

Complaints are reported to the Fundraising Regulator in accordance with their timetable. There were no complaints in the last reporting period. The Charity has not had any adjudications and had no significant failures, ensuring compliance with these standards. Detailed policies and procedures are in place and compliance is reviewed through audit, by monitoring feedback and taking corrective action where required.

### **Fundraising** (continued)

Supporters are asked whether they would like the Charity to keep in touch with them, by way of regular updates on our work and how they have helped the Charity. Recipients of both email and mail-based communications are given the option to confirm if they prefer less contact or no longer wish to receive correspondence, and these preferences are immediately updated.

The Charity does not sell or exchange lists of data with any other charities or companies. The Charity's fundraisers have been briefed to protect people in vulnerable circumstances. If they encounter someone showing signs of distress, confusion or vulnerability, the fundraisers are trained to politely end the conversation and refuse any donation offered in such circumstances. In the unlikely event of a donation being taken, the donation would be refunded.

### **Promoting the success of the charity and employee engagement**

As the Trustees of St Elizabeth's, we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the Charity's success for the benefit of all stakeholders, and to have regard to the long-term effect of our decisions on the Charity. This statement addresses the ways in which we as Trustees execute this responsibility.

#### *Promoting the Charity's success for its stakeholders*

St Elizabeth's became an independent charity in 2018 with a Board of Trustees and is run on a day to day basis by a Senior Leadership Team. We are proud to deliver of the ways in which, over a century the charity has provided care and support for children and adults of all ages with epilepsy and other complex medical conditions, the severity of which impacts their health, social, behaviour, learning and emotional development. The decisions we make as a Charity, from the ground level through to the Board of Trustees, are for their benefit.

We are a values driven organisation and strive to demonstrate the following ideals:

<b>Compassionate</b>	We care. We think of life as a gift, to be respected, celebrated and cherished.
<b>Aspirational</b>	We are ambitious for people we work with. We work with passion to ensure that they live their lives to the full, and with dignity. We set high standards and stretching goals, and support people to achieve their potential.
<b>Creative</b>	We seek out opportunities to be creative, to innovate and to have a positive impact. We embrace change.
<b>Collaborative</b>	We are collaborative, professional and inclusive. We respect, value and learn from each other. We work in partnership.
<b>Joyful</b>	We strive never to lose sight of the fun and joy in life. Our success is dependent on the collective energy and contribution of our staff. Staff who enjoy their work and enjoy being at work, are the bedrock of a high quality sustainable service.



**Promoting the success of the charity and employee engagement** (continued)

There are wider consultation mechanisms which support us in fostering healthy relationships with stakeholders. These include:

- ◆ 6 meetings annually with the Senior Leadership Team
- ◆ Family Association
- ◆ Residents Forum
- ◆ School Council
- ◆ College Council
- ◆ Information and Consultation Group

We have agreed and approved a 5-year strategic plan, which emphasises the delivery of market leading services providing the required returns to reinvest in the infrastructure of the operation and property portfolio to build further success. It underlines the need to build a talented team and a respected brand that is recognisable for its purpose and quality of service delivery. We recognise that to succeed we will need to build strategic partnerships with other organisations that can provide the infrastructure to successfully deliver this ambitious plan.

Our key stakeholders, and the ways in which we engage with them, are as follows:

<b>Our clients</b>	The views of our clients is of paramount importance to us and forms the basis of our work and there are forums for them in each service area.  Additionally we have annual surveys, monthly house meetings and weekly key note session to ensure the views, wishes and aspirations of those who use our services.
<b>Regulatory authorities</b>	St Elizabeth's provides services to vulnerable children and consequently is a highly regulated environment. We engage proactively with Ofsted, CQC and multiple local authorities who carry out compliance visits. St Elizabeth's operates in an open and transparent manner with regulators and aspire to reach the highest possible standard across our services.

**Promoting the success of the charity and employee engagement** (continued)

<b>Our employees</b>	<p>Below are ways we engage with our employees:</p> <ul style="list-style-type: none"><li>◆ We operate a well embedded staff consultation process, to include our Information and Consultation Group, which comprises elected staff representatives who meet every 2 months with the CEO and Senior Leadership Team.</li><li>◆ There are annual all staff surveys and an annual staff conference.</li><li>◆ Collaborative staff working parties both for ad hoc issues or longer term initiatives/areas of interest, for example our Equality, Diversity and Inclusion Group and our Environmental Sustainability Group.</li><li>◆ Regular cross service Senior Leadership Team meetings, to include our Operational Senior Leadership Team meetings of all our Heads of Department and our Care and Health Leadership Team meetings.</li><li>◆ Appraisal and supervision processes which are designed to support reflective two way discussion between staff and line managers.</li><li>◆ Other opportunities for feedback from staff and effective engagement are also in place to include a “Moving On” (exit interview) process.</li><li>◆ Our People Strategy has been created following a comprehensive engagement process with staff.</li></ul>
<b>The wider community</b>	<p>The Centre is committed to working with and alongside the local community to increase awareness of St Elizabeth’s and the work they do. Nine charity shops across Essex, Hertfordshire and North London support fundraising efforts and help to spread awareness amongst their customers, supported by over 100 volunteers from the local area. St Elizabeth’s is also a member of a number of Business Improvement District (BID) initiatives in towns where our shops are based.</p> <p>St Elizabeth’s is a member of several Chambers of Commerce and Networking Groups, working alongside town councillors, local businesses and community groups to raise awareness and develop potential partnerships. These continued during lockdown on a virtual forum, and led to significant donations, marketing opportunities and pro-bono support.</p>

### Streamlined Energy and Carbon Reporting requirements

We detail below our reporting obligations in relation to the energy use and carbon emissions for the accounting period under review.

