



ST ELIZABETH'S CENTRE
ANNUAL REPORT
AND FINANCIAL STATEMENTS

31 December 2022

Company Limited by Guarantee
Registration number 11087989 (England and Wales)
Charity Registration Number 1176777





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'Leaders provide an ambitious and individualised curriculum that helps learners to develop the skills they need for their futures.'

**College OFSTED
report, 2022**

St Elizabeth's is a charity supporting children, young people and adult day clients with epilepsy and other complex medical conditions.

We accept admissions for children and young people from all over the country, and provide individually designed education, care and support services that maximise opportunities to "live life to the full".

Of our 103 service-users, 67% have epilepsy as their primary diagnosis

Based in a beautiful parkland site in the countryside, we currently support 34 adult day clients, 38 School students, 21 College learners and 10 adult residents living in the local community.

We are one of Hertfordshire's biggest employers, with 577 employees across the charity.



Joint statement from Chair of Trustees and Chief Executive



Christopher Kemball (Chair)



Jill Rankin (CEO)

We have this year changed the format of our report and accounts to explain in more detail the transformation which St. Elizabeth's has undergone, the services we now provide and the outcomes we have achieved for our residents, together with some personal stories.

Closure of the Adult Home

The values on which we base our behaviours and decisions are compassion, joy, collaboration, creativity and aspiration. These values have served us well during the past few testing years. The Covid pandemic has severely affected all charities in the care sector and we were not alone in experiencing severe staff recruitment and retention shortages once lockdown ceased and the economy opened up, despite having lost only one resident to the virus. This meant that, throughout late 2021 and 2022, we were struggling to maintain adequate staffing levels which had negative effects on training, management oversight and ultimately our ability to provide safe and secure services to our residents. As well as the Board and senior management, our regulators and providers were concerned at the likely deterioration in the quality of our services and our safety record which led to Inadequate ratings from both CQC and Ofsted.

In early 2022, and having determined that the outlook for staff recruitment was unlikely to improve in the foreseeable future, the Board took the very difficult and heart-breaking decision to close the Adult Home by the end of November 2022. By doing so, we would be able to reposition the services on our parkland site at St Elizabeths as primarily an educational and skills charity. We continue to focus on those with epilepsy and related conditions. The care and support services we now provide to adults are in community settings, at our Bishop's Stortford Windhill site, and through our onsite Day Opportunities provision. These offer as much independence as possible to the adults we continue to support.

We were also able to transfer and develop the majority of our Adult Home staff to work in our remaining services and we are glad to confirm that, at the time of writing, we are fully recruited. Our main overriding concern was to ensure that we closed the Adult Home in a compassionate and efficient manner and we were able to secure safe and suitable alternative accommodation for all 83 of our Adult Home residents by the end of November. This was made possible due to the outstanding dedication and commitment of our management and staff. Indeed, our main commissioner has asked if our plan and its execution could be used by them as a case study on how to undertake such an exercise. We are also grateful for the understanding and involvement of our residents and their families with whom we held a series of briefing meetings throughout the year.

Financial Impact

The financial impact on the charity's finances has been severe. For the year ended 31 December 2022, we made a loss of £6.2million on income of £25 million. This was due mainly to significant staff shortages, the high cost of agency to compensate for staff shortfalls and the inevitable distraction of management from the remaining services, particularly in terms of occupancy and fee rates.

The outlook for the current year is likely to be a further significant loss caused by the restructuring costs to reposition the business and the need to employ an excess number of staff while we retrained them and to provide a sufficient margin for the future. We have also embarked on a significant cost-cutting exercise to reflect our smaller size, which will reduce our overhead by an estimated £2 million p.a.

We were delighted to receive an unrestricted grant after the end of the year of £2 million from the Daughters of the Cross.

Our reserves at the end of 2022 were £4.5m, which was approximately 2 months of that financial year's overheads (excluding extraordinary items and impairment).

The Future

We are now focused on providing educational services for children and young people alongside high quality care, growth and skill development for adults. We have a clear plan to increase occupancy and our fee rates, the latter to reflect much increased wages (we pay more than the Living Wage Foundation) and inflationary costs in areas such as food and energy. Our admissions into the School and College are growing, and plans to refurbish and revitalise our Specialist School are underway. Our target is in the medium term to achieve a sustainable annual surplus all of which will be reinvested in our services.

We have recruited extensively from outside the charity and now have an experienced management team with nearly all key positions occupied. We have worked extensively with both our commissioners and our regulators on improvement plans and are pleased to report that all our services are now rated Good, with one exception where we are awaiting a CQC re-inspection and are confident of receiving an upgrade to Good by the end of this year.

We continue to grow and improve our Day Opportunities Service, offering a range of activities for disabled people. Additionally, the service includes social enterprise learning and development in the arts,



Joint Statement: Continued

crafts and horticulture sectors. Our high levels of care and support develop social skills, communication, confidence, independence, volunteering and work related skills. All of this is possible because of the nursing and therapy input we provide to support our education and therapy teams. This multi-disciplinary working enables us to achieve outstanding results for the individuals we support. We plan to strengthen and grow our wider community partnerships and, as we look to the future, identify potential charitable funders to continue to ensure our offer goes beyond meeting basic assessed need.

We have also taken steps to become more accessible online, with the installation of an accessibility toolbar on our website.

Board and Senior Management

We were sorry to see the resignations of two of our Trustees, Jim Conway and Richard Crean. Jim has been an excellent Chair of the School Governors and Richard provided much needed commercial and financial experience to both the Board and our Finance and Risk Committee. We thank them for their wise counsel and their unstinting support for the charity.

Rhodri Jenkins, our Chief Operating Officer, resigned due to ill health on 17th February 2023. We are delighted to welcome Mike Bibby (Finance Director) as his replacement who started on 1st August. Mike is a Chartered Accountant and has many years' experience in the health and educational sectors.

We are also reviewing our governance structure and the structure and composition of our Board and its committees. In addition, we have looked at our current skill set and are actively looking for members with appropriate educational, clinical health and property skills.

Our Thanks

First and foremost, we would like to record how humbled and encouraged we have been by the bravery of residents, families and friends who have supported us through these changes. We are also grateful to them for sharing their stories with us, some of which are recounted later in this report. It is very inspiring for us to hear the difference we have made to their lives.

Change is never easy and we owe a big thank you to our management and staff who have wholeheartedly embraced the challenges as we have implemented our plan with not only compassion but also scale and pace. We have been deeply impressed by the dedication, hard work and teamwork of our senior management, colleagues and volunteers.

We are grateful also to the charitable organisations (particularly the Daughters of the Cross) and our local community who enable us to support the most vulnerable in our society and make a real difference to their lives.

Finally, we would like to thank our Board and Committee members, all of whom are unpaid, for their support and long hours of work throughout the year.



Conclusion

In summary, we have experienced several difficult years due to the impact of the Covid pandemic and the issues specific to the care sector.

The difficult decision to close our Adult Home was achieved with compassion and care, and within our planned time frame. Since the end of 2022, we have reflected on our core values and revised our strategy to reflect our focus on care and education services on our site in Much Hadham, and growing our off-site services in the community. We have also ensured that our new strategy conforms to the requirements not only of families but also of our commissioners and regulators with whom we continue to work in close partnership.

