



**National Star**

Realising the aspirations  
of people with disabilities



# Annual Report and Accounts 2020 – 2021

Year ended 31 August 2021

National Star is a working name of National Star Foundation which is registered in England and Wales, company number 00522846, charity number 220239. Registered office Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU





Without National Star...

“I wouldn’t be the confident independent woman I am who has found her voice.”

Learner Molly

When I started at National Star I was painfully shy. I was not confident enough to share my opinions and had no experience working with multiple staff or directing my care.

I can now confidently say that I am an independent young woman who has found her voice. I now visualise my future as being able to make a positive impact in the community and to use the skills that I have learned at National Star in my everyday life.

After college I will be living independently in Cheltenham and attending a ‘get creative’ course at GlosCol. After that, my end goal is to work in the theatre in costume design.

When I joined National Star I’d just come out of a difficult period in my life. I never imagined I would achieve so much here. I knew what I wanted to achieve but my lack of confidence was the barrier that held me back.

I’m now a happy, confident, independent woman who has found her voice.





# Contents

## Introduction

- 4 Who we are
- 5 Our impact
- 6 Chief Executive's and Chair's statement
- 7 What we achieved

## Strategic Report

- 8 Financial review 2020 – 2021
- 11 Steering a course through the pandemic

### What we achieved

- 13 Education and personal development
- 16 Accommodation and care services
- 18 Safeguarding those in our care
- 20 Support services

### How we achieved it

- 22 Our people
- 23 Income generation

### Plans for the future

- 26 Maximising potential

- 27 Principal risks and uncertainties
- 30 Environmental, social and governance
- 34 Statement of trustees' responsibilities

## Independent auditors' report

- 35 Independent auditors' report

## Financial statements

- 37 Consolidated statement of financial activities
- 38 Consolidated balance sheet
- 39 Charity balance sheet
- 40 Consolidated statement of cash flows
- 41 Notes to Financial statements
- 59 Administrative and legal details

### Michael, age 22

#### Without National Star...

“I would never have got a paid job.”

Intern Michael

When Michael started as a Steps into Work supported intern in Hereford, he found it difficult to communicate and struggled to fit in. He often absconded from the programme.

The team offered a firm but supportive approach, identified what he wanted from his life and focused on the fact he wanted to live independently and get a job.

Twelve months on, Michael has turned his life around. With National Star's support, Michael now has two paid gardening jobs. He also volunteers as a gardener at St Michael's Hospice and is now in semi-independent living accommodation.

'I always wanted to work in a garden. I never thought I would have a paid job in gardening,' said Michael. 'Staff helped me get a job and listened when I had problems. They treated me like an adult, not a kid.'

By working with a job coach, Michael's confidence has grown, his communication has improved and he is going from strength to strength.





# Who we are

National Star is a charitable provider of education, personal development, care, accommodation and support services for young people and adults with complex disabilities and learning difficulties. Every year, we work with hundreds of young people and adults from across the UK.

The charity started in 1967 with just 10 learners at its base in Ullenwood, Cheltenham. Since then we have grown with a campus at Ullenwood and day education provision in Wales and Hereford. We have long-term living accommodation in Cheltenham, Gloucester, Malvern and Hereford. We support and care for young people with increasing levels of complexity in their medical needs and disabilities. We also provide a range of work-based programmes and independent travel training in several locations across England and Wales.

The constant thread is National Star's belief in realising the aspirations of people with disabilities.

## Our vision

A world in which people with disabilities are able to realise their potential as equal and active citizens in control of their lives.

## Our mission

To realise the aspirations of people with disabilities through personalised learning, transition, support and care and accommodation services.

## Our values

### As we work we are led by our values:

- Equality
- Diversity
- Self-determination
- Individuality

### This means we work with:

- Respect
- Integrity
- Perseverance
- Continuous improvement

# What we do

National Star provides and maintains high quality programmes and services for a wide range of young people and adults with disabilities and learning difficulties.

The education programmes are offered on a residential and day basis and we are ideally positioned to accommodate learners with the most complex needs.

In addition, the expertise and knowledge of staff has enabled us to expand the work of the charity by developing additional services in the key areas of personal development and care and by supporting other organisations, in the UK and overseas.

Our strategy focuses on three key charitable activities: education and personal development; accommodation and care services, and support services.

## Education and personal development

National Star provides high quality education and personal development programmes for a wide range of learners with complex disabilities and learning difficulties.

## Accommodation and care services


National Star provides a range of care, therapies and accommodation services, including the provision of short and long-term living, short breaks and respite care.