UK Greenhouse Gas Emissions and Energy Use Data for the year ended 31 December 2021		16 month period to 31 December 2020
Energy Consumption used to Calculate Emissions (kWh)	6,412,696	8,568,513
Energy Consumption break down (kWh) (Optional)		
Gas	5,279,334	7,015,423
Electricity	1,133,362	1,553,090
Transport Fuel	-	-
	6,412,696	8,568,513
<b>Scope 1 Emissions in Metric Tonnes</b>		
CO2e Gas Consumption	967	1,290
Owned Transport - mini-buses, cars and vehicles	24	40
<b>Total Scope 1</b>	<b>991</b>	<b>1,330</b>
<b>Scope 2 Emissions in Metric Tonnes</b>		
CO2e Purchased Electricity	241	362
<b>Total Scope 2</b>	<b>241</b>	<b>362</b>
<b>Scope 3 Emissions in Metric Tonnes CO2e</b>		
Taxis to Work	10	13
Bus Services	9	12
Business Travel in Employee Owned Vehicles	-	-
Leased vehicles	81	104
<b>Total Scope 3</b>	<b>100</b>	<b>129</b>
<b>Total Gross Emissions in Metric Tonnes CO2e</b>		
	<b>1,331</b>	<b>1,821</b>
<b>Intensity Ratio</b>		
Tonnes CO2e per Resident	7	9

### **Streamlined Energy and Carbon Reporting requirements (continued)**

#### *Quantification and Reporting Methodology*

Where the information has been available we have taken this directly from primary records, for example, gas and electricity invoices and statements. For transport costs, we have taken information from mileage records and applied UK Government's guidance in relation to energy conversion factors. Where information and data has not been recorded in a comprehensive manner, we have made informed assumptions and judgements in relation to activity and usage. This has applied to the information we have applied in relation to the use of taxis and the staff bus service.

We are actively looking at new approaches and processes which will provide further clarity to our record keeping for emissions, energy consumption and energy efficiency.

#### *Intensity measurement*

Our intensity measurement is based upon the average number of residents on site over the period under review.

#### *Measures Taken to Improve Energy Efficiency*

The Charity has in place a range of operational initiatives aimed at making a positive contribution towards reducing our carbon footprint, emissions and energy consumption and at improving its energy efficiency. Such initiatives include, but are not limited to:

- ◆ The formation of an Environment and Sustainability working group to provide leadership and direction on energy related matters;
- ◆ Recycling and waste management improvements in relation to food waste, mixed recycling and composting;
- ◆ Travel and transport – developing further the bus service to staff members and other uses; a continuation of the car share scheme arrangements; cycle to work initiatives; and expanding electric vehicle charging points; and
- ◆ Energy usage and renewables – replacing electric bulbs with LED equivalents when they are ready for replacement; reviewing solar panel usage, wind turbine expansion and looking and cavity wall insulation.

Additionally, in relation to procurement (services and works) the Charity will be actively assessing suppliers and contractors in relation to waste disposal, the use of recycled materials and policies for energy efficiency and reducing their carbon footprint, emissions and energy consumption.

### **Risk Management**

All major risks to which the Charity is exposed have been assessed including those relating to the specific operational aspects of the Charity, its investments and finances. The Trustees believe that by examining the operational and business risks faced by the Group and Charity, and by monitoring reserve levels and ensuring proper systems of financial control are in place, they have established effective procedures and safeguards to mitigate all reasonably known risks.

### Risk Management (continued)

The most significant risks faced by the Charity are:

- ♦ residents suffering harm;
- ♦ a safeguarding incident occurring; or
- ♦ a decline in income from local authorities and central government, being the Charity's main funders, resulting in lower referrals and/or pressures on fee levels.

The Charity operates a system of annual planning and budgeting. Performance is monitored against the approved budget with the use of financial and non-financial metrics and targets.

Risks are identified by the Senior Leadership Team and senior managers and the likelihood and impact on the Charity is assessed. Mitigating actions are identified and kept under review. The major risks are set out below:

Risk	Mitigation
<p><b>Staffing</b> – well publicised staffing crisis in the care sector.</p> <ul style="list-style-type: none"> <li>▪ Insufficient staff lead to a reduction in service quality</li> <li>▪ Insufficient staff lead to high agency and/or premium overtime costs</li> <li>▪ Insufficient staff creates a skills gap which could impact on our Regulatory status</li> <li>▪ Difficulty recruiting and/or retaining sufficient numbers of staff who are able/willing to complete the required RCCL3 qualification</li> <li>▪ Loss of key personnel impacts on cost/performance</li> <li>▪ Reduction in quality / breadth of staff training as training moves to a blended delivery model</li> </ul>	<ul style="list-style-type: none"> <li>• Development and implementation of the people strategy (year 1)</li> <li>• Substantial pay awards in December 2021</li> <li>• Overseas recruitment drive with Visa Licence</li> <li>• Development and implementation of the retention action plan (year 1)</li> <li>• Embed Investors in People action planning to support improved practice and retention</li> <li>• Increase capacity to offer additional support to RCCL3 candidates</li> <li>• LMS implemented with no reduction in quality of training offer, continuing to meet regulatory requirements</li> <li>• 'Roll out' new behaviours work in interactive workshop</li> <li>• Devise and implement specific welcome/ induction training packages with a blended learning approach to ensure regulatory requirements are met or exceeded</li> </ul>