After what has been a difficult year for St Elizabeth's, we believe we have taken and implemented important steps to reposition the charity and will now focus on growth by continuing to improve our services and increase our admissions. Our aim is to establish St Elizabeth's as a leading provider in specialist care and education for those that need it most.

Christopher Kemball (Chair)

Jill Rankin (CEO)





Celebrating 120 years of St Elizabeth's



Over the past 120 years, St Elizabeth's has grown and developed to comprise a non-maintained Specialist School for both boarders and day students, a specialist Further Education College domiciliary care for College learners, Supported Living both onsite and in the local community, a comprehensive Day Opportunities programme for adult day clients and 24-hour health provision provided by specialist nurses and therapists.

The Charity was incorporated as a company limited by guarantee on 29 November 2017 and registered as charity with the Charity Commission on 22 January 2018. It is governed in accordance with the Articles.

DID YOU KNOW?

Our history stems back to 1899! The School opened in 1903 with just 3 children, and today we support over 60 children and young people with complex needs and epilepsy.

DID YOU KNOW?

The charity was previously one of the charitable works of the Congregation of the Daughters of the Cross of Liège, a Catholic religious' congregation. In 2018, St Elizabeth's Centre became a charity in its own right.

DID YOU KNOW?

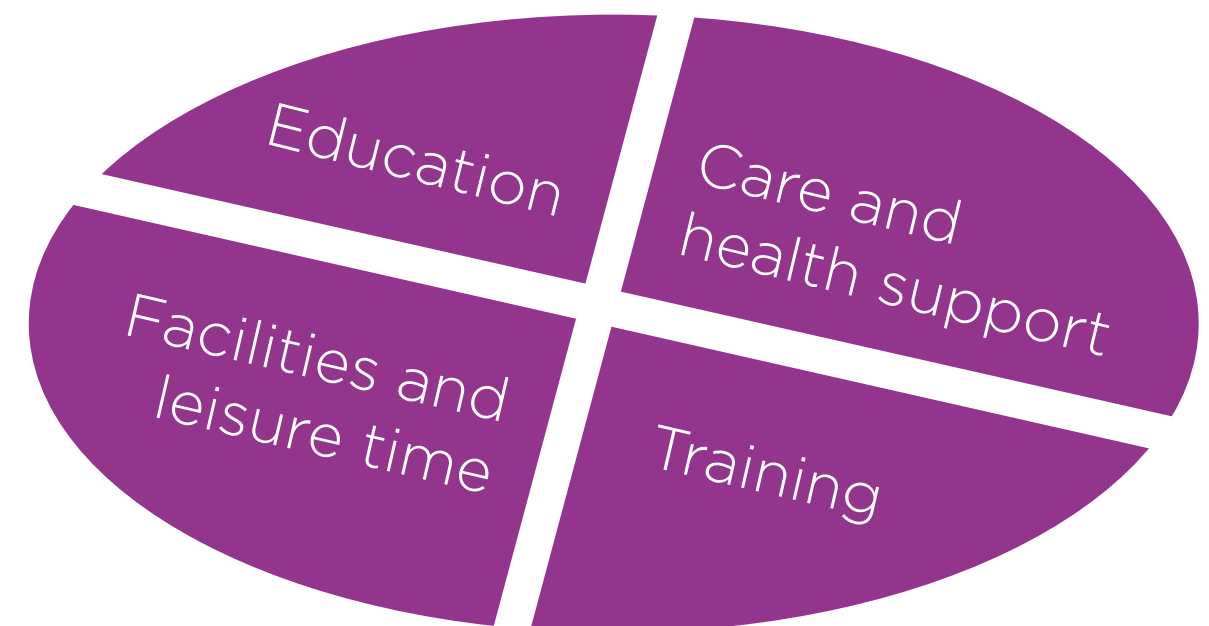
Over the years we have met many special guests, including Her Royal Highness The Duchess of Gloucester, Diana The Princess of Wales and Her Royal Highness The Princess Royal.



Our Objectives

We aim to promote the Catholic religion, the advancement of education and the promotion of physical and emotional wellbeing for people 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:

- **education** (including cultural, social, moral and spiritual development);
- **training and other activities** to develop their skills, capabilities and capacity to engage in work;
- **care and health support**; and
- **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.





Our Objectives (continued)

Through the Charity's multi-disciplinary approach, 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.

REGULATED SERVICES

As of the end of 2022, there were five regulated services on-site

- 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

'Children receive excellent healthcare support from a multidisciplinary team of nurses, physiotherapists and speech and language therapists.'

– Children's Home OFSTED report, 2023



100% of parents agree their child is happy at St Elizabeth's School



Our services

Based on a 60-acre site in Hertfordshire, the Charity provides:

Support to over 100 children, young people and adults each year.

Specialist education, including:

- a non-maintained special school for children aged 7-18; and
- an independent, specialist college for young people aged 19-25, offering a 3-year programme that focuses on developing key skills;
- Key skills development and leisure opportunities, both on and off-site, including vocational and therapeutic activities, music, crafts, sensory activities, IT and sports.

Highly-specialised residential accommodation, with 24-7 care, including:

- a fully accessible children's home spread over seven bungalows
- on-site supported living accommodation for our College students;
- supported living accommodation in the nearby town of Bishop's Stortford;

Health and therapeutic support including:

- 24-hour nursing support for children, 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