## Support services

National Star provides a range of support services for individuals and their families, as well as delivering professional development opportunities, training and consultancy.



# Our impact

 **745,539** Hours of service provided by National Star in 2020-2021 to young people with complex disabilities and learning difficulties.

## Charitable activities

2010-2011: **£13.2m**

2020-2021: **£31.1m**



**136%**  
increase

## Our staff

2010-2011: **600**

2020-2021: **1,091**



**82%**  
increase

## Education and personal development

**489** Young people accessed National Star's education and personal development programmes.



 **67,464**

Hours of education delivered in the past year.

 **40,029**

Hours of therapy provided by National Star's multi-disciplinary teams.

## Education centres

2010-2011: **1 campus**

2020-2021: **1 campus  
2 day hubs**



**200%**  
increase

## Accommodation and care

**32** Young people and adults live permanently in four National Star long-term residences.



## Long-term living communities

2010-2011: **0**

2020-2021: **4**

 **638,046** Hours of care provided.

## Support services

**800+** People benefitted from National Star training in the UK and worldwide.





## Chief Executive's and Chair's Statement

# The need has never been greater

Never, in the history of National Star, has the commitment, compassion and resilience of our staff shone so brightly as during this past year.

It is testament to their dedication, and to the leadership of the management team, that National Star remained open throughout the pandemic, providing care and support to young people and adults with complex disabilities and learning difficulties and their families.

Building on the experience from the first lockdown of March 2020, National Star adapted quickly to the ever-changing situation. National Star has a tradition of being innovative and creative in our approaches to care and learning.

Through strong planning and crisis management, National Star was able to provide services throughout the year. We also had to cope, for the second year in a row, with the loss of vital fundraising and other income generating activities.

In January, we became one of the first specialist colleges in the country to have learners vaccinated. It was a moment for great hope after so many difficult months. We were also able to end the academic year on a high with the return of face-to-face, albeit smaller, Leavers' Ceremonies.

Many young people we support have life-limiting conditions and complex medical needs. The year was tinged with great sadness with the tragic passing of three learners at Ullenwood due to their complex medical conditions.



Chief Executive David Ellis and Student Union president Elliot



Chairman Paul Styles

We cannot stress enough the impact these deaths had on staff, especially those who worked with them. With the support of our skilled care, nursing, therapeutic and education teams at National Star, young people, regardless of their complex medical needs, are able to access experiences and learning like their able-bodied peers.

One mother spoke about how her daughter thrived at National Star and loved her time at college and how, for the first time in her 20-year life, she had been able to communicate her choices.

That same mother said that she felt like 'we had won the lottery' when her daughter was awarded a place at National Star. This speaks so eloquently of the incredible need for our services and how there are so many more young adults who do not have access to the support and care needed to maximise their potential.

According to Department for Education data (January 2021), there are 1,408,701 pupils in England with Specialist Education and Needs Disability (SEND), an increase for the fourth consecutive year. Of those, there are 325,618 pupils with Education, Health and Care Plans (EHCP), an increase of 10.5% from the previous year.

We cannot meet that need without the continued generous support from volunteers, individuals, groups, charitable trusts, foundations and companies. For that support during the past year, at a time when many have faced their own difficult challenges, we say a heartfelt thank you. Most importantly, we thank our staff for their outstanding commitment to provide the highest quality of education, care and support during these unprecedented times.

**Paul K Styles**  
Chair of Trustees

**David Ellis**  
Chief Executive



# What we achieved



**In January 2021, National Star opened the Eveson Centre**, its permanent education and therapies centre in Hereford.

**National Star's EmployAble project won a prestigious European Innovative Teaching Award from the European Commission and Erasmus+.** The project was so successful that Manpower Services College in Greece has created its own social enterprise print company, modelled on **StarPrint**.



Working in partnership with the British Esports Association and Microsoft, **National Star helped organise the first ever esports competition for young people with disabilities.**

**National Star was one of the first specialist colleges in the country to see its learners vaccinated,** demonstrating the charity's very proactive approach in the pandemic.



**Thanks to staff and learner support, National Star received the Green Impact Gold Award** for its efforts in sustainability and protecting the environment.

**National Star received the 2021 Gloucestershire Business Award for Team of the Year.** The judges paid tribute to the exceptional teamwork, commitment and flexibility, which has enabled the charity to maintain high levels of care and service throughout the pandemic.





National Star has continued to operate on a sound financial basis, despite the pressures from reductions in statutory funding, changes in high needs funding systems, a competitive fundraising environment and the risks of the coronavirus pandemic.