**Risk Management** (continued)

Risk	Mitigation
<b>Children's Home</b> <ul style="list-style-type: none"> <li>▪ Regulatory rating</li> <li>▪ Reputation</li> <li>▪ Staffing levels</li> <li>▪ Management expertise</li> <li>▪ Staff qualifications</li> <li>▪ Shortfalls in quality</li> </ul>	<ul style="list-style-type: none"> <li>• 1-year temporary post at senior level</li> <li>• Moved from Inadequate to requires improvement (Jan 22). Robust development plan in place to progress further</li> <li>• Regular updates on progress provided to regulator</li> <li>• Increased levels of staff engagement</li> <li>• Targeted recruitment campaign</li> <li>• Development programme for managers</li> <li>• 'Taught' sessions for staff completing Level 3 qualification</li> <li>• Fill remaining Registered Managers and Deputy Manager vacancies</li> <li>• Complete all applications for individual registrations</li> <li>• Review RLSA model</li> <li>• Daily safety briefings in place</li> <li>• Pan Registered Manager employed and registration in progress (MG)</li> </ul>
<b>Safeguarding</b> <ul style="list-style-type: none"> <li>▪ Risk that inadequate staffing levels and reduced training lead to SAFA concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Staff paid to complete training on LMS when off duty</li> <li>• Group supervisions rolled out on key safety subjects</li> <li>• Daily safety briefings</li> </ul>
<b>Financial Stability</b> <ul style="list-style-type: none"> <li>▪ Unable to meet going concern criteria in the medium term due to economic uncertainty (high and rising inflation) making estimates difficult on both operating and capital costs, alongside regulatory pressures/requirements which is driving higher expenditure to address.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring care services are adequately staffed to avoid regulatory censure</li> <li>• Working with regulators to ensure services are graded at a level to allow continued, viable, operation and avoid enforced service closure</li> <li>• Seek and obtain increased fees from Local Authorities to reflect the increased costs of staffing and inflation</li> <li>• Further tighten all procurement activities and continue to seek best value for money</li> </ul>

**Solvency statement**

Trustees have conducted a thorough risk assessment and are confident that, should the Covid-19 pandemic continue at its current level, the Charity has adequate funds to continue trading.

### **Statement of Trustees' responsibilities**

The Trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the Charity's Auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

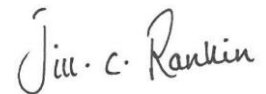
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Thanks**

We would like to record our thanks to all of our staff, volunteers and donors for their hard work, commitment and continuing support throughout the severely testing conditions of the Covid-19 pandemic. Without their dedication, St Elizabeth's Centre would not be able to offer the excellent life style and opportunities it does to the adults, young people and children who are placed in its care.



Christopher Kemball



Jill Rankin

Signed on behalf of the Board of Trustees:

Date of approval: 27 September 2022



## **Independent auditor's report to the members of St Elizabeth's Centre**

### **Opinion**

We have audited the financial statements of St Elizabeth's Centre ("**parent charitable company**") and its subsidiary ("**the group**") for the period ended 31 December 2021 which comprise the group statement of financial activities, the group and charitable company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 of the charitable parent company's affairs as at 31 December 2021 and of its income and expenditure for the period 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.

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- ◆ the information given in the Trustees' Report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' Report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the strategic 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:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of 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, the Trustees (who are also the directors of the Group and Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent 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:

#### *How the audit was considered capable of detecting irregularities including fraud*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with key management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, the Charities SORP and specific Education and Care legislation relating to vulnerable individuals;
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of Trustees' meetings.

**Auditor's responsibilities for the audit of the financial statements** (continued)

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of key management as to where they considered there was susceptibility to fraud,
- ◆ their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees;
- ◆ Reading Ofsted and CQC reports; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of key management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**Use of our report**

This report is made solely to the Charity's member, 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 Charity's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's member, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Edward Finch', with a stylized flourish at the end.

