



"I felt so helpless and alone. But your support gave me hope that maybe there was a light at the end of the tunnel. I cannot put into words what this meant to me and the difference your support has made"
(Parent, with two young daughters)

The Catholic Children's Society (Westminster)

Annual Report and Financial Statements

31 March 2022

Company Limited by Guarantee

Registration Number: 00085235 (England and Wales)

Charity Registration Number: 210920



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Reference and administrative details of the charity, its trustees and advisers

President	The Cardinal Archbishop of Westminster
Vice President	Archbishop John Wilson of Southwark
Board of Trustees	Fr Michael Daley (Chairman) Ben Andradi Dr Anne Burnage John Gibbs (Treasurer) Frances McCarthy Lucy McLynn (appointed 21.09.21) John O'Donnell Anthony O'Halloran Fr David Reilly (appointed 05.07.22) Maureen Roe Mgr Phelim Rowland (resigned 05.07.22) Pamela Singh (Vice Chairman)
Chief Executive Officer and Secretary	Dr Rosemary Keenan (retired 23.07.21) Gregory Brister (appointed 24.07.21)
Deputy Chief Executive Officer	Gregory Brister (appointed CEO 24.07.21)
Principal address and registered office	73 St Charles Square London W10 6EJ
Telephone	020 8969 5305
E-mail	info@cathchild.org.uk
Website	www.cathchild.org.uk
Company registration number	00085235 (England and Wales)
Charity registration number	210920
Hon. Medical Adviser	Dr Mary McHugh
Hon. Education Adviser	Peter Ward

Reference and administrative details of the charity, its trustees and advisers

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Royal Bank of Scotland plc Old Brompton Road Branch 29 Old Brompton Road London SW7 3JE
Investment managers	Charles Stanley & Co Limited 25 Luke Street London EC2A 4AR Killik & Co LLP 46 Grosvenor Street Mayfair London W1K 3HN
Solicitors	Bates Wells LLP 20 Queen Street Place London EC4R 1BE
Surveyors	Pinders Professional and Consultancy Services Limited Pinder House Central Milton Keynes MK9 1DS

The Catholic Children's Society (Westminster) ("CCS") is a registered charity offering a range of services for children and families in need. We support those with relationship and mental health difficulties through the provision of counselling, play therapy and creative arts therapies on-site in primary, secondary and special schools. We also help isolated and deprived children and families through our family centres and Crisis Funds. In addition, our Post Adoption & Aftercare Team supports adopted adults, adoptive parents and birth families who are seeking help and advice in relation to adoption, as well as those formerly in our care.

ACHIEVEMENTS DURING THE YEAR

- ◆ Supported 6,820 individuals.
- ◆ Worked with 83 schools to provide counselling and therapy services for pupils experiencing mental health difficulties, supporting 1,892 individuals.
- ◆ Provided food, gifts and other material support to a record 2,152 children and parents/carers experiencing severe hardship over Christmas, including women and young children who have been trafficked.
- ◆ Delivered specialist mental health training for 416 school staff, enhancing their skills to identify and support pupils experiencing mental health issues.
- ◆ Awarded emergency grants via our Crisis Funds to help 477 children and parents/carers who were facing a crisis in their lives.
- ◆ Trained 683 staff from across 51 schools in the Rainbows Bereavement Support Programme, helping these schools provide early intervention support for pupils experiencing bereavement and loss.
- ◆ Fully reopened our St Francis Family Centre and St Mark's Stay & Play following the pandemic, supporting 453 individuals.
- ◆ Provided our Post Adoption Service to 521 individuals with 95% of respondents to our feedback survey rating the quality of the service as 'Outstanding'.
- ◆ Received the 'Digital Transformation' Award at the Catholic Charity Conference, recognising our achievements transforming our services to respond to the Covid-19 pandemic and ensure families continued to access the support they needed.
- ◆ Delivered services in every single deanery in the Diocese of Westminster and in 85% of deaneries in the Diocese of Arundel & Brighton and the Archdiocese of Southwark.

2021/22 has been a year of much change. As Covid restrictions lifted we have been able to return to more normal operations. However, the legacy of the pandemic remains. Young people have often shown great resilience, but many have faced multiple challenges including mental health difficulties, family breakdown, poverty and isolation. It has been a particularly hard time for those impacted by bereavement and loss, as well as for those in insecure low paid work who struggle each day to meet their children's most basic needs. The cost-of-living crisis will only further entrench the disadvantage experienced by the most vulnerable members of our communities.

ACHIEVEMENTS DURING THE YEAR (continued)

Against this backdrop the services of the Catholic Children's Society (CCS) are more important than ever. Over the course of the year almost 2,000 individuals have benefitted from our early intervention mental health services and over 1,000 school staff have been trained to support children experiencing mental health issues, including in relation to bereavement and loss. Both our St Francis Family Centre and St Mark's Stay & Play have also played a key role giving children in their early years the opportunity to socialise and develop important skills, ensuring they can have the best possible start in life.

Alongside supporting children's emotional wellbeing and educational development, we have also provided direct practical support to families when they have had nowhere else to turn. Over Christmas a record number of individuals (over 2,000) were provided with donated food and gifts to help alleviate some of the strain they were under. Our Crisis Funds have also supported many families throughout the year who have suddenly found themselves in desperate situations, including those facing homelessness and fleeing domestic abuse.

The feedback shared below highlights just what a difference these services have made and can provide us all with a real sense of hope and optimism for the future. In these challenging times kindness, generosity and goodwill have shone brightly. To the many individuals, schools, parishes, staff and volunteers who have made our work possible, I offer my sincere thanks.

Another significant change this year has been two long-serving members of staff reaching retirement. Dr Rosemary Keenan (CEO) and Pauline Brady (Head of Finance) provided many years of dedicated service to CCS and their contribution has been remarkable. They have left the organisation in a strong position to rise to the challenges of today's world and I know CCS will continue to flourish as we embark on this new chapter.

Throughout our long history CCS's work has evolved and adapted to meet the most pressing needs of the diverse communities we serve. As we look to the future, compassion and a commitment to supporting the most disadvantaged will continue to guide all that we do.



Father Michael Daley
Chairman

INTRODUCTION

The trustees, who are the directors for the purposes of company law, present their statutory report, including the Strategic Report, together with the financial statements of The Catholic Children's Society (Westminster) ("CCS") for the year ended 31 March 2022.

The report has been prepared in accordance with the Charities Act 2011 and Part 15 of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 32 to 36. They comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

CCS is a company limited by guarantee (Company No. 00085235) and a registered charity (Charity No. 210920). The company was incorporated on 13 July 1905 and its governing documents are the Memorandum and Articles of Association. The company registered as a charity with the Charity Commission on 24 September 1963.

Trustees and senior management

The present Board consists of 11 members, six of whom are male and five of whom are female. Two members of the Board are BAME. New members are recruited on the basis of contacts and knowledge of potential recruits from within the Board's existing membership and senior executive staff.

There is an induction programme for new members and regular training events for the Board. In line with the Charity Governance Code, there is an annual review conducted by the Board of its membership, means of recruitment, appointment, induction and training. An external independent review of Board governance is scheduled to take place every three years.

The full Board meets at least four times each year as does its Finance Committee. Since August 2020 the Articles of Association have enabled Board meetings to be held in person, electronically or a mix of both. There is a Remuneration Committee which meets as and when required. There is also an Executive Committee with delegated powers which meets when appropriate to consider longer term strategic matters with the CEO if required. The Chief Executive Officer of CCS is answerable to the Board and acts under authority delegated by the Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees and senior management (continued)

The following trustees were in office throughout the period (except where indicated):

Trustees

Fr Michael Daley (Chairman)	
Ben Andradi*	
Dr Anne Burnage	
John Gibbs (Treasurer)*	
Frances McCarthy	
Lucy McLynn	Appointed as trustee 21 September 2021
John O'Donnell	
Anthony O'Halloran	
Maureen Roe*	
Mgr Phelim Rowland	
Pamela Singh (Vice Chairman)	

On 5 July 2022 Mgr Phelim Rowland resigned and Father David Reilly was appointed as a trustee. In accordance with the CCS constitution, the trustees marked * retired by rotation at the 2021 Annual General Meeting and were nominated for re-election and re-elected.

Company Secretary

Dr Rosemary Keenan	Retired 23 July 2021
Mr Gregory Brister	Appointed 24 July 2021

Senior management team

Name	Position
Dr Rosemary Keenan	Chief Executive Officer (retired 23 July 2021)
Gregory Brister	Deputy Chief Executive Officer/ Chief Executive Officer (appointed CEO 24 July 2021)
Pauline Brady	Head of Finance (retired 1 October 2021)
Sonia Teague	Head of Finance (appointed 8 September 2021, resigned 7 April 2022)
Orla Morris	Head of Finance (appointed 1 April 2022)
Michelle Hegarty	Head of School Services and Safeguarding (appointed 8 September 2021)
Marie Kissane	Head of Resources
Suzanna K Waring	Head of Partnerships and Communications

The Chief Executive Officer plays an active role with the Caritas Social Action Network (CSAN) and is a member of the CSAN Directors Forum. This umbrella organisation within the Bishops' Conference of England and Wales brings together Catholic welfare agencies.