- The charity's overall income at £32.3m represented a £2.3m growth on the previous year, with fee activities income at £23.4m showing an increase of £1.4m (2020: £22.0m), reflecting the increased complexity and needs of learners' disabilities, plus the additional fees risk from COVID-19. This is the charity's principal funding source and comes from the ESFA and local authorities.
- Income relating to other projects and charitable activities increased to £7.1m (2020: £6.4m), representing the diversification of additional activities and provision as detailed in note 3.
- Donation and legacy income for the year increased to £901k (2020: £882k) reflecting the increased amounts received from trusts, legacies and major donors, plus ongoing fundraising appeals.
- Total expenditure has risen compared with the previous year to £31.1m (2020: £28.9m) with the rise in expenditure due to the learners' more complex requirements and the need for greater staffing levels to support them resulting in increased staff costs and also the increasing range in provision of services.
- The group has recorded a surplus (net income before gains) of £1.17m (2020: £1.04m).
- The group has a positive cash flow generated from operating activities of £1.1m (2020: £1.5m) after capital expenditure of £1.2m (2020: £2m).
- The group's total value of net assets at the end of the year was £34.2m (2020: £32.2m) of which £26.2m (2020: £26.4m) was represented in tangible fixed assets.

## Investment policy

are subject to price risk arising on the underlying investment portfolio. The trustees maintain a finance and investment committee to oversee its investment policy and monitor performance against relevant industry benchmarks.

The investment policy objectives in furtherance of the charity's objectives include: obtaining an optimum financial return on investments in accordance with the charity's investment powers and attitude to risk; maintaining a responsible approach to investments and protecting capital in real terms.

The charity's risk attitude in relation to its investments is described as 'modest'.

The overall investment portfolio on a period-end value to value basis saw total gains of £781k, or 24% (2020: losses of £133k, or 4%).

The trustees consider that reserves are needed to enable the charity to operate effectively and responsibly, representing the funds that might be needed to support expenditure in the event of reduced income or changes in circumstances. Accordingly, the charity maintains a reserves policy and the trustees monitor the finances of the organisation through regular management accounts.

The reserves policy accounts for anticipated future income and its volatility, the needs of current and future beneficiaries and the levels of known liabilities. Its reserves enable the charity to fund unexpected expenditure or shortfalls in income, to support working capital requirements, to mitigate for risks and to be able to take advantage of change and opportunities.

The reserves are represented by the organisation's net current assets (free of restricted or designated funds) plus investments and alternative investment assets. The reserves policy states that these should equate to a value of not less than £3.3m. The charity's restricted and designated funds are detailed in notes 14 to 16 to the financial statements. Note 15 details unrestricted funds of £28.9m after allowing £1.8m of designated funds towards future capital development, and £1.0m of designated funds towards COVID-19 risks, of which £24.1m is represented as fixed assets deployed to support the charity's activities.

After adjustment for £380k fixed assets available to the charity and not deployed in charitable activity and £13k of bank loan payments beyond one year, the charity had a reserves assessment as at 31 August 2021 of £5,195,550 (2020: £3,009,375). Whilst the level of free reserves is above the current reserves policy requirement of £3.3m, the trustees and directors consider that the overall level of available funds, taking account of the committed and designated funds identified and described above together with anticipated future capital development plans, is appropriate and in line with the charity's policy.



## Subsidiary undertakings

Two subsidiary undertakings operated during the year. NSF Trading Limited (company number 01168043) operated as the organisation's trading subsidiary for non-charitable purpose trading. NSF Design & Build Limited (company number 08628807) was established in 2013 and undertakes accommodation development projects on behalf of the charity. Both subsidiaries generated surpluses in the year after direct costs, administrative costs and audit fees (as detailed in notes 2a and 2b) which resulted in gift aiding a total of £37,119 (2020: £35,357) to the charity. Shareholdings are disclosed in note 10 to the financial statements.

## Related parties

The charity has related party transactions with its two wholly owned subsidiaries. Please see note 20 to the financial statements for details.

## Going concern statement

The trustees have reviewed the group and the charity's financial position, taking into account the satisfactory levels of reserves, amounts receivable, the annual plan and the

financial plan, together with its systems of financial and risk management. We have prepared a number of scenarios that consider our position, sources of income and planned expenditure. This includes the impact of the pandemic on operations together with assumptions around recovery thereafter. These scenarios consider reduced learner numbers, delayed fee payment, reduced fees and potential bad debts as well as impact on costs from the measures taken so far. Sensitivity around these assumptions has also been considered in our forecasting. An amount has also been designated in the reserves to recognise this risk. Results of this cash flow and sensitivity analysis indicate that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due.