28 September 2022

Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## Consolidated statement of financial activities 31 December 2021

		Year ended 31 December 2021			16-month period ended 31 December 2020		
	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2021 £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds 2020 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations and legacies		220	—	<b>220</b>	192	152	344
Other trading activities	1	943	—	<b>943</b>	1,212	—	1,212
Investment income	2	13	—	<b>13</b>	33	—	33
Charitable activities	3	24,549	—	<b>24,549</b>	31,355	—	31,355
<b>Total income</b>		<b>25,725</b>	<b>—</b>	<b>25,725</b>	<b>32,792</b>	<b>152</b>	<b>32,944</b>
<b>Expenditure on:</b>							
Raising funds							
. Costs of raising funds	4	101	—	<b>101</b>	151	—	151
. Cost of goods sold and other costs	5	768	—	<b>768</b>	1,286	—	1,286
Charitable activities							
. Home and Day Services	6	11,288	15	<b>11,303</b>	15,395	242	15,637
. School & Children's Home	6	8,108	—	<b>8,108</b>	10,759	46	10,805
. College & Domiciliary Care	6	5,242	—	<b>5,242</b>	6,461	—	6,461
<b>Total expenditure</b>		<b>25,507</b>	<b>15</b>	<b>25,522</b>	<b>34,052</b>	<b>288</b>	<b>34,340</b>
<b>Net income (expenditure) for the period and net movement in funds</b>							
		218	(15)	<b>203</b>	(1,260)	(136)	(1,396)
Funds at the start of the period		<b>26,483</b>	<b>137</b>	<b>26,620</b>	27,743	273	28,016
<b>Funds at the end of the period</b>		<b>26,701</b>	<b>122</b>	<b>26,823</b>	<b>26,483</b>	<b>137</b>	<b>26,620</b>

There were no other recognised gains or losses other than those stated above.

All of the Group's activities derived from continuing operations during the above financial periods.

The notes on pages 36 to 47 form part of these financial statements

# Consolidated Statement of Financial activities 31 December 2021

## Summary of Income & Expenditure Account

		Year ended 31 December 2021		16-month period ended 31 December 2020	
		2021 £'000	2021 £'000	2020 £'000	2020 £'000
	Notes				
<b>Charitable activities</b>					
Income from Home and Day Services	3	10,970		14,464	
Expenditure on Home and Day Services	6	(11,303)		(15,637)	
Deficit on Home and Day Services			(333)		(1,173)
Income from School and Children's Home	3	8,279		10,729	
Expenditure on School and Children's Home	6	(8,108)		(10,805)	
Surplus on School and Children's Home			171		(76)
Income from College and Domiciliary Care	3	5,300		6,162	
Expenditure on College and Domiciliary Care	6	(5,242)		(6,461)	
Surplus on College and Domiciliary Care			58		(299)
<b>Deficit on charitable activities</b>			(104)		(1,548)
<b>Income from:</b>					
Donations and legacies		220			344
Other trading activities	1	943			1,212
Investment income	2	13			33
			1,072		1,589
<b>Expenditure on raising funds</b>	4,5		(869)		(1,437)
<b>Net income (expenditure) for the period</b>			203		(1,396)

# Consolidated Statement of Financial activities 31 December 2021

	Notes	Group at 31 December 2021 £'000	Charity at 31 December 2021 £'000	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000
<b>Fixed assets</b>					
Tangible assets	10	19,370	19,370	19,741	19,741
<b>Current assets</b>					
Debtors	12	2,593	2,593	1,695	1,695
Short term deposits	13	3,357	3,357	3,345	3,345
Cash at bank and in hand	13	3,725	3,725	3,996	3,996
		<b>9,675</b>	<b>9,675</b>	9,036	9,036
<b>Creditors:</b> amounts falling due within one year	14	(2,222)	(2,222)	(2,157)	(2,157)
<b>Net current assets</b>		<b>7,453</b>	<b>7,453</b>	6,879	6,879
<b>Net assets</b>		<b>26,823</b>	<b>26,823</b>	26,620	26,620
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds					
.Designated funds	15	19,370	19,370	19,741	19,741
.General fund		7,331	7,331	6,742	6,742
Total unrestricted funds		<b>26,701</b>	<b>26,701</b>	26,483	26,483
Restricted funds	16	122	122	137	137
		<b>26,823</b>	<b>26,823</b>	26,620	26,620

Approved by the Board of Trustees and signed on their behalf by:

Christopher Kemball

Christopher Kemball  
Trustee

Date: 27 September 2022

St Elizabeth's Centre

Company Registration Number 11087989 (England and Wales)



# Consolidated Statement of cash flows 31 December 2021

	Notes	Year ended 31 December 2021 £'000	16-month period ended 31 December 2020 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	A	<b>418</b>	305
<b>Cash flows from investing activities</b>			
Interest received		<b>13</b>	33
Purchase of tangible fixed assets		<b>(690)</b>	(2,278)
<b>Net cash used in investing activities</b>		<b>(677)</b>	(2,245)
<b>Decrease in cash</b>	B	<b>(259)</b>	(1,940)

## Notes to the statement of cash flows for the period to 31 December 2021

### A Adjustment of net income (expenditure) before transfers to net cash inflow from operating activities

	Year ended 31 December 2021 £'000	16-month Period ended 31 December 2020 £'000
Net income (expenditure) before transfers	<b>203</b>	(1,396)
Depreciation charge	<b>1,061</b>	1,482
Interest receivable	<b>(13)</b>	(33)
Movement in debtors	<b>(898)</b>	(210)
Movement in creditors	<b>65</b>	462
<b>Net cash inflow from operating activities</b>	<b>418</b>	305

### B Analysis of changes in net debt

	At 1 January 2020 £'000	Cash flows £'000	At 31 December 2021 £'000
Cash at bank and in hand	3,996	(271)	<b>3,725</b>
Short term deposits	3,345	12	<b>3,357</b>
<b>Total</b>	<b>7,341</b>	<b>(259)</b>	<b>7,082</b>

St Elizabeth's Centre does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

#### **Basis of preparation**

These financial statements have been prepared for the year ended 31 December 2021 with comparative information given in respect to the 16-month period ended to 31 December 2020.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

St Elizabeth's Centre is a public benefit entity as defined by FRS 102.