Remuneration of key management personnel

CCS has a Remuneration Committee, which meets as and when required and is comprised of the CCS Treasurer and one trustee with an HR specialism. This Committee sets the pay for all staff. The CEO, Head of Resources and Head of Finance are also in attendance for the meeting, but do not participate in discussions regarding their own remuneration.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Remuneration of key management personnel (continued)

In determining CCS's remuneration policy, the Remuneration Committee takes into account all factors which are deemed necessary. The objective of the policy is to ensure that the Chief Executive Officer and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the charity. The appropriateness and relevance of the remuneration policy is reviewed annually including reference to comparisons with other charities ensuring CCS remains sensitive to the broader issues e.g. pay and employment conditions elsewhere.

The trustees consider that they, together with the Chief Executive Officer, Head of Finance, Head of Partnerships and Communications, and Head of Resources comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

None of the trustees received any remuneration from the charity in respect of their services during the year (2020/21 – £nil). There were no out of pocket travelling expenses reimbursed to trustees during the year (2020/21 – £nil). The Chief Executive Officer of CCS received remuneration in accordance with their contract of employment as well as a car mileage allowance. Further details of the remuneration payable to the key management personnel are provided within note 10 to the attached financial statements.

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its directors and officers and to indemnify the directors or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the period totalled £100 (2020/21 – £100) and provides cover of up to a maximum of £5 million (2020/21 – £5 million).

Safeguarding Children and Vulnerable Adults

The trustees recognise the importance of safeguarding all those with whom CCS works. To this end, all trustees, staff and volunteers undergo Disclosure and Barring Service (DBS) clearance before appointment and thereafter every three years. The majority of staff are now registered with the DBS Update Service and their status is reviewed annually. In addition, up to date written references are also required as are original copies of certificates and qualifications. CCS employs appropriately qualified staff for all posts and provides them with regular training. We have detailed safeguarding policies and procedures in place that are underpinned by key legislation and statutory guidance, including Working Together to Safeguard Children and Keeping Children Safe in Education.

Charity Governance Code

The CCS trustees recognise the significance of good governance and are broadly in compliance with the seven principles of the Charity Governance Code outlined in the Code for larger charities. In line with this an independent external review of Board Governance is scheduled for 2022.

Fundraising statement

CCS seeks to secure funds from a range of sources including charitable trusts, local authorities and individuals through our in-house team. We do not contract external professional fundraisers to conduct this function, nor do we have a commercial participator.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising statement (continued)

We are registered with the Fundraising Regulator and adhere to its Code of Fundraising Practice. There has been no failure to comply with this Code. Our new CEO and the Head of Partnerships and Communications both hold a Diploma in Fundraising from the Chartered Institute of Fundraising.

Whenever individual supporters conduct fundraising activities on our behalf a dedicated member of staff within the Partnerships and Communications team monitors these activities, regularly communicating with the supporter (via phone, email and mail) to provide advice and support. Neither CCS, nor any individual acting on our behalf, has received any complaints about fundraising.

We recognise it is vital to ensure that our fundraising activities and approaches are reasonable and only targeted at those who are sympathetic to our work and want to hear from us. It is also essential we protect vulnerable people from feeling pressured into giving. To achieve this:

- ◆ All our fundraising communications provide information on how, via one simple step, individuals can opt out of future communications or manage their communication preferences;
- ◆ We immediately action any requests to cease receiving fundraising communications;
- ◆ We have a supporter CRM that captures different communication preferences so supporters can choose how they hear from us; and
- ◆ We do not undertake street, door-to-door or telephone fundraising.

Statement of trustees' responsibilities

The trustees (who are also directors of The Catholic Children's Society (Westminster) 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;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)

- ◆ 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 charity 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.

EMPLOYEES

The charity is an equal opportunities employer and continues to apply objective criteria to assess merit. In line with employment legislation and the Equality Act 2010 it aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, sex or sexual orientation. In addition, the above applies to the issue of religion or belief except in respect of the post of Chief Executive Officer, which, by decision of the Board, is to be filled by someone practising the Roman Catholic faith.

Selection criteria and procedures are reviewed regularly to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

CCS pays its staff at least the London Living Wage.

VOLUNTEERS

The trustees very much value the contribution made by our volunteers to the work of CCS. A great amount of time, the value of which is impossible to quantify for the purpose of these financial statements (and is therefore excluded), was donated by 18 (2020/21 – 19) volunteers throughout the period. Activities undertaken included assisting with community fundraising and Christmas card sales.

PUBLIC BENEFIT: OBJECTIVES AND ACTIVITIES

The trustees confirm that in setting the objectives and planning the work of the charity for the year, they have given careful and serious consideration to the Charity Commission's general guidance on public benefit.

The Charity's Objects

The objectives for which CCS is established are: to promote in such charitable ways as shall seem fit the material, mental and spiritual welfare of children, young persons, adults who were beneficiaries of CCS as children or young persons, adults who were (or who have family members who were) in foster, adoptive or residential care as children or young persons, and families with children and/or persons in the Roman Catholic Diocese of Westminster and elsewhere and whether or not of the Roman Catholic faith and in particular (but without in any way limiting the generality of the foregoing) to provide and assist in providing for such persons accommodation (whether in property belonging to CCS or otherwise and whether or not in the United Kingdom) and also clothing, education and training, advice and counselling.

CCS seeks to further the objects of material, mental and spiritual welfare in children and families through the following services:

- ◆ Pathways Post Adoption and Aftercare
- ◆ St Mark's Stay and Play
- ◆ St Francis Family Centre
- ◆ Crisis Funds
- ◆ Christmas Gift Appeal
- ◆ Connect-Ed School Counselling and Therapy Services
- ◆ Connect-Ed Mental Health Training
- ◆ Rainbows Bereavement Support Programme
- ◆ Pastoral Awareness

These activities and achievements are outlined on the next page. A summary of achievements during the year can be found on page 3 and 4 of this Annual Report.

PUBLIC BENEFIT: OBJECTIVES AND ACTIVITIES (continued)

The Charity's Activities

Pathways Post Adoption and Aftercare Services

These comprise the undertakings of an Adoption Support Agency (ASA). The Post Adoption and Aftercare Team works with adult adoptees who are seeking help, advice or counselling in relation to their adoption. This service extends to the person's adopters and birth family. In addition, this team offers a similar range of services in respect of those formerly in our care and their families. The aim of this work is to help adopted adults, and former residents of our children's homes, achieve a greater understanding of their origins and reasons for separation, using the sensitivity, skills and knowledge of the workers and the records which CCS holds.

St Mark's Stay and Play

This parent and toddler drop-in, located in North Kensington, is funded by the Royal Borough of Kensington and Chelsea. It supports parents and their young children living in or near Dalgarno Ward (formerly St Charles Ward), an area of high economic deprivation and close to Grenfell Tower. Through this work we aim to provide a stimulating range of educational play activities for children aged 0-5 and their parents.

St Francis' Family Centre

St Francis' Family Centre (St Francis) is located in Poplar Ward within the London Borough of Tower Hamlets. This borough has one of the highest rates of child poverty in the country (Indices of Deprivation 2019). Through our nursery and family activity programme we provide vital support for deprived children and families.

Our aim at St Francis is to enhance disadvantaged children's cognitive, language and social skills ensuring they are able to make a successful transition to school, progress well and achieve their full potential. We also work closely with parents/carers, empowering them to embrace their role as their children's first and most important educators.

Crisis Funds

In response to the growing levels of poverty experienced by families across the Diocese of Westminster, the Archdiocese of Southwark and the Diocese of Arundel & Brighton we operate three Crisis Funds. These funds provide direct material assistance for families facing a crisis. We aim to respond to requests for support (made by a Head Teacher or Parish Priest on behalf of a family) within 24 hours. Through this initiative we are able to help alleviate the suffering experienced by many children and families who often have nowhere else to turn. Every penny donated to these funds goes directly to families in need. In addition, a fourth Crisis Fund was established in 2017 to assist those families affected by the Grenfell Tower fire. This fund has supported counselling and therapy to children and families as well as providing financial assistance and holiday activities for children and their parents.

Christmas Gift Appeal

Each year at Christmas we distribute gifts, food and toiletries to families who are living in poverty and would otherwise struggle a great deal over the Christmas holidays. This helps to relieve some of the strain they are under and enables them to enjoy their time together at a time of year that would otherwise be very challenging.

PUBLIC BENEFIT: OBJECTIVES AND ACTIVITIES (continued)

The Charity's Activities (continued)

Connect-Ed School Counselling and Therapy Services

Connect-Ed is the delivery arm of the mental health services CCS provides in schools. In 2020 the NHS digital survey of children and young people's mental health in England found that one in six children aged 5-16 years was identified as having a probable mental disorder.

These challenges at such an early age can negatively impact children's education, their ability to form healthy relationships and the quality of their family relationships. Mental ill-health during childhood and adolescence can go on to dramatically impact outcomes later in life, affecting future earnings, physical health and even life expectancy.