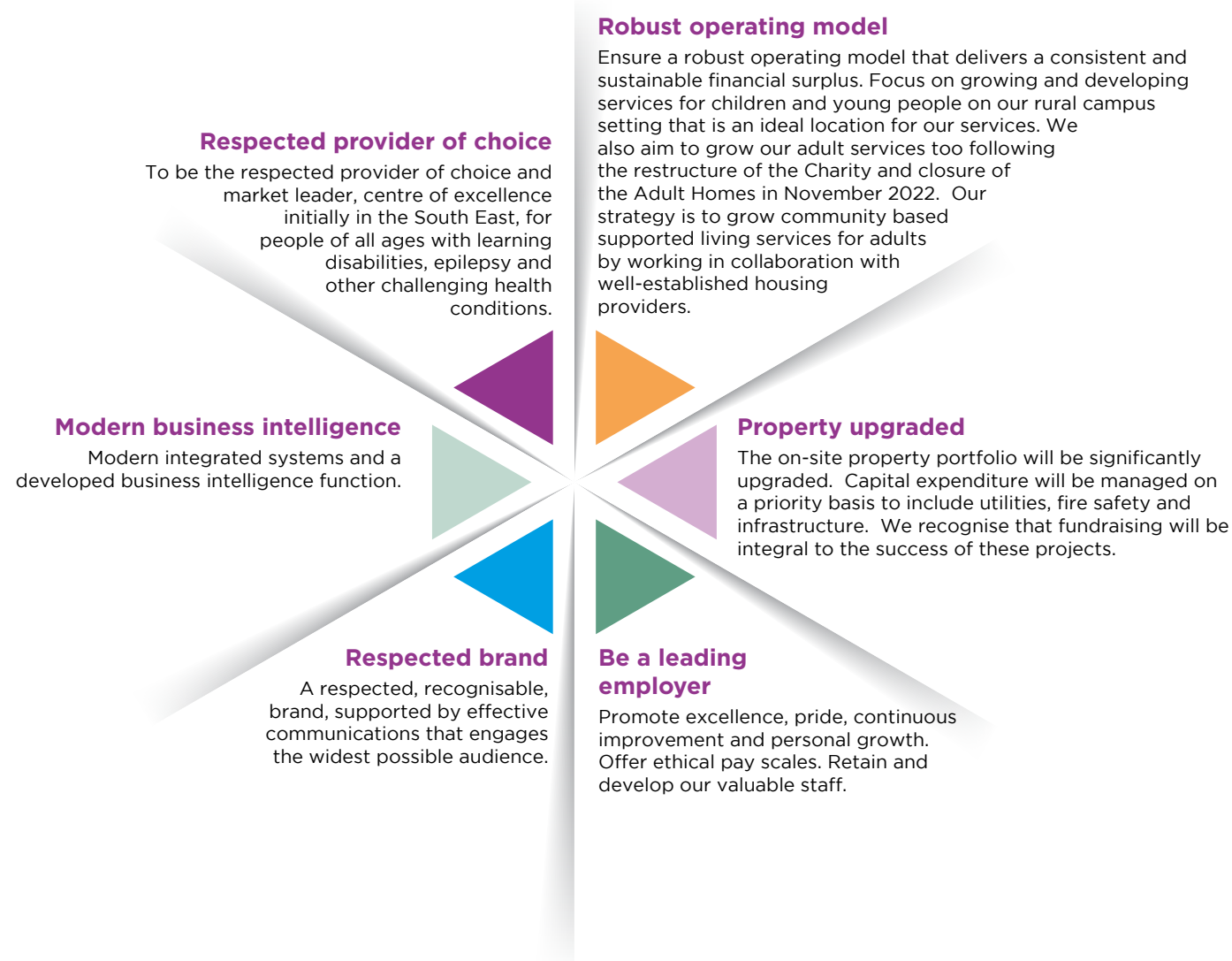


Future Strategy & Structure

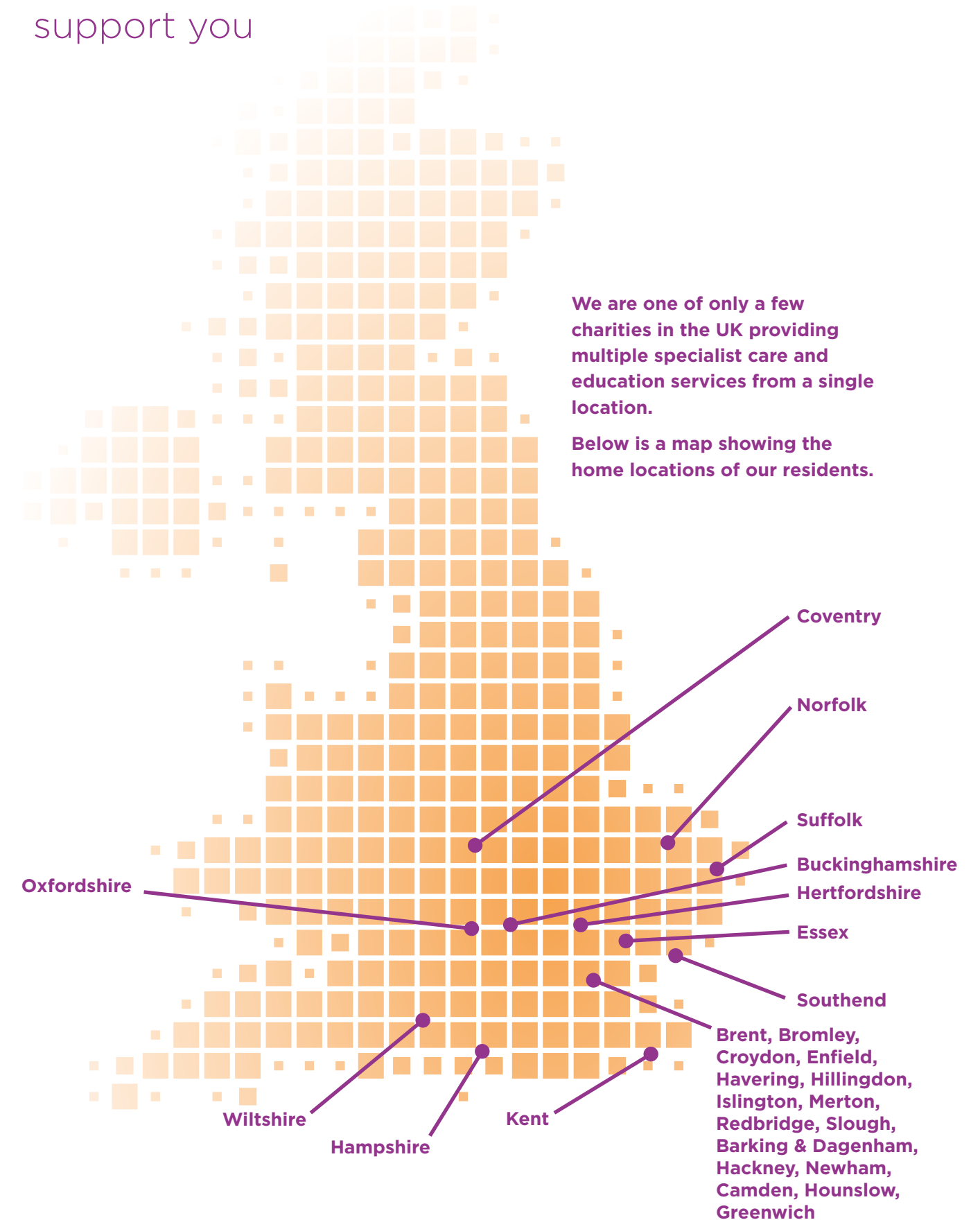
The focus of the Charity will be the educational support of children and young people on site in Much Hadham. It is also our intention and aspiration to also grow our services for adults, by expanding our off-site Supported Living provision. To do this we are modernising our offer, and all future adult services will move to community settings offering positive life experiences for adults with complex needs in their own tenanted homes.

The structure of the organisation has been streamlined at all levels to reflect the organisation's new service footprint.

The 5-year Strategic Plan remains the key focus as it targets the following:



Wherever you live in the UK, we are here to support you



Achievements

Transitional Year

Due to the well published, sector wide, challenge of significant staff shortages, St Elizabeth's reluctantly closed the adult care home with nursing in November 2022. Since the closure, St Elizabeth's has gone through a significant transition to an organisation that will now focus on specialist education and life skills, supporting children, young people and adults with epilepsy and other complex conditions where there is an increasing need for specialist care.

The Trustees and Management were acutely aware of the impact of the closure on both the residents, families and Adult Home staff. We worked tirelessly to minimise this by putting in place a dedicated team to work with multiple funding bodies to enable the successful transition of the 83 residents to other services across the country. We continue to support residents in their new homes by providing regular visits where this is requested by residents and their families.