#### **Basis of consolidation**

The consolidated statement of financial activities and group balance sheet includes the financial statements of St Elizabeth's Centre and St Elizabeth's Centre Welfare Services Limited, made up to the balance sheet date. St Elizabeth's Centre Welfare Services Limited is ultimately under the control of St Elizabeth's Centre but did not trade during this period.

No separate statement of financial activities has been presented for the Centre alone, as permitted by section 408 of the Companies Act 2006.

#### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and they have made this assessment in respect of a period one year from the date of the approval of these financial statements.

Despite the decision to close the Adult Home, but with the continued provision of the other services, the Trustees have concluded that there are no material uncertainties related to events or conditions that would cast significant doubt on the ability of St Elizabeth's Centre to continue as a going concern and the Trustees believe that the Charity has sufficient reserves and resources to withstand any further temporary drop in income or any additional unexpected liability.

Supporting this assessment is the receipt of a donation of £1.75m, in September 2022, from the Daughters of the Cross of Liege to support the continued delivery of the remaining services.

#### **Income**

Income is recognised in the period in which the group and charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

**Income** (continued)

Legacies are included in the statement of financial activities when there has been a grant of probate, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Group and Charity.

Investment income, representing dividends, interest, and income from property, includes any associated tax recoverable.

Restricted grants and awards are included once the amount is known and receipt is probable.

Donated goods (with the exception of donated stock in the Group and Charity's shops) are valued by the Trustees on the basis of their worth to the Group and Charity, are included in the statement of financial activities in the year in which they are received.

**Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment 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. All expenditure is inclusive of irrecoverable VAT. Expenditure comprises the following:

- a. The costs of raising funds include expenses incurred in generating income for the organisation, including the costs of fundraising events and the charity shops.
- b. The costs of charitable activities comprise all the costs of carrying out the charitable objectives of St Elizabeth's Centre. Costs incurred by central services departments are allocated based on the established use of each of the Home, School and College. Governance costs have been allocated to the costs of charitable activities. Governance costs are the costs associated with the governance arrangements of the Centre that relate to the general running of the Centre as opposed to those costs associated with fundraising or charitable activities. Included within this category are costs associated with the strategic as opposed to day to day management of the Centre's activities.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the group and charity, it is necessary to provide support in the form of personal development, financial procedures, provision of office services and equipment and a suitable working environment. Governance costs comprise the costs involving the public accountability of the group and charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on the proportion of floor area occupied by the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs.

### **Tangible fixed assets**

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Assets transferred to the group and charity are recognised at their fair value, which is treated as deemed cost. Other assets are recognised at their purchase cost.

Depreciation is calculated at the following annual rates in order to write down each asset to its estimated residual value over its estimated useful life:

Freehold buildings	3 - 10% on cost or revalued amounts
Furniture and office equipment	10 - 33% on cost
Motor vehicles	20% on cost

No depreciation is provided on freehold land or assets under construction.

### **Fund accounting**

The Restricted Funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed condition.

The Designated Funds are monies set aside out of General Funds and designated for specific purposes by the trustees in consultation and agreement with the trustees. Designated Funds also include funds represented by tangible fixed assets and not available for general expenditure.

The General Fund represents unrestricted and undesignated monies used to fund working capital and which the trustees may use at their discretion in furtherance of the group and charity's objectives.

### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the life of the lease.

### **Cash**

Cash is held in bank accounts or in hand and money available on demand or term deposits with an expiry date within three months of the balance sheet date.

### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount paid in advance.

### **Creditors**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount St Elizabeth's Centre anticipates it will pay to settle the debt.

**Pension costs**

St Elizabeth's Centre operates a defined contribution pension scheme. The amounts charged represent the employers' contributions payable to the scheme in the year.

The Centre contributes to the Teachers' Pension Scheme which is an unfunded scheme and members contribute on a pay as you go basis. The Centre is unable to identify its share of the underlying net assets and liabilities of the scheme and accounts for its contributions as if it were a defined contribution scheme.

## 1 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2021 Total £'000
Charity shops	856	—	856
Events	87	—	87
<b>Total 2021</b>	<b>943</b>	<b>—</b>	<b>943</b>

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Charity shops	1,150	—	1,150
Events	62	—	62
<b>Total 2020</b>	<b>1,212</b>	<b>—</b>	<b>1,212</b>

## 2 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2021 Total £'000
Bank interest receivable	13	—	13
<b>Total 2021</b>	<b>13</b>	<b>—</b>	<b>13</b>

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Bank interest receivable	33	—	33
<b>Total 2020</b>	<b>33</b>	<b>—</b>	<b>33</b>