The aim of our Connect-Ed service is to provide early intervention and prevention through professional therapeutic support for children and young people who experience mental health and wellbeing difficulties. Through this service we help pupils come to terms with the sources of their distress and develop greater emotional resilience. This ensures they are in a much stronger position to engage with learning and achieve their full potential.

We differentiate ourselves from other organisations by only employing qualified and experienced mental health professionals to deliver this work. This means our staff can conduct clinical assessments and work with complex cases. As a result, children and young people, as well as parents and school staff, benefit from expert support which can make a lasting difference to children's lives. We have a dedicated Connect-Ed website which provides further information about this service at www.ccsconnected.org.uk.

Connect-Ed Mental Health Training

We deliver bespoke training sessions for schools. Through these sessions we aim to equip school staff with new insights and skills, helping them to more effectively support vulnerable pupils with mental health needs.

Rainbows Bereavement Support Programme

We have continued our successful partnership with Rainbows Bereavement Support Great Britain. Our Rainbows 'Registered Director' provides training for school staff, enabling them to deliver support groups for vulnerable pupils who have experienced a significant loss in their lives. This initiative represents another way in which we aim to enhance the ability of school staff to identify and support vulnerable pupils, ensuring children and young people are able to thrive at school and achieve their full potential.

Pastoral Awareness

CCS produces a range of materials and teaching resources for schools, as well as coordinating events. These help children develop an understanding of what it means to promote the Common Good and enhance pastoral awareness.

Partnerships and Communications

The Partnerships and Communications Department is responsible for generating income for both existing and new projects as well as overseeing CCS's marketing, branding and events.

STRATEGIC REPORT

Achievements and Performance

Post Adoption and Aftercare Services

During 2021/22 we supported 521 individuals (2020/21 – 523 referrals) through our Post Adoption and Aftercare Service. Despite having to adapt how we work in response to Covid-19, we were able to continue providing this service throughout the pandemic. Feedback from these service users has been very positive:

"I can't thank you enough as I now have a life from birth to the age of 16, all the information and letters throughout those years, including school reports is just phenomenal and so much to digest. I will be forever grateful to you for the hours you've spent putting this together for me, it means more than words can say".

"I wish to express my deepest heartfelt thanks and appreciation to you and your colleagues for your combined effort in bringing peace and contentment to my mind concerning my birth father".

"I found the level of detail retained in the case file to be very impressive, especially given the length of time that has passed since my adoption. I really appreciate the Social Worker's input, I'm not sure how I would have dealt with the contact initiated by my birth mother without having her as an intermediary".

"My experience from start to finish has been exceptional. Everybody has been wonderful, caring and sensitive to my case...The care and attention my case was given and after 58+ years, finding out who my mother was and my back story".

St Mark's Stay and Play

Due to the pandemic we were unable to facilitate on-site sessions at our St Mark's Stay and Play in North Kensington for several months this year. During this time we provided weekly telephone check-ins with families to help reduce the anxiety and sense of isolation many experienced. This included signposting to other support services as well as providing ideas and resources to support children's development at home.

As Covid restrictions eased we welcomed children and parents/carers back on-site. Many children are from disadvantaged backgrounds and live in cramped accommodation with no outdoor space. Providing a safe and welcoming environment where they can socialise and take part in fun educational activities and run around in our large outdoor play area has made a great difference. Key outcomes include reduced isolation, improved social skills and enhanced wellbeing.

This is a universal service, funded by the Royal Borough of Kensington and Chelsea. It therefore also plays an important role in supporting community cohesion and giving children and families from diverse backgrounds the opportunity to meet, socialise and have fun together. The Grenfell Tower Fire highlighted the inequality that exists in this area and our Stay and Play is an important setting where everyone is welcome and the rich diversity of our community is celebrated.

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

St Mark's Stay and Play (continued)

Feedback from parents has included:

"St Mark's Stay & Play is an absolute life saver for me. It's included in my daily routine with my little one, which she looks forward to every time. The staff are friendly and lovely and always make us feel welcome".

"It's an amazing place... lot of indoor activities and also [the] grass area is fantastic...being mum of two kids I love to spend time here".

St Francis Family Centre

Throughout the pandemic our staff at St Francis Family Centre (St Francis) maintained contact with our families, offering resources and support to help educate their children at home. Since welcoming families back on-site we have invested a lot of time helping children develop their confidence and social skills after such a large proportion of their young lives had been spent living under lockdown.

This work has been very successful and we have seen notable improvements in children's cognitive, language and social skills. By providing a stimulating environment in which to learn and play, we have helped children thrive and be much better prepared to make a successful transition to school and achieve their full potential.

St Francis receives funding from the London Borough of Tower Hamlets to increase nursery access for children from low-income families who may be at risk of not achieving in the education system. We have also received generous funding from charitable trusts and grant making bodies to support this work.

Parents regularly provide feedback on the difference our service makes:

"St Francis has helped me cope with the feeling of loneliness and isolation and they have helped me boost my mood and I now feel happy"

"All the staff are so nurturing and supportive and they give so much attention and positivity"

"Many thanks from my heart for all your patience, hard work, love and dedication...I would highly recommend St Francis to anyone, I feel very lucky to have found such a wonderful and happy environment for my child"

"Attending St Francis has made my child so happy it is like our second home".

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

Crisis Funds

Crisis Fund (Westminster): Our Crisis Fund has continued to be a very effective way of providing direct support for children and families in dire need by working in partnership with parishes and schools throughout Westminster Diocese.

Crisis Fund (Southwark): A separately ring-fenced fund has been established for use within the Archdiocese of Southwark. Money for this is raised from fundraising activities that have taken place in parishes and schools in Southwark itself, ensuring income raised in Southwark is spent on beneficiaries from the same area.

Crisis Fund (Arundel & Brighton): CCS established a separately ring-fenced fund for use within the Diocese of Arundel & Brighton. Money for this is raised from fundraising activities which take place in parishes and schools within the Diocese of Arundel & Brighton itself, ensuring income raised in Arundel & Brighton is spent on beneficiaries from the same area.

Over the course of the year our Crisis Funds helped a total of 477 individuals from across Westminster, Southwark and Arundel & Brighton (2020/21 – 2,804). This figure is lower than the previous year as we have increasingly focused on providing higher level support for families in very challenging circumstances. Our overriding priority has been to ensure that this one-off help can make a meaningful and lasting difference to the lives of the children and parents/carers concerned. The average amount of funding provided per family has therefore increased.

Issues addressed during the year have included supporting families fleeing domestic abuse and helping families avoid homelessness. We have also continued to help meet families' basic needs, for example by providing beds for children who have been found to be sleeping on the floor, or providing a cooker so destitute parents can provide their children with a warm meal.

Feedback has included:

"The last few months have been the very worst time in my life due to my daughter's ill health, losing my husband to cancer and recently being made redundant. Then my boiler broke and it felt like the last straw. Thank you for taking away the sleepless nights of worrying. This means the world to me and gives me so much more hope for the future". (Parent)

"This was a terrifying time for me and my family. I felt so helpless and alone. But your support gave me hope that maybe there was a light at the end of the tunnel. I cannot put into words what this meant to me and the difference your support has made". (Parent)

"This will make the world of difference to this family at a very difficult time - just knowing there are people who care means so much to them". (Teacher)

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

Crisis Funds (continued)

"This is the first time that our school has applied for support through the CCS Crisis Fund and I am so delighted that the request was responded to so quickly and that the family are receiving a significant amount of funds to help them through this difficult period. The family were deeply touched and greatly appreciative". (Teacher)

"Your charity is just wonderful, unbelievable. Every time I contact you you're able to help us. It means so much to the families. This family in particular has been through hardship after hardship – mum doesn't know if she can go on. They're a truly lovely family and it's been so hard to see them going through the trauma of recent months. I can't wait to tell her that you'll be able to help". (Teacher)

Grenfell Crisis Fund

This special Crisis Fund created in 2017 in the aftermath of the Grenfell Tower Fire is ring-fenced to provide services and funds to those affected by this tragedy. As well as those who were in the Tower on the night of the fire, there were hundreds of local residents who witnessed first-hand the events which unfolded and whose lives have, as a consequence, been affected. The shell of the tower remains a constant reminder not only of the fire itself but of the lasting impact it will have on a generation of children and young people who live with it every day. Over the last year the fund has helped support our counselling services delivered in four schools in North Kensington impacted by the fire.