As a result of its review, the trustees believe that the group and the charity is well placed to manage operational and financial risk successfully. Accordingly, the trustees have a reasonable expectation that it has sufficient resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual consolidated financial statements.

### Darcy, age 20

#### Without National Star...

“Darcy may never have discovered who she is.”

**Parents Natasha and Andrew**

Coming to National Star has transformed Darcy from a quiet girl to a happy young woman who is discovering who she is.

‘Since starting college our daughter has changed from being our child to an emerging young woman discovering herself and who she is. This is due to the team who have worked tirelessly with us and Darcy,’ say her parents Natasha and Andrew.

Darcy has Cardiofaciocutaneous (CFC) syndrome, a rare genetic disorder which causes learning difficulties and complex medical needs.

‘The first six weeks were a huge period of adjustment for us all. Darcy had never stayed away from home for long periods of time. The National Star team were simply amazing in helping Darcy to settle in and helping all of us to move forward with this enormous step.

‘At the end of the half-term we returned to college with Darcy version 2.0 – she was singing all the way back to college in the car, chatting about all her friends and her support team – it was lovely and truly wonderful for us to see how happy she was. A complete transformation.

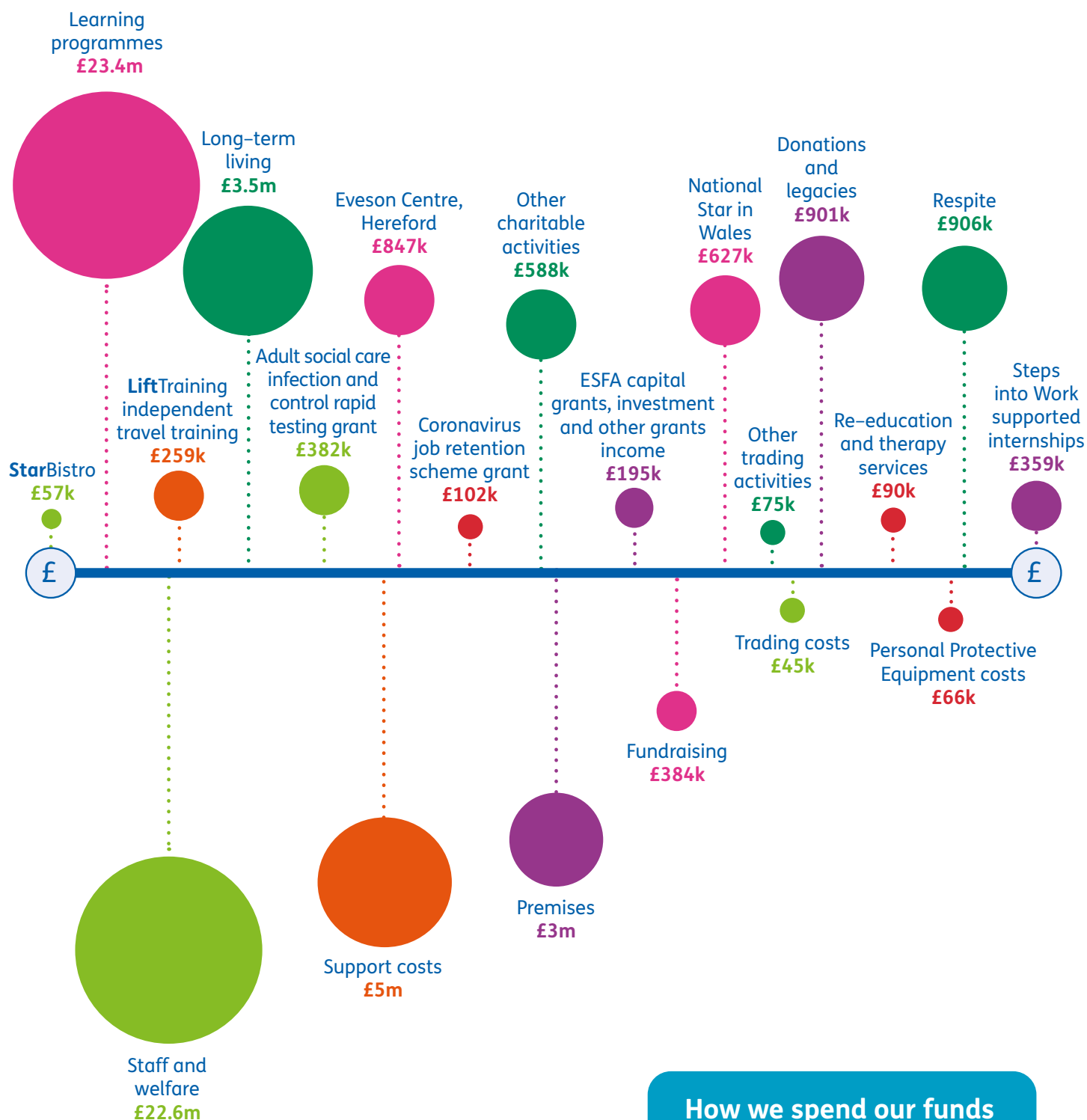
‘These days, we speak to the team more than to Darcy. She likes coming home, but recently on one journey back, I asked her if she missed home, she said no, I miss you – but when we get to college, she has a cheerio hug then happily drives off to her room chatting to her friends without so much as a backward glance. Who knew that little social butterfly was there?!’