**3 Income from charitable activities**

	Unrestricted funds				Year ended 31 December 2021 Total £'000
	Home and Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
<b>Government fees and grants</b>					
Local Authorities (Social Services)	10,076	—	3,641	—	13,717
Local Education Authorities and Department for Education	—	8,079	1,480	—	9,559
Department of Work & Pensions	87	—	—	—	87
Health Authorities	474	—	—	—	474
	10,637	8,079	5,121	—	23,837
Rent	15	10	9	—	34
Day activity sales	24	—	—	—	24
Restaurant sales	31	20	18	—	69
Covid-19 grants	170	129	119	—	418
Other	93	41	33	—	167
<b>Total 2021</b>	<b>10,970</b>	<b>8,279</b>	<b>5,300</b>	<b>—</b>	<b>24,549</b>

	Unrestricted funds				16-mont period ended 31 December 2020 Total £'000
	Home and Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
<b>Government fees and grants</b>					
Local Authorities (Social Services)	12,809	—	4,216	—	17,025
Local Education Authorities and Department for Education	—	10,430	1,678	—	12,108
Department of Work & Pensions	120	—	—	—	120
Health Authorities	1,036	—	—	—	1,036
	13,965	10,430	5,894	—	30,289
Rent	37	24	21	—	82
Day activity sales	32	—	—	—	32
Restaurant sales	41	26	24	—	91
Covid-19 grants	219	141	127	—	487
Other	170	108	96	—	374
<b>Total 2020</b>	<b>14,464</b>	<b>10,729</b>	<b>6,162</b>	<b>—</b>	<b>31,355</b>

**4 Cost of raising funds**

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2021 Total £'000
Staff costs	91	—	91
Other costs	10	—	10
<b>Total 2021</b>	<b>101</b>	<b>—</b>	<b>101</b>

**4 Cost of raising funds (continued)**

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Staff costs	121	—	121
Other costs	30	—	30
<b>Total 2020</b>	<b>151</b>	<b>—</b>	<b>151</b>

**5 Cost of goods sold and other costs**

	Unrestricted funds £'000	Restricted funds £'000	Year ended 31 December 2021 Total £'000
Fundraising activities, including the costs of charity shops			
. Cost of events including events staff	43	—	43
. Cost of events including events Non staff	6	—	6
. Staff costs	406	—	406
. Property	220	—	220
. Other	93	—	93
<b>Total 2021</b>	<b>768</b>	<b>—</b>	<b>768</b>

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Fundraising activities, including the costs of charity shops			
. Cost of events including events staff	62	—	62
. Staff costs	623	—	623
. Property	373	—	373
. Other	228	—	228
<b>Total 2020</b>	<b>1,286</b>	<b>—</b>	<b>1,286</b>



## 6 Cost of charitable activities

	Home & Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Year ended 31 December 2021 Total £'000
<b>Staff costs</b>				
Academic	—	1,220	554	<b>1,774</b>
Residential	6,986	3,932	2,854	<b>13,772</b>
Day Services	788	—	—	<b>788</b>
Nursing	470	779	220	<b>1,469</b>
Support Services	322	208	186	<b>716</b>
Administration	839	557	542	<b>1,938</b>
	<b>9,405</b>	<b>6,696</b>	<b>4,356</b>	<b>20,457</b>
Facilities costs	712	459	412	<b>1,583</b>
Depreciation	446	502	113	<b>1,061</b>
Other	730	451	361	<b>1,552</b>
<b>Total 2021</b>	<b>11,303</b>	<b>8,108</b>	<b>5,242</b>	<b>24,653</b>
	Home & Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	16-month period ended 31 December 2020 Total £'000
<b>Staff costs</b>				
Academic	—	1,735	644	2,379
Residential	9,869	5,161	3,297	18,327
Day Services	867	—	—	867
Nursing	546	905	256	1,707
Support Services	373	240	215	828
Administration	1,098	647	580	2,325
	<b>12,753</b>	<b>8,688</b>	<b>4,992</b>	<b>26,433</b>
Facilities costs	960	620	556	2,136
Depreciation	640	671	171	1,482
Other	1,284	826	742	2,852
<b>Total 2020</b>	<b>15,637</b>	<b>10,805</b>	<b>6,461</b>	<b>32,903</b>

Depreciation for the Centre totalling £111k (£207k in 2020) has been allocated across the three activities on the basis of cost.

## 7 Net income (expenditure) income

This is stated after charging:

	Year ended 31 December 2021 Total £'000	16-month period ended 31 December 2020 Total £'000
Staff costs (note 8)	20,954	27,130
Auditor's remuneration		
.Audit	20	28
Depreciation of tangible fixed assets	1,061	1,482
Operating lease rentals – land and buildings	247	397
Operating lease rentals – other	55	79

## 8 Staff costs, and Trustees' and Management Team members' remuneration

	Year ended 31 December 2021 Total £'000	16-month period ended 31 December 2020 Total £'000
Staff costs during the period were as follows:		
Wages and salaries	16,254	20,247
Social security costs	1,304	1,565
Other pension costs	547	752
Employee costs	18,105	22,564
Severance Cost	126	96
Agency costs	2,723	4,470
Total staff costs	20,954	27,130

Included above are £126k of severance costs (2020 – £96k). All severance costs are recognised in the period as incurred and charged to the income and expenditure account.