Christmas Gift Appeal

Alongside our Crisis Funds, at Christmas we supported 2,152 children and parents/carers by providing food and gifts that were generously donated by our supporters. This year our Christmas Gift Appeal was a particular success and over £40,000 worth of items were donated by parishes, schools and individuals. These were then distributed via 55 schools to highly disadvantaged families and facing severe hardship over Christmas. We also provided support to vulnerable families via the Royal Borough of Kensington & Chelsea's Early Help Team, and to mothers and children who have been trafficked via the Medaille Trust. This initiative further ensured we could address and alleviate the pressures faced by families living in poverty. Below are some examples of families we helped, including feedback received:

Family 1: The single mother of this family had to give up her job to care for her young son, who was diagnosed with cancer. The family were struggling a great deal financially. Upon receiving this support the mother said:

"Thank you so much – this will bring a lot of joy to my two boys. Things have been very difficult recently - this will help me to give them a happy Christmas"

Family 2: The father of this family sadly died earlier this year. He was the main breadwinner and the mother works part-time as a carer. She manages to support her three young children, but there is never anything left at the end of the month. She said:

"This will take so much pressure off... This will be a huge help and ensure we can share a happy day together like a normal family. We are so grateful"

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

Connect- Ed School Counselling and Therapy Services

Over the course of the year we delivered therapeutic services for pupils in 83 schools (both faith based and community) across the Diocese of Westminster and Archdiocese of Southwark (2020/21 – 80). These included primary, secondary, special schools and alternative provisions. In total CCS's counselling and therapeutic services worked with 1,892 individuals. Outcomes achieved for the children and young people included:

- ◆ Improved emotional wellbeing.
- ◆ Less disruptive, anti-social and aggressive behaviour.
- ◆ A reduction in depression and anxiety.
- ◆ Improved social skills and peer relationships.
- ◆ Improved confidence and self-esteem.
- ◆ Stronger family relationships.
- ◆ Enhanced ability to engage with learning.

We have continued to develop our online Case Management System, ensuring we have clear and robust processes in place for undertaking assessments, formulating clinical work, assessing risk, capturing clinical notes and recording and monitoring safeguarding concerns. Our efforts to build new digital systems to enhance our work across the organisation were recognised at the Catholic Charity Awards in May 2021, where we were awarded the prize for 'Digital Transformation'.

We have also invested heavily in supporting the continuing professional development of our staff, both via skills sharing sessions and bespoke training.

We collect feedback from children, parents/carers and school staff on an ongoing basis to measure the impact of this work and a sample is included below:

"My son is much less angry, his behaviour's completely changed at home". (Parent)

"The sessions have really helped, my child is making excellent progress at school". (Parent)

"This helped us understand and help our child better, I'm so grateful it was available". (Parent)

"My child has thoroughly enjoyed time with you and the difference in her confidence is amazing". (Parent)

"I have noticed a huge change in her, she used to be very closed off but she communicates more openly and isn't resistant to support from others". (Teacher)

"He is definitely more confident, far more resilient and happier". (Teacher)

"I feel happier and think more positively". (Child)

"I feel able to deal with things better". (Child)

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

Connect-Ed School Counselling and Therapy Services (continued)

"My attendance has improved and I feel less anxious about school, it made a difference knowing I could have someone to talk to". (Child)

"It helped me to be more happier [sic] and enjoy life more". (Child)

Connect-Ed Mental Health Training

Over the last year we have successfully delivered training for 416 school staff. This was delivered both on-line and face-to-face. Many of these staff have never received formal mental health training and we covered a range of topics including attachment theory, neuroscience, bereavement and promoting positive mental health. Ultimately this ensured school staff had enhanced abilities to identify and support pupils with mental health needs. Feedback from teachers on this training has been very positive:

"It was really helpful as it refreshed our memories on bereavement and the steps to take to best support children in our care".

"I found it really useful thinking about coping strategies and also thinking about how/when to set boundaries".

"Feel much more confident and more aware of resources and strategies to support pupils".

Rainbows Bereavement Support Programme

We have provided Rainbows training for 51 schools in total and a record 683 school staff. This was in response to the high demand from schools. Many children have lost loved ones during the pandemic and have been dealing with these painful experiences whilst isolated at home. Family relationships have also been placed under considerable strain, often exacerbated by poverty and deprivation; many children are now struggling with parents separating and the breakup of their family unit.

The Rainbows Bereavement Support Programme training we offer schools has ensured they can offer structured support for these pupils, helping them feel less alone with their grief and process their sense of loss.

In response to growing demand we sought out funding to enable us to offer Rainbows training and resources to schools free of charge, ensuring as many children as possible could benefit from this support. These efforts were successful and thanks to funding from the National Lottery Fund, the Society of the Sacred Heart and the Assumption Legacy Fund we have been able to significantly scale up this provision.

Feedback has included:

"Really insightful training, I learnt a lot about how to support children's emotional needs". (Teacher)

"I really enjoyed this training and feel much more equipped to support children with loss". (Teacher)

STRATEGIC REPORT (continued)

Achievements and Performance (continued)

Rainbows Bereavement Support Programme (continued)

"She used to be so angry at home... she is so much calmer now, she loves coming to the group, she said it makes her feel safe". (Parent)

"When my mum died, it felt like dark clouds were following me around. Now the sun is starting to shine through again". (Child)

"Rainbows is such a brilliant programme. The children are really opening up and it's been an eye opener seeing how a family break up affects the children. They were definitely in need of support and are really benefitting from sharing their experiences and feelings with other children who have been through the same". (Teacher)

Pastoral Awareness

Through our work with schools we seek to encourage children and young people to show concern for and support local children and families in need. In this way we help children gain a better understanding of Catholic Social Teaching and what it means to promote the Common Good.

We engaged with over 100 schools during the year, delivering assemblies and providing online presentations and resources. We also help our annual Nativity Service at Westminster Cathedral which was attended by 2,800 children from schools across London and Hertfordshire.

Partnerships and Communications

Thanks to the generosity and kindness of individuals, schools, parishes and charitable trusts 2021/22 has been a strong year for income generation across a range of key areas. Gross income secured from trusts, grant making bodies and statutory sources in 2021/22 was £647,276 (as against £993,697 in 2020/21). This represents a decrease on the previous year; however, 2020/21 was exceptional due to many new funding opportunities being made available in response to the pandemic. The result for 2021/22 exceeded target and we have been able to secure strong support from a range of funders to further our work. In line with the SORP accounting requirements this income has been included either as part of the income from donations and legacies, or as part of the income from charitable activities (services to schools and local authorities) within the Statement of Financial Activities.

Income from donations and appeals remained strong with £666,102 raised in total as against £666,158 in 2020/21. We have been particularly grateful to the record number of 'Friends of CCS' who have set up regular payments to support our work.

STRATEGIC REPORT (continued)

Financial Review

Results for the year

The total income for the year to 31 March 2022 was £2,512,723 (2020/21 – £3,149,944). The principal funding sources were donations and grants and income from charitable activities. The total expenditure for the year to 31 March 2022 was £2,411,109 (2020/21 – £2,540,371). The principal area of charitable expenditure related to our Connect-Ed School Counselling & Therapy Services.

In 2021/22 a surplus of £101,614 was achieved before realised and unrealised gains and losses on investments (2020/21 – surplus of £609,573). There were unrealised gains on our investments amounting to £20,837 (2020/21 – gains of £877,360) and realised gains of £16,151 (2020/21 – gains £132,439).

Reserves policy and financial position

The Board's reserves policy is to have general funds, which it terms "free reserves" sufficient to meet one year's unrestricted expenditure. At the end of 2021/22 this sum stood at £2,291,900 (2020/21 – £2,626,547) which is based on total funds of £6,590,704 (2020/21 – £6,452,102) less the restricted and designated funds of £943,910 (2020/21 – £915,738) and £3,354,894 (2020/21 – £2,909,817) respectively.

CCS's free reserves at the year-end were the equivalent to approximately 14 months' unrestricted expenditure based on the forecast for 2022/23. Given the considerable economic uncertainty due to global events, trustees feel this is a prudent level, particularly when accounting for our budgeted deficit of £231,206 for 2022/23.

In determining the appropriate level of reserves the trustees have taken into account the need to provide a degree of security for direct charitable activities. Not least of these are the long term functions of the Post Adoption and Aftercare Service. This work is demanding of skilled resources and heavy in terms of caseload; 2021/22 saw us involved in supporting 521 individuals. This is an enduring commitment as, by law, we must keep records for between 75 years and 100 years and offer a post adoption service throughout the lives of any of those involved in the adoption process.

Most of the administrative and support costs needed to enable this service to function effectively are not funded from statutory income and have to be met from CCS's own funds. The continued cost of our Post Adoption and Aftercare Service in 2021/22 was £205,573 (2020/21 – £181,415).

STRATEGIC REPORT (continued)

Financial Review (continued)

Investment policy and performance

The Trustees have adopted a general statement of an ethical investment policy.

The Charity's ethical investment policy is based on Catholic teaching and reflects a number of Papal encyclicals including *Laudato Si'* and more recently *Fratelli Tutti* both from Pope Francis. Essentially this means respect for life, respect for the dignity of the person, Catholic teaching on war and peace, economic justice and protecting the environment. Increasingly there is scrutiny of corporate responsibility in all these areas including ESG (environmental, social and governance) screening.