In order to secure the successful future of the remaining services, we have delivered the following initiatives and achievements: -

- ✓ Both our School and College continue to be rated "Good" by Ofsted
- ✓ Our School won the "Most Supportive School in Hertfordshire" in the Private Education Awards 2023
- ✓ 8 out of 11 (73%) of School leavers transitioned into further education
- ✓ Minimising agency spend between 2022 and 2023
- ✓ Implementation of digital systems including E-MAR, care notes, omni-cell and other care planning and communication platforms
- ✓ Launched a successful employee recognition scheme PRAISE (personal recognition of amazing individuals at St Elizabeth's)
- ✓ Obtained an A + sponsorship licence to support recruitment
- ✓ Appointed a new Director of Finance and Head Teacher
- ✓ Training compliance in key areas is over 90% as of 2023
- ✓ Successfully managed a consultation process with 129 Adult Home staff, with no resultant employment tribunal claims and transferred 98 of those staff to remaining services

All of our children's services are rated 'Good' by Ofsted as of 2023. In July 2023, our Supported Living service was removed from the local authority Safety Improvements Process.

Owen's Story - a holistic approach to success



Owen joined St Elizabeth's School in 2013 when he was 9 years old, as a residential student. He has a primary diagnosis of epilepsy, and a range of complex needs and learning disabilities associated with epilepsy.

Owen is a huge Manchester United fan, and jumps at the chance to be involved in anything football or sport related.

The 2022-2023 academic year is Owen's last year in education, which has proved quite difficult for him emotionally. As a result, we saw Owen's attendance drop from an average of 82% to 57%, with him choosing to stay at home and not attend his regular school activities.

Having known Owen for a number of years, support staff from different services came together to discuss some ideas and thoughts on how Owen's attendance could be improved and how we could equip him with better coping mechanisms to manage his anxiety and worries around school. It was suggested that we could create some incentives and motivations that involve some of his favourite things - namely football!



Owen was brought in to the planning process, and contributed his own ideas. It was decided that if Owen put 100% effort into attending school, at the end of every week he would be able to collect a football-themed reward.

Different teams across the organisation were asked to help with the delivery of a successful plan. Our Marketing and Communications Manager was able to secure a letter from Manchester United Club and a goodie bag from the Manchester United Foundation, and our long-term supporters O2E agreed to let us use some of their 2022 funding to fund Owen's final reward - a trip to Old Trafford to watch the England v North Macedonia football game in June.

Owen's school attendance has increased from 57% to just over 80% which not only helped improve his academic progress but has given him a new found confidence in preparing for his next journey to college.

Dylan's story – told by his mum Susie

My son Dylan is 18 years old. He has right-sided Hemiplegia, epilepsy, behavioural difficulties and learning disabilities. Dylan underwent a left hemispherectomy (where part of the hemisphere in the brain is removed) in 2012, which has had a good effect on his seizures.

In the same year, Dylan started at St Elizabeth's - when he was 8 years old - as our local mainstream school could no longer meet his educational and behavioural needs. St Elizabeth's was our only option for a special needs school that we wished for him to attend; so we fought and fought, and finally our fight was won and he started as a day pupil. There was lots of change which St Elizabeth's supported not only with Dylan, but us as a family, and he soon settled into his new school.



The on-site physiotherapist and occupational therapy team support Dylan with his day-to-day needs and the strengthening of his right side, and they make available any aids that can help him be as independent as possible.

Dylan also sometimes has overnight stays at St Elizabeth's. This has helped immensely, as not only does it give him more independence and the availability to socialise with his friends at the school, it also gives us as parents the odd evening to spend quality time with Dylan's older brother. The staff make Dylan feel very comfortable and we feel relaxed that he is in a safe and happy environment, having fun.

Getting Dylan into St Elizabeth's is the best decision we as a family have made. It has helped and supported Dylan in reaching his full potential and has given us the peace of mind that not only he is gaining a fantastic education but also making friends with the other students and staff.

He is now approaching graduation, where he will leave St Elizabeth's and go on to study at Herts Regional College.

'Getting Dylan into St Elizabeth's is the best decision we as a family have made.'

Tom's Story - told by his dad Toby

Tom started mainstream school when he was 7. Tom struggled with behaviour problems and then he developed epilepsy and it was clear that his ability to learn was not the same as his other peers. After many meetings and talks with the mainstream school and acceptance on my part, it was decided that it would be best for Tom to go to a specialist school so the hunt was on. Tom's old head teacher found St Elizabeth's and recommended it so we took Tom for a trial overnight stay. By all accounts Tom seemed to enjoy this and was interested in this as he felt that he was like one of the other peers.



So Tom left his mainstream school when he was 10 for St Elizabeth's and never looked back. Tom soon found out that he had a peer group and liked being with the carers too. His confidence that he had lost at mainstream was starting to come back. Tom was a boarder for weekdays only at the start but soon wanted to stay all the time. He was happy to be in the St E's world, he felt safe and he progressed well over the years until he was 19 when he had to leave to try to find a career.

After a lot of thought Tom decided he wanted to be a carer to try to give something back in the community that had given him so much, but he also wanted to do sports. So with the help of social services, an Apprenticeship was formed to cater for his needs and aspirations for which St E's became his employer.

Tom has worked at St Elizabeth's for 2 years now and he loves the routine of going to work, living independently in a cared house in Bishop's Stortford and is finding his independence fast which as a parent is how we want our children to grow up to be.

With 2 years under his belt, Tom now feels really to move on to his next adventure, with the full support of St Elizabeth's and Essex Career Service.

As a parent it was a relief to find St E's and I will always remember deeply in my heart what the Centre has done for Tom and continues to do so.

I am truly grateful to St E's for giving Tom the confidence in life to grow and find he can be independent and achieve what he needs to achieve to be satisfied with life.



Places we've visited this year

Enrichment and off-site activities are an incredibly important part of both our curriculum and leisure timetable. Over the past year, our residents and learners have visited:

School:

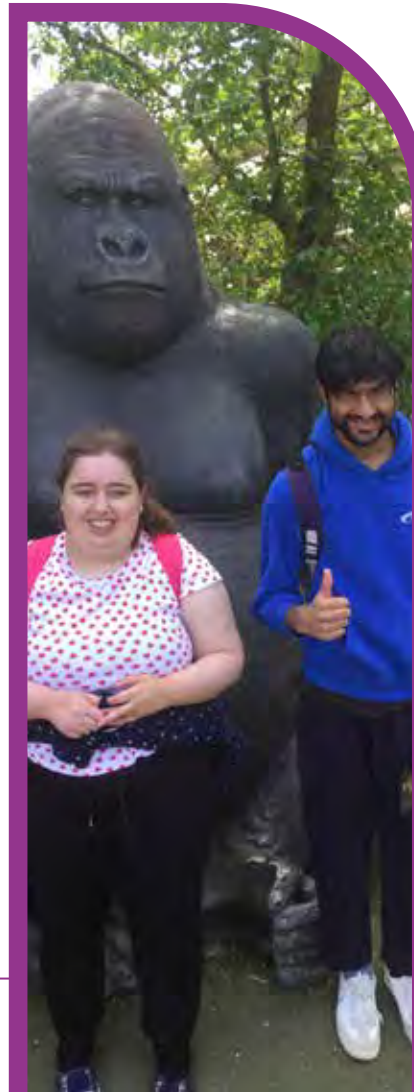
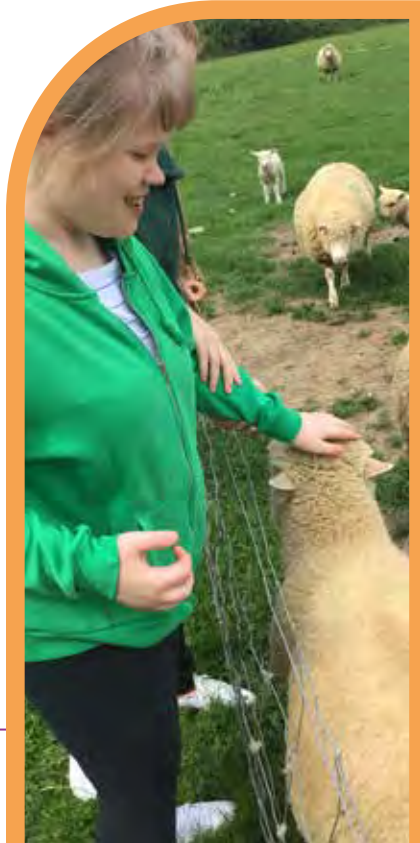
- Paradise Wildlife Park
- Indoor Skiing
- Indoor Skydiving
- Church Farm
- Harry Potter Wizarding World
- Old Trafford Stadium
- Presidents Day (sporting event)
- Stansted Airport
- Supermarkets
- Van Hage (garden centre)
- Buddhist Temple
- Tiggywinkles Animal Hospital
- Sherpeth Zoo
- Cammas Hall Farm
- Woburn Safari
- Kew Gardens
- Weekly swimming sessions

College:

- RSPB – Rye Meads
- Bowling
- Library
- Gravity in Stevenage
- Paradise Wildlife Park
- Using Public transport to access Pets Corner in Harlow
- Duxford Museum
- Gaii Exhibition – Chelmsford Cathedral
- Sealife Centre – Southend
- Outdoor pursuits, Harlow

Day Services:

- Swimming
- Bowling
- Boing (therapeutic trampolining)
- Library
- Garden centres
- White Water Rafting Centre
- Town Parks
- Broxbourne river
- Nature walks
- Shopping trips
- Roydon Marina
- Cedars Park
- Jail Rock Café (in Hoddesdon)
- Fairland's Valley Park



'Children take part in a range of activities that meet their interests. Some children participate in weekly ballet and swimming classes. Recent trips to animal safaris, indoor skydiving and skiing broaden children's experiences. These activities encourage children's social growth and positive well-being.'

Children's Home OFSTED report, 2023



Our values

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

Compassionate

We care. We think of life as a gift, to be respected, celebrated and cherished.

Aspirational

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.

Creative

We seek out opportunities to be creative, to innovate and to have a positive impact. We embrace change.

Collaborative

We are collaborative, professional and inclusive. We respect, value and learn from each other. We work in partnership.

Joyful

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.

At St Elizabeth's we embrace diversity and aspire to create a diverse and inclusive working culture. We recognise that everyone we support along with our staff are unique individuals, who should be valued and encouraged to reach their aspirations and goals.

We are proud to be recognised as an Investor in People and to hold Disability Confident status. We are an equal opportunities employer welcoming all applications from across the community.



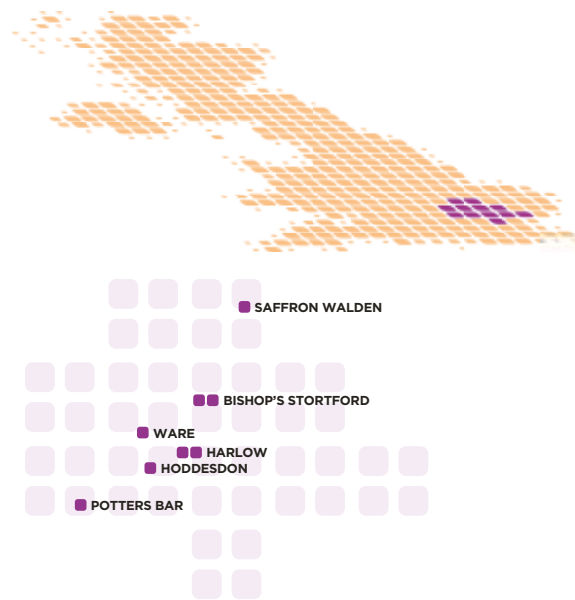


Fundraising

We express our deep gratitude for the generosity of our large number of supporters, including Charitable Trusts, individuals and Community Groups who support the work at St Elizabeth's.

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 Shops.



Fundraising

We have 8 charity shops across Herts & Essex that raise vital funds for St Elizabeth's. During the year a total of £2,925,000 was raised from gift aid, donations, legacies, shops and fundraising activities (all unrestricted):

- **Shops £1.07m;**
- **Events £18k;**
- **A donation from the Daughters of the Cross of £1.75m; and**
- **Other donations and legacies totalling £87k.**

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



Fundraising (continued)

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.

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.

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

- **6 meetings annually with the Senior Leadership Team**
- **Windhill Family Group**
- **Resident Forums**
- **School Council**
- **College Council**
- **Staff Forum**

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:

Our clients 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.



Promoting the Charity's success for its stakeholders Continued

Regulatory authorities 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

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.



100% of parents agree their child is happy at St Elizabeth's School

100% of parents agree our Adult Day Services ensures a safe environment for their son/daughter

100% of parents agree their son/daughter is well guided and supported when accessing Adult Day Services

100% of Adult Day Clients feel they are safe when accessing Day Services





Reference and administration information

BOARD OF TRUSTEES

Sister Patricia Ainsworth
Sister Josephine Anne Clemence
Mr John Coleby
Sister Veronica Hagen
Mr Christopher Kemball (Chairman)
Reverend Father Peter Lyness
Bishop Paul McAleenan
Mr Robert Moore
Mr Nicholas Seed

COMPANY SECRETARY

Ms Sarah Seacombe

COMPANY REGISTRATION NUMBER 11087989

CHARITY REGISTRATION NUMBER 1176777

ADDRESS

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AUDITOR

Buzzacott LLP
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PRINCIPAL BANKERS

CAF Bank
25 Kings Hill Avenue, Kings Hill,
West Malling, Kent ME19 4JQ

SOLICITORS

Farrar & Co
66 Lincoln's Inn Fields,
London WC2A 3LH

Stanley Tee LLP
95 London Road, Bishop's Stortford,
Hertfordshire CM23 2LU

SENIOR LEADERSHIP TEAM

CHIEF EXECUTIVE

Ms Jill Rankin

CHIEF OPERATING OFFICER & DEPUTY CHIEF EXECUTIVE

Mr Rhodri Jenkins (Resigned 17 Feb 2023)

DIRECTOR OF FINANCE

Mr Mike Bibby

DIRECTOR OF LEARNING

Ms Teresa Glynn

DIRECTOR OF WELLBEING

Ms Cheryl Allum-Clarke

DIRECTOR OF CHILDREN'S HEALTH & CARE

Ms Amaka Williams

DIRECTOR OF FUNDRAISING

Mr Alastair Graham (Resigned 31st Mar 2023)

DIRECTOR OF HR & COMMUNICATIONS

Ms Rachele Gale

OTHER OFFICERS

ASSISTANT DIRECTOR OF DOMICILIARY CARE

Ms Jenny Brand

HEAD TEACHER

Ms Lisa Tooley

HEAD OF IT

Ms Jane Chapman

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

No Trustee received 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.