**8 Staff costs, and Trustees' and Management Team members' remuneration**  
(continued)

	Year ended 31 December 2021 Total £'000	16-month period ended 31 December 2020 Total £'000
Staff costs per function were as follows:		
Cost of generating donations and legacies	91	121
Events	43	48
Shops	406	623
Operating activities		
.Home and Day Services	8,244	11,282
.School and Children's Home	5,931	7,801
.College and Domiciliary Care	3,628	4,197
Support costs	2,611	3,058
	<b>20,954</b>	<b>27,130</b>

	2021 No. £'000	2020 No. £'000
Annualised staff costs*	<b>£20,954</b>	<b>£20,348</b>

\*Due to the differing accounting periods, staff costs in the prior year have been annualised above to provide contextual information regarding costs over a 12-month period, in order to better facilitate comparison between accounting periods.

Employees who earned £60,000 per annum and grossed-up over the 12-month period or more in the following ranges:

	2021 No.	2020 No.
£60,001 - £70,000	5	5
£70,001 - £80,000	1	7
£80,001 - £90,000	1	2
£100,001 - £110,000	1	—
£111,001 - £120,000	—	2
£140,001 - £150,000	1	1
£220,001 - £230,000	—	1

No Trustees received any remuneration during the year and no Trustees received any reimbursed expenses in respect of their services during the year (16-month period ended 31 December 2020 – none).

Members of the Management Team are executive officers who were paid in accordance with their contracts of employment.

## 8 Staff costs, and Trustees' and Management Team members' remuneration (continued)

### *Key management personnel*

The aggregate remuneration including employer pension contributions for key management personnel for the 12-month period was £587,320 (16-month period ended 31 December 2020 – £958,746).

### *Staff numbers*

The average number of employees, calculated on a headcount basis, was 707 (period ended 31 December 2020 – 786).

Full Time Equivalent	2021 FTE	2021 FTE	2020 FTE	2020 FTE
<b>School</b>				
Academic	29		31	
Children's Home	115	144	115	146
<b>College and Domiciliary Care</b>				
Academic	10		13	
College residential and Domiciliary Care	62	72	87	100
<b>Home</b>				
Residential	161		204	
Day services including social enterprises	22	183	25	229
<b>Health Agency</b>		32		36
<b>Central Support Services</b>		20		23
<b>Fund Raising and Shops</b>		20		21
<b>Management and Administration</b>		56		55
		527		610

In addition, the cost of agency staff represents approximately 107 (2020 – 171) people on a full time equivalent basis.

## 9 Taxation

As a registered charity, St Elizabeth's Centre is not liable to income tax or corporation tax on income and capital gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**10 Tangible fixed assets**

<b>Group and charity</b>	Freehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Motor vehicles £'000	<b>Total £'000</b>
<b>Cost</b>					
At 1 January 2021	19,091	907	4,075	409	<b>24,482</b>
Additions	384	122	184	—	<b>690</b>
Asset Brought into Use	907	(907)	—	—	<b>—</b>
Disposals	—	—	—	—	<b>—</b>
At 31 December 2021	<b>20,382</b>	<b>122</b>	<b>4,259</b>	<b>409</b>	<b>25,172</b>
<b>Depreciation</b>					
At 1 January 2021	1,624	—	2,788	329	<b>4,741</b>
Disposals	—	—	—	—	<b>—</b>
Charge for period					
.School	169	—	84	8	<b>261</b>
.Home	424	—	195	19	<b>638</b>
.College	36	—	13	2	<b>51</b>
.Centre	39	—	71	1	<b>111</b>
At 31 December 2021	<b>2,292</b>	<b>—</b>	<b>3,151</b>	<b>359</b>	<b>5,802</b>
<b>Net book values</b>					
At 31 December 2021	<b>18,090</b>	<b>122</b>	<b>1,108</b>	<b>50</b>	<b>19,370</b>
At 31 December 2020	<b>17,467</b>	<b>907</b>	<b>1,287</b>	<b>80</b>	<b>19,741</b>

Fixed assets include buildings constructed in 1990-91 and 2001-02 costing £1,938,000 in total, which are subject to joint venture arrangements with Aldwyck Housing Association (now Catalyst Housing Limited) and Springboard (now Genesis Notting Hill) Housing Association. £1,251,000 has been received in the form of grants by the Housing Associations in respect of these buildings. The joint venture arrangements include the granting of 99 year leases to the Housing Associations of the land on which the buildings are built, and management agreements renewable every five years enable the Group and Charity to operate the buildings, and be responsible for the care of the residents occupying them, as an integral part of the Home.

**11 Investments**

St Elizabeth's Centre Welfare Services Limited (incorporated on 25 October 2019), a private company limited by guarantee and not having share capital, is under the control of St Elizabeth's Centre. The company has not traded since incorporation.

**12 Debtors**

	<b>Group at 31 December 2021 £'000</b>	<b>Charity at 31 December 2021 £'000</b>	<b>Group at 31 December 2020 £'000</b>	<b>Charity at 31 December 2020 £'000</b>
Fees	<b>2,247</b>	<b>2,247</b>	1,360	1,360
Other debtors	<b>33</b>	<b>33</b>	45	45
Prepayments and accrued income	<b>313</b>	<b>313</b>	290	290
	<b>2,593</b>	<b>2,593</b>	1,695	1,695

**13 Short term deposits and cash at bank and in hand**

	Group at 31 December 2021 £'000	Charity at 31 December 2021 £'000	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000
Short term deposits	3,357	3,357	3,345	3,345
Cash at bank and in hand				
Current accounts	3,714	3,714	3,949	3,949
Cash in hand	11	11	47	47
	3,725	3,725	3,996	3,996
Total	7,082	7,082	7,341	7,341

**14 Creditors: amounts falling due within one year**

	Group at 31 December 2021 £'000	Charity at 31 December 2021 £'000	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000
Suppliers	446	446	367	367
PAYE and social security	351	351	304	304
Other creditors	141	141	187	187
Accruals	1,260	1,260	1,142	1,142
Income received in advance	24	24	157	157
	2,222	2,222	2,157	2,157

**15 Designated funds**

The unrestricted funds of the group and charity include the following designated funds which have been set aside by the trustees for specific purposes.