Under Charity Law and Church teaching CCS's investments are managed in accordance with CCS's ethical investment policy on a discretionary basis by Charles Stanley & Co Limited and Killik & Co. The trustees must seek to obtain the best financial return possible whilst also maintaining CCS's ethical investment policy which is based on not having substantial holdings in companies that are involved in the sale of tobacco, armaments, and artificial means of contraception, gambling, or the artificial creation of human life. The judgement and decisions to invest or disinvest reflect the Church's teaching which promotes the dignity and sanctity of human life and the importance of society in general.

The Board has a Finance Committee comprising five members of the Board who monitor the performance of the charity's funds and receive regular valuations and updates of the portfolios which are reviewed at each committee meeting. This Committee meets at regular intervals and once a year with representatives of the investment management companies. The Board, which is fully informed of the Finance Committee's deliberations, is content to maintain the holdings to allow for flexibility in meeting the charitable demands of CCS.

The market value of investments held was £4,971,880 at 31 March 2022 (2021 – £4,906,157). The investment yield on listed investments is about 4% based on the average market value, which is considered satisfactory in the light of current interest rates. The unrealised gains on listed investments were £20,837 and realised gains were £16,151. The trustees regularly review our portfolio of investments with our investment managers.

The charity's fixed assets

Acquisitions and disposals of fixed assets during the year are recorded in notes to the financial statements.

Plans for the future

Introduction

There is a budgeted deficit of £231,206 planned for the 2022/23 financial year which will be met through free reserves.

CCS is in the process of developing a new strategic plan which will build on the success we have had to date in meeting the most urgent needs of the communities we serve. This plan will focus both on supporting the continuous improvement of our existing services as well as enhancing our offer to ensure we can help more children and families in need of support.

STRATEGIC REPORT (continued)

Plans for the future (continued)

Post Adoption and Aftercare Services

We will ensure the service is compliant with the National Minimum Standards for Adoption Support Agencies 2011, (updated 2014) as required by Ofsted. We will also strive to offer service users high quality provision, in keeping with our 'Outstanding' Ofsted rating. In addition, we plan to harness new technologies to streamline our work processes and enhance our capacity to support more service users.

St Mark's Stay and Play

We will continue to offer a full range of fun indoor and outdoor activities, supporting the wellbeing and healthy development of children in their early years. We will also seek to strengthen our partnerships with local services, including Early Help, speech and language therapists and the local children's centres. By working collaboratively in this way we hope to offer holistic support for children and families and give children the best possible start in life.

St Francis' Family Centre

St Francis is rated 'Outstanding' by Ofsted and we will continue offering children and families early years education of the highest quality. This will include developing the services we offer parents/carers and relaunching a full range of day trips and family activities that were not previously possible due to the pandemic. Many of our families have never left inner London and live in challenging and deprived circumstances. These activities and trips will give them the opportunity to share new exciting experiences, whilst also supporting children's learning and development and broadening their horizons.

Crisis Funds

Over the coming year we will ensure that the Crisis Funds in Westminster Diocese, the Southwark Archdiocese and the Diocese of Arundel & Brighton continue to benefit vulnerable children and families throughout these areas. Every penny donated to our Crisis Funds will be given out via emergency grants. The Grenfell Crisis Fund will continue to assist families and children affected by the Grenfell Tower fire.

Christmas Gift Appeal

We will work with individuals, parishes and schools to continue increasing the level of support we can offer vulnerable families over Christmas. With the cost-of-living crisis likely to be particularly acute over the winter months, this direct and practical support for families living in poverty will be more important than ever.

Connect-Ed School Counselling and Therapy Services

The number of children in schools experiencing complex mental health issues continues to be very high and some of these issues have been triggered/exacerbated by the pandemic. We plan to invest in this service to ensure we have the capacity within our team to meet the growing demand. Alongside this we will invest in ensuring the service provided is of the highest quality. This includes providing a programme of training and professional development opportunities for staff, as well as recruiting in-house clinical supervisors to work within our management team and support clinical practice.

STRATEGIC REPORT (continued)

Plans for the future (continued)

Connect-Ed Mental Health Training

Mental health training will continue to be a key part of the work delivered by our Connect-Ed Service Managers, ensuring school staff have the knowledge, strategies and skills to provide effective early intervention support for vulnerable children. We also plan to deliver more training workshops for parents/carers, ensuring all key adults in children's lives have a strong understanding of how to support children experiencing difficulties and promote their positive mental health.

Rainbows Bereavement Support Programme

The demand for this service has grown significantly and we will look to increase our training capacity to manage this. To ensure as many children as possible can benefit from this support we plan to continue offering Rainbows training and resources free of charge to schools throughout London and Hertfordshire. As a result we expect hundreds more children who are dealing with bereavement and loss to benefit from this support over the coming year.

Pastoral Awareness

We will seek to engage with more schools across Westminster Diocese, Arundel & Brighton Diocese and the Archdiocese of Southwark. Developing engaging and differentiated teaching resources will be a key part of this work, encouraging pupils to learn more about Catholic Social Teaching and inspiring them to work together to promote the Common Good.

Partnerships and Communications

We will continue to build on our success in securing income from a diverse range of income streams. Our new Customer Relationship Management (CRM) system will be further developed, helping our small team build strong and positive relationships with our growing supporter base. Our key priority is to work as cost effectively as possible and achieve maximum return on investment, ensuring as much of the charity's resources as possible are focused on directly supporting children and families in need.

Principal risks and uncertainties

In compliance with The Charities Act 2011, CCS's Trustees undertake an annual risk assessment. In line with 'The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013', this Strategic Report includes the following information on the principal risks the charity faces and how they might affect future prospects.

The trustees, in assessing risk, consider the following risk areas: governance and management; operational; financial; and external and compliance with laws and regulations. These are assessed using a scoring system for severity of impact and likelihood of occurrence. An overall gross risk score is calculated and established ranging from 1-8: (Low), 9-17 (Medium) and 18-25 (High). The 2021/22 risk assessment identified no high retained risks. There were 14 medium retained risks, most exacerbated by the impact of the pandemic, spread across:

- ◆ Governance and Management Risks, in particular the loss of key managers;

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- ◆ Operational Risks concerning damage to or destruction of IT systems, breach of Data Protection or GDPR non-compliance; the impact of COVID-19 on staffing;
- ◆ Financial Risks e.g. income targets not being met or a fall in value of investments, and loss of rental income;
- ◆ External Risks such as allegations concerning historical abuse or past practice and public perceptions of the Catholic Church;
- ◆ Compliance with Laws and Regulations including those related to increased use of IT e.g. data protection breaches.

In all risk areas, policies and procedures are in place which are monitored and reviewed regularly to mitigate potential risk to the charity.

At the end of the 2019/2020 financial year a new risk was identified, the COVID-19 pandemic, which resulted in a substantial fall in the value of investments. These have subsequently largely recovered but we are mindful of this potential volatility in the wake of the pandemic, as well as the potential impact of recent world events. Our current level of free reserves will help mitigate some of this risk.

The Trustees' Report including the Strategic Report was approved by the trustees and signed on their behalf by:



Chairman

Approved by the trustees on: 20 9. 2022

Independent auditor's report to the members of The Catholic Children's Society (Westminster)

Opinion

We have audited the financial statements of The Catholic Children's Society (Westminster) (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, 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 charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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.

Other information (continued)

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 the directors' report for the purposes of company law, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is the directors' report for the purposes of company law, including 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 charitable 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 are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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 Senior Statutory Auditor 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 charitable company through discussions with management, and from our knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Charities Act 2011, Companies Act 2006, data protection legislation, anti-bribery, safeguarding, employment, health and safety legislation;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- ◆ identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

- ◆ making enquiries of 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 journal entries to identify unusual transactions;

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

How the audit was considered capable of detecting irregularities including fraud
(continued)

- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

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 trustee meetings;
- ◆ enquiring of management as to actual and potential litigation and claims; and
- ◆ reviewing any available correspondence with HMRC and the company's legal advisors (although none was noted as being received by the charitable company).

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



Mark Worsey (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL



Statement of financial activities Year to 31 March 2022

	Notes	Un-restricted funds £	Restricted funds £	2022 Total funds £	Un-restricted funds £	Restricted funds £	2021 Total funds £
Income and expenditure							
Income from:							
Donations and Legacies	1	701,381	385,272	1,086,653	1,011,413	684,152	1,695,565
Charitable Activities	2	741,561	245,170	986,731	753,146	230,928	984,074
Investments	3	184,400	6,160	190,560	134,499	4,628	139,127
Other Trading Activities	4	40,062	—	40,062	45,275	—	45,275
Other sources	5	208,717	—	208,717	285,903	—	285,903
Total income		1,876,121	636,602	2,512,723	2,230,236	919,708	3,149,944
Expenditure on:							
Raising funds	6	198,591	—	198,591	236,430	739	237,169
Charitable Activities	7	1,604,084	608,434	2,212,518	1,569,678	733,524	2,303,202
Total expenditure		1,802,675	608,434	2,411,109	1,806,108	734,263	2,540,371
Net income before investment gains (losses)							
		73,446	28,168	101,614	424,128	185,445	609,573
Realised gains on the disposal of listed investments		15,616	535	16,151	127,804	4,635	132,439
Unrealised gains (losses) on the revaluation of listed investments		21,368	(531)	20,837	848,831	28,529	877,360
Net income and net movement in funds for the year							
		110,430	28,172	138,602	1,400,763	218,609	1,619,372
Reconciliation of funds:							
Total funds brought forward at 1 April 2021		5,536,364	915,738	6,452,102	4,135,601	697,129	4,832,730
Total funds carried forward at 31 March 2022		5,646,794	943,910	6,590,704	5,536,364	915,738	6,452,102

All recognised gains and losses are included in the above statement of financial activities.