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 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.

The most significant risks faced by the Charity are:

- residents suffering harm;
- a serious safeguarding incident occurring; or
- a decline in occupancy or 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 and recorded in the risk register.

Mitigation examples for the above risks include:

- Ongoing safeguarding training in place to ensure effective reporting and recording
- Continue safeguarding spot checks
- Development of strong market position through external campaigns
- Maintain and improve on regulatory rating for Children's Home and School
- Improvement of offer in School and Children's Home
- Prioritise admissions
- Proactive engagement with CQC and other external stakeholders.

Solvency statement

Trustees have conducted a thorough risk assessment alongside detailed projections covering the period to December 2024 and are in advanced talks to secure a commitment which ensures that the Charity has adequate funds to continue trading.



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 Executive Team consisting of the Chief Executive Officer, Director of Learning (previously called Director of Education and Skills), Director of Wellbeing (previously called Director of Adult Services), Director of Childcare Services, Director of Finance and Director of HR & Communications (previously called Head of HR) undertake the routine management of the Charity.

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 Charity meets the guidance.

This report describes the aims and activities of the Charity which the Trustees believe contribute significantly to the aims of the 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.



Environment

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.

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.



	2022	2021
Energy Consumption used to Calculate Emissions (kWh)	4,336,592	6,412,696
Energy Consumption break down (kWh) (Optional)		
Gas	3,303,873	5,279,334
Electricity	1,032,720	1,133,362
Transport Fuel	51	34
	4,336,592	6,412,696
Scope 1 Emissions in Metric Tonnes		
CO2e Gas Consumption	605	967
Owned Transport - mini-buses, cars and vehicles	33	24
Total Scope 1	638	991
Scope 2 Emissions in Metric Tonnes		
CO2e Purchased Electricity	219	241
Total Scope 2	219	241
Scope 3 Emissions in Metric Tonnes CO2e		
Taxis to Work	10	10
Bus Services	9	9
Business Travel in Employee Owned Vehicles	-	-
Leased vehicles	45	81
Total Scope 3	64	100
Total Gross Emissions in Metric Tonnes CO2e	921	1,331
Intensity Ratio		
Tonnes CO2e per Resident	5	7



Environment 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.

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.



Financial Statements

Financial Review

The Charity made a deficit of £2,170k before costs relating to the closure of the Adult Home, an asset impairment of £2,939k and Extraordinary Items of £1,080k, giving an overall deficit of £6,189k.

	Unadjusted £000's	Impairment £000's	Extraordinary Costs £000's	Total £000's
School, College and Home Income	25,136			25,136
Cost of Raising Funds	(103)			(103)
Fundraising and Trading	(844)			(844)
Charitable Activities	(26,359)	(2,939)	(1,080)	(30,378)
Net (Expenditure)/Income before Transfers	(2,170)	(2,939)	(1,080)	(6,189)

Note - One-off Costs relate to those incurred directly as a result of the closure of the Adult Home and are therefore abnormal in nature and will not reoccur.

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

	Total £'000	Charitable activities			
		Home & Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Fundraising, shops & Investments £'000
School, College and Home income	25,136	9,850	7,322	5,001	2,963
Cost of raising funds	(103)	-	-	-	(103)
Fundraising and Trading	(844)	-	-	-	(844)
Charitable Activities	(30,378)	(15,728)	(8,981)	(5,669)	-
Net (expenditure) income before transfers	(6,189)	(5,878)	(1,659)	(668)	2,016

The restricted funds had a deficit of £8k in the period.

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 £4.5m represent approximately 2 months of normal 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 £114k, as at 31 December 2022, 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 £16,006k comprise the fixed asset fund, representing all net assets and liabilities connected to the fixed assets of the Charity.

Cash balances total £3,647k at 31 December 2022, consisting of £2,634k of short term deposits and £1,013k of cash at bank and in hand.

The Charity's Assets

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

See also in note 22, charges relating to Impairment and extraordinary expense due to Adult Home closure

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



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. Without their dedication, St Elizabeth's Centre would not be able to offer the excellent life style and opportunities it does to the children, young people and adult day clients who are placed in its care.

Signed on behalf of the Board of Trustees:

Christopher Kemball

Date of approval:

30 October 2023



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

Opinion

We have audited the financial statements of St Elizabeth's Centre for the year ended 31 December 2022 which comprise the statement of financial activities, the company balance sheets, the 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 company's affairs as at 31 December 2022 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 charity 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 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 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 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 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 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.

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. 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.

30 October 2023

Edward Finch (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL



Statement of financial activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	Total funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds 2021 £'000
Income and expenditure							
Income from:							
Donations and legacies		87	—	87	220	—	220
Donation from the Congregation of the Daughters of the Cross	21	1,750	—	1,750	—	—	—
Other trading activities	1	1,088	—	1,088	943	—	943
Investment income	2	38	—	38	13	—	13
Charitable activities	3	12,323	—	12,323	13,579	—	13,579
Continuing operations		15,286	—	15,286	14,755	—	14,755
Discontinued operations	3 & 22	9,850	—	9,850	10,970	—	10,970
Total income		25,136	—	25,136	25,725	—	25,725
Expenditure on:							
Raising funds							
. Costs of raising funds	4	103	—	103	101	—	101
. Cost of goods sold and other costs	5	844	—	844	768	—	768
Charitable activities							
. School & Children's Home	6	8,973	8	8,981	8,108	—	8,108
. College & Domiciliary Care	6	5,669	—	5,669	5,242	—	5,242
Continuing operations		15,589	8	15,597	14,219	—	14,219
Discontinued operations	6 & 22	15,728	—	15,728	11,288	15	11,303
Total expenditure		31,317	8	31,325	25,507	15	25,522
Net (expenditure) income for the period		(6,181)	(8)	(6,189)	218	(15)	203
Funds at the start of the year		26,701	122	26,823	26,483	137	26,620
Funds at the end of the year		20,520	114	20,634	26,701	122	26,823

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

The notes on pages 46 to 57 form part of these financial statements.