	At 1 September 2020 £'000	Additions /Disposals £'000	Depreciation £'000	At 31 December 2021 £'000
Building replacement fund	—	—	—	—
Fixed assets fund	19,741	690	(1,061)	19,370
	19,741	690	(1,061)	19,370

	At 1 September 2019 £'000	Additions /Disposals £'000	Depreciation £'000	At 31 August 2020 £'000
Building replacement fund	156	(156)	—	—
Fixed assets fund	18,922	819	—	19,741
	19,078	663	—	19,741

The fixed assets fund represents the net book value of fixed assets which are used in the day-to-day work of the Charity and hence are not available for working capital.

The building replacement fund was established to set aside funds for future refurbishment of Jubilee House. This work has been completed and the fund is no longer required.

**16 Restricted funds**

<b>Group and charity</b>	Develop- ments £'000	<b>31 December 2021 £'000</b>	Develop- ments £'000	<b>31 December 2020 £'000</b>
Total income	—	—	152	152
Total expenditure	(15)	(15)	(288)	(288)
Increase (decrease) in funds	(15)	(15)	(136)	(136)
<b>Balance at 1 January 2021</b>	137	<b>137</b>	273	273
<b>Balance at 31 December 2021</b>	122	<b>122</b>	137	137

Developments represents funds raised to redevelop the Charity and its activities less expenditure on the redevelopment to date.

**17 Pension commitments**

The Charity makes contributions in respect of the current service of its employees to either the Teachers' Pensions Scheme or the Scottish Widows scheme.

The Scottish Widows scheme is a defined contribution scheme. The Charity matches employee contributions to the Scottish Widows scheme between 1% and 6%.

***Teacher's Pension Scheme (TPS)***

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in schools. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 23.68% of pensionable pay (including 0.08% administration levy)

## 17 Pension commitments (continued)

### *Teacher's Pension Scheme (TPS) (continued)*

- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The employer contributions payable to the scheme for the year were £119k (16-month period ended 31 December 2020 – £178k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

## 18 Leasing commitments

### *Operating leases*

At 31 December 2021 the group and charity had total commitments under non-cancellable operating leases for equipment as follows:

	Land and buildings		Other	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Operating lease amounts due:				
Within one year	238	253	193	146
Within two to five years	425	566	130	263
More than 5 years	12	89	—	—
	<b>675</b>	<b>908</b>	<b>323</b>	<b>409</b>

## 19 Contingent liabilities

There is a potential liability for the group and charity to repay government grants of £646,000 received towards the cost of Cookson and Chilton houses in the event of the sale of those houses. There are no plans to sell them.



## 19 Contingent liabilities (continued)

There is also a potential liability to repay Housing Association grants in the event of the sale of the buildings constructed under the joint venture arrangements or in the event of a breach of the management agreements (see note 10). There are no plans to sell the buildings.

## 20 Capital commitments

The group and charity had no capital commitments at 31 December 2021 with the asset under construction in note 10 representing early stage feasibility costs of potential projects. In the prior year, the capital commitment of £157k related to an asset under construction.

## 21 Analysis of net assets between funds

Group and charity	Fixed Assets fund £'000	General fund £'000	Total un-restricted funds £'000	Restricted funds £'000	Total funds 2021 £'000
Fixed assets	19,370	—	19,370	—	19,370
Cash resources	—	6,960	6,960	122	7,082
Other current assets	—	2,593	2,593	—	2,593
Creditors falling due within one year	—	(2,222)	(2,222)	—	(2,222)
<b>Total net assets</b>	<b>19,370</b>	<b>7,331</b>	<b>26,691</b>	<b>122</b>	<b>26,823</b>

Group and charity	Fixed Assets fund £'000	General fund £'000	Total un-restricted funds £'000	Restricted funds £'000	Total funds 2020 £'000
Fixed assets	19,741	—	19,741	—	19,741
Cash resources	—	7,204	7,204	137	7,341
Other current assets	—	1,695	1,695	—	1,695
Creditors falling due within one year	—	(2,157)	(2,157)	—	(2,157)
<b>Total net assets</b>	<b>19,741</b>	<b>6,742</b>	<b>26,483</b>	<b>137</b>	<b>26,620</b>

## 22 Related parties

With the exception of the amounts due to and from the charity's wholly owned subsidiary, St Elizabeth's Centre has identified no related party transactions.

It continues to have an independent working relationship with The Congregation of the Daughters of the Cross of Liege, a charity.

## 23 Post Balance Sheet Events

As detailed in the Report of the Board of Trustees above, on 18 September 2022, the Trustees made the decision to close the Adult Care Home on 30 November 2022.