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

Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	12		906,835		954,011
Investments	13		4,974,170		4,948,437
			<u>5,881,005</u>		<u>5,902,448</u>
Current assets					
Debtors	14	303,108		285,178	
Cash at bank and in hand		810,369		740,792	
		<u>1,113,477</u>		<u>1,025,970</u>	
Creditors: amounts falling due within one year	15	(403,778)		(476,316)	
Net current assets			709,699		549,654
Total net assets			<u>6,590,704</u>		<u>6,452,102</u>
The funds of the charity:					
Restricted funds	16		943,910		915,738
Unrestricted funds					
. General funds	17	2,291,900		2,626,547	
. Designated funds	17	3,354,894		2,909,817	
			<u>5,646,794</u>		<u>5,536,364</u>
			<u>6,590,704</u>		<u>6,452,102</u>

Approved by the trustees of The Catholic Children's Society (Westminster), Company Registration Number 085235 (England and Wales) and Charity Registration Number 210920, and signed on their behalf by:

Chairman

FM Macaulay

Approved on:

20.9.2022

Statement of cash flows Year to 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	(107,666)	658,707
Cash flows from investing activities:			
Dividends and interest from investments		185,162	136,134
Purchase of tangible fixed assets		(19,175)	(98,338)
Proceeds from the disposal of investments		568,115	594,647
Purchase of investments		(596,849)	(1,039,186)
Net cash used by investing activities		137,253	(406,743)
Change in cash and cash equivalents in the year		29,589	251,964
Cash and cash equivalents at 1 April 2021	B	783,072	531,108
Cash and cash equivalents at 31 March 2022	B	812,659	783,072

Notes to the Statement of Cash Flows for the year ended 31 March 2022

A Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net income (expenditure) for the year (as per the statement of financial activities)	138,602	1,619,372
Adjustments for:		
Depreciation charge	66,352	60,049
Realised (gains) losses on disposal of listed investments	(16,151)	(132,439)
Unrealised (gains) losses on the revaluation of listed investments	(20,837)	(877,360)
Dividends and interest from investments	(190,560)	(139,127)
Decrease (increase) in debtors	(12,534)	78,941
Increase in creditors	(72,538)	49,271
Net cash provided by operating activities	(107,666)	658,707

B Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	810,369	740,792
Cash held by investment managers	2,290	42,280
Total cash and cash equivalents	812,659	783,072

The Catholic Children's Society (Westminster) 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 to 31 March 2022 with comparative information presented in respect of the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

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;
- ◆ the estimation of the amount receivable in respect of legacies where the charity has been notified of its entitlement; and
- ◆ the basis on which the support costs are allocated across the various categories of charitable expenditure.

Assessment of going concern

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

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern and that it will have sufficient resources to meet its liabilities as they fall due. In making this assessment, the trustees have considered the impact of the coronavirus pandemic on the charity and the adequacy of its reserves and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Donations

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, 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.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Gifts in kind

Donated goods are recognised at fair value unless it is impractical to measure this reliably in which case a derived value, being the cost of the item to the donor, is used. An equivalent amount is included as expenditure except where the donated good is a fixed asset in which case the corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity's accounting policies.

In accordance with the Charities SORP FRS 102 the value of volunteer time is not recognised.

Income (continued)

Grant and fee income

Grants and fee income from government and other agencies have been included as income from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity 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 stated inclusive of irrecoverable VAT.

Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include direct and support costs in respect of the provision of post-adoption and after care services, community services, counselling and therapeutic services and pastoral awareness.

Allocation of support and governance costs

The majority of costs are directly attributable to specific activities. Office costs and property-related costs are apportioned by staff members, staff time or usage. Governance costs (which comprise the costs associated with the public accountability of the charity (including audit costs) and costs in respect of its compliance with regulation and good practice) are split across the expenditure headings in the same ratio as for the remainder of the support costs.

Tangible fixed assets

All assets costing more than £2,000 for computers and £1,000 for other assets, and with an expected useful life exceeding one year, are capitalised at cost.

Functional freehold property

Freehold properties used for the direct charitable work of the charity are included in these financial statements at cost at the date of acquisition together with the cost of additions and improvements to date. Functional freehold properties are depreciated at a rate of 2.5% per annum on a straight line basis in order to write the buildings off over their estimated useful economic life to the charity.

No depreciation is provided on freehold land.

Functional leasehold property

Property leases used for the direct charitable work of the charity are included in these financial statements at their cost at the date of acquisition and are depreciated over the term of the lease on a straight line basis in order to write the lease off over its term.

Other tangible fixed assets

Other tangible fixed assets are capitalised at cost and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ♦ Equipment 10-20% per annum based on cost
- ♦ Computers 33.3% per annum based on cost

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value where the investment is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Cash held by the investment manager for re-investment is included as a component of fixed asset investments.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. This excludes cash held by the investment manager for re-investment which is included as a component of fixed asset investments as noted above.

Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

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 the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

General funds represent those monies which are freely available for application towards achieving any purpose that falls within the charity's charitable objects.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects and funds which represent the value of fixed assets which cannot be realised without compromising the ongoing activities of the charity.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

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 term of the lease.

Pension costs

Contributions to the group personal pension scheme are charged to the statement of financial activities when they become payable.

Notes to the financial statements 31 March 2022

1 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Grants	3,000	273,792	276,792	—	583,813	583,813
Donations	368,090	89,317	457,407	334,795	62,450	397,245
Appeals	186,532	22,163	208,695	250,995	17,918	268,913
Legacies	143,759	—	143,759	425,623	19,971	445,594
Total funds	701,381	385,272	1,086,653	1,011,413	684,152	1,695,565

The charity received gifts in kind totalling £41,528 (2020/21 – £11,666) which have been included within unrestricted donations above. These include donated goods for use by the charity such as gift vouchers.

2 Income from Charitable Activities

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Services to schools and local authorities	741,561	245,170	986,731	753,146	230,928	984,074
Total funds	741,561	245,170	986,731	753,146	230,928	984,074

Nursery Education Grant fees of £31,262 (2020/21 – £25,107) were received from the London Borough of Tower Hamlets.

3 Income from investments

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Listed investments	184,334	6,155	190,489	134,393	4,444	138,837
Bank interest receivable	66	5	71	106	184	290
Total funds	184,400	6,160	190,560	134,499	4,628	139,127

4 Income from other trading activities

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Sales of Christmas cards and gifts	40,062	—	40,062	45,275	—	45,275
Total funds	40,062	—	40,062	45,275	—	45,275

5 Income from other sources

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Rents receivable	194,828	—	194,828	223,239	—	223,239
Caretaker services to Tenants	6,996	—	6,996	—	—	—
Conference room hire	1,040	—	1,040	—	—	—
Recoverable utility costs	931	—	931	912	—	912
Other General income	4,922	—	4,922	7,972	—	7,972
Coronavirus	—	—	—	53,780	—	53,780
Total funds	208,717	—	208,717	285,903	—	285,903

6 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Staff costs (note 10)	71,741	—	71,741	77,313	—	77,313
Advertising and promotion	21,305	—	21,305	29,447	—	29,447
Depreciation	—	—	—	2,606	—	2,606
Investment manager's fees	22,710	—	22,710	30,708	739	31,447
Professional fees	—	—	—	13	—	13
Other trading activities	31,793	—	31,793	37,723	—	37,723
Other direct costs	11,180	—	11,180	27,776	—	27,776
Allocated of support costs (note 8)	39,862	—	39,862	30,844	—	30,857
Total funds	198,591	—	198,591	236,430	739	237,169

7 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Post Adoption & Aftercare	180,573	25,000	205,573	181,415	—	181,415
St. Mark's Stay & Play	71,358	—	71,358	59,925	—	59,925
St. Francis Family Centre	136,022	70,098	206,120	168,107	84,757	252,864
Crisis Funds	—	84,918	84,918	—	122,172	122,172
Connect-Ed Mental Health Services	1,140,786	366,435	1,507,221	1,049,709	506,247	1,555,256
Rainbow Bereavement Support Programme	17,647	35,377	53,024	38,644	3,975	42,619
Pastoral Awareness	57,698	—	57,698	71,878	—	71,878
Other	—	26,606	26,606	—	16,373	16,371
Total funds	1,604,084	608,434	2,212,518	1,569,678	733,524	2,303,202