Statement of financial activities

Summary of Income & Expenditure Account

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Charitable activities					
Continuing operations					
Income from School and Children's Home	3	7,322		8,279	
Expenditure on School and Children's Home	6	(8,981)		(8,108)	
(Deficit) Surplus on School and Children's Home			(1,659)		171
Income from College and Domiciliary Care	3	5,001		5,300	
Expenditure on College and Domiciliary Care	6	(5,669)		(5,242)	
(Deficit) Surplus on College and Domiciliary Care			(668)		58
Income from:					
Donations and legacies		1,837		220	
Other trading activities	1	1,088		943	
Investment income	2	38		13	
			2,963		1,176
Expenditure on raising funds	4,5		(947)		(869)
(Deficit) surplus on charitable activities: continuing operations			(311)		536
Discontinued operations					
Income from Adult Home	3 & 22	9,850		10,970	
Expenditure on Adult Home	6 & 22	(15,728)		(11,303)	
Deficit on Adult Home			(5,878)		(333)
Net (expenditure) income for the period			(6,189)		203



Balance sheet

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	10	16,006	19,370
Current assets			
Debtors	11	2,836	2,593
Short term deposits	12	2,634	3,357
Cash at bank and in hand	12	1,013	3,725
		6,483	9,675
Creditors: amounts falling due within one year	13	(1,855)	(2,222)
Net current assets		4,628	7,453
Net assets		20,634	26,823
Represented by:			
Funds and reserves			
Unrestricted funds			
. Designated funds	14	16,006	19,370
. General fund		4,514	7,331
Total unrestricted funds		20,520	26,701
Restricted funds	15	114	122
		20,634	26,823

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

Christopher Kenyon

Trustee

Date: 30 October 2023

St Elizabeth's Centre

Company Registration Number 11087989 (England and Wales)



Statement of cash flows

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash (used in) provided by operating activities	A	(2,852)	418
Cash flows from investing activities			
Interest received		38	13
Purchase of tangible fixed assets		(621)	(690)
Net cash (used in) investing activities		(583)	(677)
Decrease in cash	B	(3,435)	(259)

Notes to the statement of cash flows for the period to 31 December 2022

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

	2022 £'000	2021 £'000
Net (expenditure) income before transfers	(6,189)	203
Depreciation charge	1,046	1,061
Impairment charge	2,939	—
Interest receivable	(38)	(13)
(Increase) in debtors	(243)	(898)
(Decrease) increase in creditors	(367)	65
Net cash (used in) provided by operating activities	(2,852)	418

B Analysis of changes in net debt

	At 1 January 2021 £'000	Cash flows £'000	At 31 December 2022 £'000
Cash at bank and in hand	3,725	(2,712)	1,013
Short term deposits	3,357	(723)	2,634
Total	7,082	(3,435)	3,647

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



Principle accounting policies

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 2022 with comparative information given in respect to the year ended to 31 December 2021.

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 2019'), 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.

The presentation currency of these financial statements is GBP.

Basis of consolidation

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 as its wholly owned subsidiary. The company has not traded since incorporation and as such, these financial statements are not consolidated.

Assessment of going concern

Detailed projections covering the period to December 2024 indicate that there will be a cash constraint in mid to late 2024 before shortly reverting to a cash surplus. The Trustees are in advanced talks to secure a commitment to bridge this cash requirement. These discussions, supported by the Charity's substantial fixed assets, have given comfort to the Trustees to conclude that there are no material uncertainties relating 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 resource to withstand a temporary drop in cash flow and income or any additional unexpected liability.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and senior management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ♦ the estimation of the useful economic life of tangible fixed assets; and



- ♦ the basis of impairment of the Adult Home in light of its closure in November 2022 and associated presentation of Home activities as "discontinued" in these financial statements.

Income

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

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 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 Charity's shops) are valued by the Trustees on the basis of their worth to the 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 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 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.

Discontinued activities

Where a decision has been made to discontinue or terminate an activity in accordance with the definitions contained within FRS 102, income, costs and obligations associated with the discontinuing operation are recognised within the year. The income, costs and obligations are disclosed separately on the face of the statement of financial activities.

Tangible fixed assets

At each reporting date the charity assesses whether there is any indication that an asset is impaired. If any such indication exists, the charity estimates the recoverable amount of the asset and recognises this as a charge to the statement of financial activities.

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

Assets transferred to the 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	10% 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 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.



Notes to the financial statements

1 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Charity Shops	1,070	---	1,070
Events	18	---	18
Total 2022	1,088	---	1,088

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Charity shops	856	—	856
Events	87	—	87
Total 2021	943	—	943

2 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Bank interest receivable	38	—	38
Total 2022	38	—	38

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000
Bank interest receivable	13	—	13
Total 2021	13	—	13

3 Income from charitable activities

	Unrestricted funds				2022 Total Continuing operations £'000
	Home and Day Services Discontinued Operations (see note 22) £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
Government fees and grants					
Local Authorities (Social Services)	9,092	—	3,357	—	3,357
Local Education Authorities and Department for Education	72	7,225	1,557	—	8,782
Health Authorities	519	—	—	—	—
	9,683	7,225	4,914	—	12,139
Rent	13	8	7	—	15
Day activity sales	16	—	—	—	—
Restaurant sales	50	32	29	—	61
Covid-19 grants	88	57	51	—	108
Total 2022	9,850	7,322	5,001	—	12,323

	Unrestricted funds				2021 Total Continuing Operations £'000
	Home and Day Services Discontinued operations (see note 22) £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
Government fees and grants					
Local Authorities (Social Services)	10,076	—	3,641	—	3,641
Local Education Authorities and Department for Education	—	8,079	1,480	—	9,559
Department of Work & Pensions	87	—	—	—	—
Health Authorities	474	—	—	—	—
	10,637	8,079	5,121	—	13,200
Rent	15	10	9	—	19
Day activity sales	24	—	—	—	—
Restaurant sales	31	20	18	—	38
Covid-19 grants	170	129	119	—	248
Other	93	41	33	—	74
Total 2021	10,970	8,279	5,300	—	13,579



4 Cost of raising funds

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Staff costs	102	---	102
Other costs	1	---	1
Total 2022	103	---	103
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2021 Total £'000</i>
Staff costs	91	—	91
Other costs	10	—	10
Total 2021	101	—	101

5 Cost of goods sold and other costs

	Unrestricted funds £'000	Restricted funds £'000	2022 Total £'000
Fundraising activities, including the costs of charity shops			
. Cost of events: staff	36	—	36
. Staff costs	475	—	475
. Property	240	—	240
. Other	93	—	93
Total 2022	844	—	844
	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2021 Total £'000</i>
Fundraising activities, including the costs of charity shops			
. Cost of events: staff	49	—	49
. Staff costs	406	—	406
. Property	220	—	220
. Other	93	—	93
Total 2021	768	—	768



6 Cost of charitable activities (continued)

	Home & Day Services Discontinued Operations (see note 22) £'000	School & Children's Home £'000	College & Domiciliary Care £'000	2022 Total Continuing operations £'000
Staff costs				
Academic	—	1,362	414	1,776
Residential	8,268	4,514	3,270	7,784
Day Services	524	—	—	—
Nursing	525	869	246	1,115
Support Services	304	196	176	372
Administration	841	542	486	1,028
	10,462	7,483	4,592	12,075
Facilities costs	486	311	279	590
Depreciation	489	430	127	557
Impairment	2,939	—	—	—
Other	1,352	757	671	1,428
Total 2022	15,728	8,981	5,669	14,650

Include within School & Children's Home is £8k of restricted costs. All other costs are unrestricted.