Notes to the financial statements 31 March 2022

8 Support costs

	Basis of allocation	Raising funds £	Post adoption and after care services £	St. Mark's Stay & Play £	St. Francis Family Centre £	Crisis Funds £	Connect-Ed Mental Health Services £	Rainbow Bereavement Support Programme £	Pastoral awareness £	2022 Total funds £
Finance, human resources and general office	Staff No's	3,065	15,325	9,195	9,195	—	153,254	3,065	3,065	196,164
Management	Staff Time	2,491	1,246	747	1,744	—	6,975	498	1,246	14,947
Direct administrative support	Staff Time	—	—	—	—	—	49,549	—	—	49,549
Premises Costs, Equipment & Utilities	Floor Space	21,936	16,041	7,990	13,951	—	49,385	3,502	4,597	117,402
Legal and professional fees	Usage	6,540	6,056	2,628	2,958	—	47,046	189	876	66,293
Depreciation	Usage	3,013	3,804	851	29,500	—	28,052	251	882	66,353
Governance costs	Support Cost Split	2,817	3,230	1,628	4,362	—	24,423	571	811	37,842
2022 Total funds		39,862	45,702	23,039	61,710	—	359,684	8,076	11,477	548,550

	Basis of allocation	Raising funds £	Post adoption and after care services £	St. Mark's Stay & Play £	St. Francis Family Centre £	Crisis Funds £	Connect-Ed Mental Health Services £	Rainbow Bereavement Support Programme £	Pastoral awareness £	2021 Total funds £
Finance, human resources and general office	Staff No's	7,389	29,552	13,298	19,948	—	289,719	5,794	3,695	369,395
Management	Staff Time	19,547	10,336	9,068	21,159	—	54,464	4,736	13,532	132,842
Direct administrative support	Staff Time	—	29,276	10,806	25,214	—	231,802	20,157	—	317,255
Legal and professional fees	Usage & Staff No's	1,001	3,271	1,682	2,522	—	33,837	677	653	43,643
Depreciation	Usage & Staff No's	732	1,814	4,126	6,188	—	15,691	314	385	29,250
Governance costs	Support Cost	2,175	5,636	3,464	5,195	—	48,908	978	1,389	67,745
2021 Total funds		30,844	79,885	42,444	80,226	—	674,421	32,656	19,654	960,130

In 2021/22, support costs excludes the value of staff time that could be directly charged to the various charitable activities. This basis will be used in future years.

Notes to the financial statements 31 March 2022

9 Net income (expenditure) and net movement in funds

This is stated after charging:

	Unrestricted funds £	Restricted funds £	2022 Total £	Unrestricted funds £	Restricted funds £	2021 Total £
Staff costs (note 17)	1,294,587	375,509	1,670,096	1,290,997	440,062	1,731,059
Auditor's remuneration (including VAT)						
. Statutory audit services	16,200	—	16,200	15,200	—	15,200
Depreciation	58,071	8,280	66,351	54,381	5,668	60,049

10 Staff costs and remuneration of key management personnel

Staff costs during the year were as follows:

	2022 Total £	2021 Total £
Wages and salaries	1,376,450	1,448,082
Social security costs	119,216	123,638
Other pension costs	107,429	118,752
	1,603,095	1,690,472
Recruitment costs	43,352	18,408
Agency staff costs	23,649	14,671
Redundancy costs	—	7,508
	1,670,096	1,731,059

Payments to agency staff during the year reflect the need to cover nursery nurses' vacant posts and staff sickness.

The average number of employees during the year, analysed by function, was as follows:

	2022 Number	2022 FTE	2021 Number	2021 FTE
Raising funds	2	2	1	1
Charitable activities	69	32	62	33
Indirect support	8	7	9	7
	79	41	72	41

FTE = Full time equivalents

In addition to the above, a great amount of time, the value of which is impossible to quantify for the purpose of these financial statements, was donated by 18 volunteers throughout the period (2020/21 – 19). Activities undertaken included assisting at events, fundraising, general office duties and packing Christmas cards.

10 Staff costs and remuneration of key management personnel (continued)

The number of employees who earned more than £60,000 during the year (including taxable benefits but excluding employer pension contributions) was as follows:

	2022	2021
£60,001 to £70,000	—	2
£70,001 to £80,000	2	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the Chief Executive Officer and the Senior Management Team. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £359,970 (2020/21 – £403,430).

No trustee received any remuneration in respect of their services during the period (2020/21 – £nil).

No out of pocket travelling expenses were reimbursed to trustees during the year (2020/21 – £nil).

11 Taxation

The company is a charity under the Finance Act 2010 (schedule 6, paragraph 1) definition. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by the Corporation Tax Act 2010 (part 11, chapter 3) or the Taxation of Chargeable Gains Act 1992 (section 256), to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the period.

12 Tangible fixed assets

	Freehold land, buildings and leases £	Equipment unrestricted £	Equipment restricted £	Total £
Cost				
At 1 April 2021	1,095,326	275,933	62,524	1,433,783
Additions	—	3,148	16,027	19,175
Disposals	—	—	—	—
At 31 March 2022	<u>1,095,326</u>	<u>279,081</u>	<u>78,551</u>	<u>1,452,958</u>
Depreciation				
At 1 April 2021	252,473	208,969	18,330	479,772
Charge for year	31,788	26,283	8,280	66,351
Disposals	—	—	—	—
At 31 March 2022	<u>284,261</u>	<u>235,252</u>	<u>26,610</u>	<u>546,123</u>
Net book values				
At 31 March 2022	<u>811,065</u>	<u>43,829</u>	<u>51,941</u>	<u>906,835</u>
At 31 March 2021	<u>842,853</u>	<u>66,964</u>	<u>44,194</u>	<u>954,011</u>

It is likely that the open market values of the charity's freehold land and buildings are substantially higher than their book values based on cost. The amounts of such differences cannot be ascertained without incurring significant cost, which, in the opinion of the trustees, is not justified in terms of the benefit to the users of the financial statements.

Notes to the financial statements 31 March 2022

13 Investments

	2022 £	2021 £
Listed investments		
Market value at 1 April	4,906,157	3,451,819
Additions at cost	596,850	1,039,186
Disposals at book value (proceeds: £568,115; gain £16,151)	(551,964)	(462,208)
Net unrealised investment gains	20,837	877,360
Market value at 31 March	4,971,880	4,906,157
Cash held by investment managers for re-investment	2,290	42,280
Total	4,974,170	4,948,437
Cost of listed investments excluding cash held by investment managers	4,322,010	4,153,793

Listed investments held at 31 March comprised the following:

	2022 £	2021 £
UK fixed interest	846,903	981,644
UK equities	3,006,443	3,050,674
UK unit trusts	585,257	404,796
Property	426,181	361,851
Overseas unit trusts	107,096	107,192
	4,971,880	4,906,157

14 Debtors

	2022 £	2021 £
Fees from schools and local authorities	156,711	88,586
Other debtors	10,772	17,556
Investment income due	37,947	32,549
Loans to employees from the Canon Flood Trust Fund	4,408	4,628
Legacies receivable	33,668	118,000
Prepayments and accrued income	59,602	23,859
	303,108	285,178

15 Creditors: amounts falling due within one year

	2022 £	2021 £
PAYE	12,851	17,776
National insurance	16,018	17,856
Other creditors	37,197	129,984
Accruals	45,634	24,228
Deferred income	292,078	286,472
	403,778	476,316

Deferred income consists of monies received for the next financial year for school counselling £243,674 (2020/21 - £127,619), St Francis Family Centre £3,333 (2020/21 - £33,967), no donations (2020/21 – £93,693), and rental income for five tenants (2020/21 – three tenants) amounting to £45,071 (2020/21 – £31,193).

Notes to the financial statements 31 March 2022

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 April 2021 £	Income £	Expenditure £	Transfers, gains and losses £	At 31 March 2022 £
Big Lottery Fund Grant	27,972	29,081	(30,686)	—	26,367
Bishop Harvey Memorial Garden	12,517	—	—	—	12,517
Canon Flood Trust	240,371	6,160	(822)	4	245,713
Crisis Fund Arundel & Brighton	145,448	20,432	(14,894)	—	150,986
Crisis Fund Southwark	44,675	33,104	(25,914)	—	51,865
Crisis Fund Westminster	109,602	48,482	(44,110)	—	113,974
Crisis Fund Grenfell	123,760	62,586	(71,128)	—	115,218
North London Schools	3,947	9,950	(10,645)	—	3,252
East London Schools	6,816	42,151	(32,360)	—	16,607
Meditation with Children	11,588	—	—	—	11,588
Operational	15,533	10,250	(25,783)	—	—
Rainbows	15,866	40,050	(35,377)	—	20,539
School Counselling	51,743	170,081	(170,953)	—	50,871
St Francis' Family Centre	45,350	39,411	(39,411)	—	45,350
West London Schools	60,550	99,864	(81,351)	—	79,063
Pathways Post Adoption and Aftercare Services	—	25,000	(25,000)	—	—
	915,738	636,602	(608,434)	4	943,910

	At 1 April 2020 £	Income £	Expenditure £	Transfers, gains and losses £	At 31 March 2021 £
Big Lottery Fund Grant	6,012	72,262	(50,302)	—	27,972
Bishop Harvey Memorial Garden	12,514	3	—	—	12,517
Canon Flood Trust	203,515	4,456	(764)	33,164	240,371
Crisis Fund Arundel & Brighton	115,658	47,481	(17,691)	—	145,448
Crisis Fund Southwark	32,304	32,528	(20,158)	—	44,674
Crisis Fund Westminster	22,537	171,389	(84,324)	—	109,602
Crisis Fund Grenfell	133,697	63,632	(73,568)	—	123,761
North London Schools	4,014	9,978	(10,046)	—	3,946
East London Schools	2,344	39,876	(35,404)	—	6,816
Meditation with Children	18,005	203	(6,620)	—	11,588
National Lottery Community Fund (Coronavirus Community Support Fund)	—	71,289	(71,289)	—	—
Operational	—	31,904	(16,371)	—	15,533
Rainbows	3,807	16,034	(3,975)	—	15,866
School Counselling	47,242	165,872	(161,369)	—	51,745
St Francis' Family Centre	43,793	35,987	(34,430)	—	45,350
West London Schools	51,687	156,814	(147,952)	—	60,549
	697,129	919,708	(734,263)	33,164	915,738

16 Restricted funds (continued)

The specific purposes for which the funds are to be applied are as follows:

(a) Big Lottery Fund

These are funds received for staff costs of the nursery nurses based at St Francis Family Centre.

(b) Bishop Harvey Memorial Garden

This fund consists of monies received towards a memorial garden, its upkeep and maintenance in memory of Bishop Harvey, former Administrator and Chairman of the Catholic Children's Society (Westminster).

(c) Canon Flood Trust

This fund (also known as the Charles Bernard Flood Trust) was established in 1964 with the object of providing financial assistance to employees and former employees of CCS or their dependants.

(d) Crisis Fund Arundel & Brighton

This fund is used to support children and families in poverty within the Diocese of Arundel & Brighton. Funding was received from the Albert Gubay Charitable Foundation towards the fund, as well as from individuals, parishes and schools.

(e) Crisis Fund Southwark

This fund is used to support children and families in poverty within the Archdiocese of Southwark. Funding was received from the Albert Gubay Charitable Foundation towards the fund, as well as from individuals, parishes and schools.

(f) Crisis Fund Westminster

This fund is used to support children and families in poverty within the Diocese of Westminster. Funding was received from the Albert Gubay Charitable Foundation towards the fund, as well as from individuals, parishes and schools.

(g) Crisis Fund Grenfell

This fund is used to support children and families affected by the Grenfell Tower Fire, including delivering mental health services in four schools. These mental health services are part-funded by the Royal Borough of Kensington & Chelsea (RBKC). RBKC's funding is set to reduce significantly over the next two years and we will use this fund to meet any shortfall and ensure we can maintain provision at the appropriate level.

(h) North London Schools

This fund consisted of monies received for school counselling and therapy work. Funds were received from BBC Children in Need towards school counselling and therapy.

(i) East London Schools

This fund consisted of monies received for school counselling and therapy work in a cluster of schools in the London Borough of Tower Hamlets. Funds were received from St James's Place Charitable Foundation towards school counselling and therapy.

(j) Meditation with Children

This fund is used to promote meditation with children, in the tradition of John Main OSB.

16 Restricted funds (continued)

(k) Operational

This fund consisted of monies from London Funders and others to provide training, laptops and therapy resources for schools.

(l) Rainbows

This fund consists of monies towards the cost of a Rainbows Registered Director who will deliver training workshops to teachers on how to facilitate support groups for children experiencing bereavement and loss. Funds were received from the Assumption Legacy Fund towards this.

(m) School Counselling

This fund consists of monies from Westminster Amalgamated Charity for school counselling and play therapy services. We have also worked with seven schools in Harrow, five schools in Pinner and eight schools in central London to access funding from John Lyon's Charity and deliver therapeutic services on-site at these schools.

(n) St Francis' Family Centre

This fund consists of monies which are to be applied to meet the cost of play equipment for the Toy Library, special needs toys, holidays and training costs. Funds were received towards staff costs of the centre Co-ordinator from the Sir Harold Hood's Charitable Trust. Funds were also received from BBC Children in Need towards the staff cost of a nursery nurse.

(o) West London Schools

This fund comprises funding received from Hillingdon Community Trust for school counselling and therapy. We have also worked in partnership with six schools in Ealing to access funding from John Lyon's Charity to provide on-site therapy services. Funds were also received from Kensington & Chelsea Foundation to run an after-school homework club, including providing laptops and dongles for disadvantaged students.

(p) Pathways Post Adoption and Aftercare Services

This fund consists of funding received from the Royal Borough of Kensington & Chelsea (RBKC) to contribute towards the statutory element of our Post Adoption service.

17 Unrestricted funds

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

	At 1 April 2021 £	Income and investment losses £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Designated funds					
Tangible fixed assets fund	909,817	—	(58,071)	3,148	854,894
Property repairs fund	500,000	—	—	—	500,000
Pathways Post Adoption and Aftercare Fund	1,500,000	105,464	(180,573)	575,109	2,000,000
	2,909,817	105,464	(238,644)	578,257	3,354,894
General funds	2,626,547	1,807,642	(1,564,031)	(578,257)	2,291,900
	5,536,364	1,913,105	(1,802,675)	—	5,646,794

	At 1 April 2020 £	Income and investment losses £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Designated funds					
Tangible fixed assets fund	910,558	—	(54,381)	53,640	909,817
Property repairs fund	139,524	—	(33,069)	393,545	500,000
Pathways Post Adoption and Aftercare Fund	1,500,000	107,307	(181,415)	74,108	1,500,000
	2,550,082	107,307	(268,865)	521,293	2,909,817
General funds	1,585,519	3,099,564	(1,537,243)	(521,293)	2,626,547
	4,135,601	3,206,871	(1,806,108)	—	5,536,364

The purposes for which the funds have been set aside are as follows:

(a) *Tangible fixed assets fund*

The tangible fixed assets fund represents the net book value of the charity's unrestricted tangible fixed assets. A decision was made to separate this fund from the general fund of the charity in recognition of the fact that the tangible fixed assets are essential to the day to day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

(b) *Property repairs fund*

The property repairs fund has been established to provide funds to help meet the cost of major repairs to CCS's properties. During the year CCS did not spend anything on general property repairs and maintenance (2020/21 – £18,052). No expenditure was spent on completing the renovation and redevelopment to St Charles Square (2020/21 – £15,017).

17 Unrestricted funds (continued)

(c) Pathways Post Adoption and Aftercare Fund

The trustees have created a designated fund of £2,000,000 to help meet the costs of the non-statutory component of our Post Adoption work; the statutory component of this service is funded by the Royal Borough of Kensington and Chelsea.

18 Analysis of net assets between funds

	General funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	—	854,894	51,941	906,835
Investments	2,335,107	2,500,000	139,062	4,974,169
Current assets	118,456	—	995,021	1,113,477
Creditors: amounts falling due within one year	(161,663)	—	(242,114)	(403,777)
	<u>2,291,900</u>	<u>3,354,894</u>	<u>943,910</u>	<u>6,590,704</u>
Unrealised gains included above:				
On investment assets	<u>293,937</u>	<u>285,334</u>	<u>70,598</u>	<u>649,869</u>
Reconciliation of movements in unrealised gains on investment assets				
Unrealised gains at 1 April 2021	335,782	345,454	71,128	752,364
Less in respect of disposals in year	(50,613)	(72,718)	—	(123,331)
	<u>285,169</u>	<u>272,736</u>	<u>71,128</u>	<u>629,033</u>
Add: net gains arising on revaluation in the year	8,769	12,598	(531)	20,836
Unrealised gains at 31 March 2022	<u>293,938</u>	<u>285,334</u>	<u>70,597</u>	<u>649,869</u>
	General fund £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	—	909,817	44,194	954,011
Investments	2,809,375	2,000,000	139,062	4,948,437
Current assets	60,112	—	965,858	1,025,970
Creditors: amounts falling due within one year	(242,940)	—	(233,376)	(476,316)
	<u>2,626,547</u>	<u>2,909,817</u>	<u>915,738</u>	<u>6,452,102</u>
Unrealised gains included above:				
On investment assets	<u>335,782</u>	<u>345,454</u>	<u>71,128</u>	<u>752,364</u>
Reconciliation of movements in unrealised gains on investment assets				
Unrealised losses at 1 April 2020	(116,746)	(157,345)	42,599	(231,492)
Less in respect of disposals in year	50,522	55,974	—	106,496
	<u>(66,224)</u>	<u>(101,371)</u>	<u>42,599</u>	<u>(124,996)</u>
Add: net gains arising on revaluation in the year	402,006	446,825	28,529	877,360
Unrealised gains at 31 March 2021	<u>335,782</u>	<u>345,454</u>	<u>71,128</u>	<u>752,364</u>

19 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

18 Related party transactions

During the financial year 2021/22 six trustees (2020/21 – six) donated a total of £303 (2020/21 – £1,593) which included £168 (2020/21 – £155) relating to purchases of Christmas cards.