	Home & Day Services Discontinued Operations (see note 22) £'000	School & Children's Home £'000	College & Domiciliary Care £'000	2021 Total Continuing operations £'000
Staff costs				
Academic	—	1,220	554	1,774
Residential	6,986	3,932	2,854	13,772
Day Services	788	—	—	788
Nursing	470	779	220	1,469
Support Services	322	208	186	716
Administration	849	557	542	1,938
	9,415	6,696	4,356	11,052
Facilities costs	712	459	412	1,583
Depreciation	446	502	113	1,061
Other	730	451	361	1,552
Total 2021	11,303	8,108	5,242	13,350

Include within Home & Day services is £15k of restricted costs. All other costs are unrestricted.

7 Net (expenditure) income

This is stated after charging:

	2022 Total £'000	2021 Total £'000
Staff costs (note 8)	23,283	20,954
Auditor's remuneration		
. Audit	22	20
. Other services	1	1
Depreciation of tangible fixed assets	1,046	1,061
Impairment of tangible fixed assets	2,939	—
Operating lease rentals – land and buildings	192	247
Operating lease rentals – other	17	55

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

	2022 Total £'000	2021 Total £'000
Staff costs during the period were as follows:		
Wages and salaries	16,934	16,254
Social security costs	1,610	1,304
Other pension costs	483	547
Employee costs	19,027	18,105
Severance Cost	189	126
Agency costs	4,067	2,723
Total staff costs	23,283	20,954

Included above are £189k of severance costs (2021 – £126k). All severance costs are recognised in the period as incurred and charged to the income and expenditure account.

	2022 Total £'000	2021 Total £'000
Staff costs per function were as follows:		
Cost of generating donations and legacies	102	91
Events	36	43
Shops	475	406
Operating activities		
.Home and Day Services	9,451	8,244
.School and Children's Home	6,746	5,931
.College and Domiciliary Care	3,930	3,628
Support costs	2,410	2,611
	23,283	20,954

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

Employees who earned £60,000 or more per annum are disclosed below:

	2022 No.	2021 No.
£60,001 - £70,000	5	5
£70,001 - £80,000	2	1
£80,001 - £90,000	—	1
£90,001 - £100,000	3	—
£100,001 - £110,000	—	1
£110,001 - £120,000	1	—
£130,001 - £140,000	1	—
£140,001 - £150,000	—	1

No Trustees received any remuneration during the year and no Trustees received any reimbursed expenses in respect of their services during the year (2021 – none). Other transactions with related parties are disclosed in note 21.

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

Key management personnel

The aggregate remuneration including employer pension contributions for key management personnel for the year was £998,396 (2021 – £587,320).

Staff numbers

The average number of employees, calculated on a headcount basis, was 763 (2021 – 707).

In addition, the cost of agency staff represents approximately 159 FTE (2021 – 107) 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

	Freehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2022	20,383	122	4,259	409	25,173
Additions	66	20	535	—	621
At 31 December 2022	20,449	142	4,794	409	25,794
Depreciation					
At 1 January 2022	2,295	—	3,150	358	5,803
Impairment	2,678	—	261	—	2,939
Charge for period					
.School	127	—	30	--	187
.Home	455	—	112	--	643
.College	35	—	13	6	54
.Centre	139	—	129	--	162
At 31 December 2022	5,729	—	3,695	364	9,788
Net book values					
At 31 December 2022	14,720	142	1,099	45	16,006
At 31 December 2021	18,090	122	1,108	50	19,370

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 Charity to operate the buildings, and be responsible for the care of the residents occupying them, as an integral part of the Home.

10 Debtors

	2022 £'000	2021 £'000
Fees	2,378	2,247
Other debtors	36	33
Prepayments and accrued income	422	313
	2,836	2,593



11 Short term deposits and cash at bank and in hand

	2022 £'000	2021 £'000
Short term deposits	2,634	3,357
Cash at bank and in hand		
.Current accounts	995	3,714
.Cash in hand	18	11
	1,013	3,725
Total	3,647	7,082

12 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Suppliers	717	446
PAYE and social security	319	351
Other creditors	314	141
Accruals	505	1,260
Income received in advance	--	24
	1,855	2,222

13 Designated funds

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

	At 1 September 2021 £'000	Additions /Disposals £'000	Depreciation and impairment £'000	At 31 December 2022 £'000
Fixed assets fund	19,370	621	(3,985)	16,006
	19,370	621	(3,985)	16,006

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

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.

14 Restricted funds

	Develop- ments £'000	31 December 2022 £'000	Develop- ments £'000	31 December 2021 £'000
Total income	—	—	—	—
Total expenditure	(8)	(8)	(15)	(15)
(Decrease) in funds	(8)	(8)	(15)	(15)
Balance at 1 January 2022	122	122	137	137
Balance at 31 December 2022	114	114	122	122

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

15 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%.

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)

16 Pension commitments (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 £114k (2021 – £119k).

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 charity has set out above the information available on the scheme.

17 Leasing commitments

Operating leases

At 31 December 2022 the charity had total commitments under non-cancellable operating leases for equipment as follows:

	Land and buildings		Other	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Operating lease amounts due:				
Within one year	199	238	154	193
Within two to five years	265	425	112	130
More than 5 years	—	12	—	—
	464	675	266	323

18 Contingent liabilities

There is a potential liability for the 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.

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.



19 Capital commitments

The charity had no capital commitments at 31 December 2022 (2021 – none).

20 Analysis of net assets between funds

	Fixed Assets fund £'000	General fund £'000	Total un-restricted funds £'000	Restricted funds £'000	Total funds 2022 £'000
Fixed assets	16,006		16,006	—	16,006
Cash resources	—	3,533	3,533	114	3,647
Other current assets	—	2,836	2,836	—	2,836
Creditors falling due within one year	—	(1,855)	(1,855)	—	(1,855)
Total net assets	16,006	4,514	20,520	114	20,634

	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)
Total net assets	19,370	7,331	26,701	122	26,823

21 Related parties

The Congregation of the Daughters of the Cross of Liege, a charity, provided an amount of £1.75m in the year ended 31 December 2022 (2021 – £nil). Following the Centre's independence from The Congregation of the Daughters of the Cross of Liege in 2018, three of their trustees remain on our Board.

No other transactions with related parties were identified in the current or prior years.



22 Discontinued operations

Following the decision to close the Adult Home on 30 November 2022, this will no longer be included in the charity's financial statements in future years. Income and expenditure included in the financial statements relating to the Adult Home in 2022 and 2021 is shown below:

	Unrestricted funds £'000	Restricted funds £'000	Total funds 2022 £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds 2021 £'000
Income and expenditure						
Income from:						
Charitable activities	9,850	—	9,850	10,970	—	10,970
Total income	9,850	—	9,850	10,970	—	10,970
Expenditure on:						
Charitable:						
Activities	11,709	—	11,709	11,303	—	11,303
One-off Costs	1,080	—	1,080	—	—	—
Impairment	2,939	—	2,939	—	—	—
Total expenditure	15,728	—	15,728	11,303	—	11,303
Net (expenditure) for the period	(5,878)	—	(5,878)	(333)	—	(333)

Note:

Impairment The Impairment charge relates to the assets of the Adult Home no longer being required

One-off Costs One-off Costs relate to those incurred directly as a result of the closure of the Adult Home and are therefore abnormal in nature and will not reoccur.



ST ELIZABETH'S CENTRE

Company Limited by Guarantee Registration number 11087989 (England and Wales)
Christy Registration Number 1176777



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