# Financial review 2020 – 2021

## How we raise our funds



## How we spend our funds



# Steering a course through the pandemic

From the beginning of the pandemic, National Star decided to remain open for those who needed our care and support.

We have young people and adults who consider National Star their home in our long-term living accommodation, as well as many learners who remain with us all year round. It was critical that we provided that continuity of care, therapeutic support and learning to the highest level that we were able.

We were only able to do so thanks to the resilience and dedication of all staff to quickly – and creatively – adapt to sudden and constant changes caused by the pandemic. We were able to draw on the experience of the first lockdown in March 2020 to create contingencies, which enabled us to manage the challenging year from September 2020.

We are fortunate that 80% of our income comes directly from statutory bodies, such as the Education and Skills Funding Agency, local authorities and the NHS. Yet, the 20% we receive through fundraising and other income generation activities is vital for us to maintain and develop the high quality level of facilities, resources and specialist equipment that underpin the quality of our provision. The pandemic had a major effect on those income generation activities throughout the year.

We started the new academic year in learning clusters, which enabled us to prepare for the second wave in November. When we were no longer able to access the community, staff developed innovative work-based schemes within college so that learning could continue.

In December, in line with government guidance, National Star introduced a regular testing regime for all staff and students. By 31 August, National Star had completed more than 103,500 Lateral Flow tests and more than 37,600 PCR tests. These tests became an integral part of our infection control regime.

## How we kept people safe

In 2020 – 2021 we used:

**12,375** isolation gowns

**37,600** PCR tests

**103,500** LFD tests

**393,900** facemasks



The beginning of the spring term proved to be the most challenging of the pandemic. Learners returned on 3 January with the lockdown announced on 4 January. The majority of learners had returned to college and staffing became a critical issue as the number of COVID-19 cases reached its highest levels.

While restrictions started to ease from April onwards, the NHS Test and Trace, mandatory vaccinations and high level of COVID-19 related staff absences persisted until the end of August.

The long-term challenges for the charity remain immense. The economic pressures, resulting from the spending during the pandemic, will affect National Star in the years ahead. There is now an even greater need for National Star to work closely with the government and local authorities to ensure that the needs of young people with complex disabilities are not overlooked during the period of austerity, which is likely to follow.

Our supporters have stood by us at a time when many have faced their own challenges, and they have donated and helped fund the additional costs the charity faced and given us the encouragement to ensure that we continue to provide our services. To read in more detail about how the charity managed the pandemic, please see the principal risks and uncertainties section on page 27.



# Vaccination Day



When the COVID-19 vaccine was unveiled, National Star swung into action. National Star's senior managers, parents and learners, including the president of the Student Union, lobbied MPs and NHS Clinical Commissioning Groups so that we could get people vaccinated as soon as possible.

National Star's college GP, Dr Iain Jarvis, was determined that all learners receive the vaccine. By vaccinating every learner, it would enable the college to move a step closer to normality and ensure all learners, including those who are clinically extremely vulnerable, had access to a broader range of learning and therapies.

All available resources were utilised to ensure Vaccination Day was a success on 28 January. Staff had just a week's notice to prepare the learners and plan what was a massive logistical challenge.

It was a great success and by April, all National Star learners, including those in Hereford and Wales, and long-term residents, who were able to be vaccinated, had received both vaccinations.

National Star was one of the first specialist colleges in the country to see its learners vaccinated, demonstrating the charity's very proactive approach in the pandemic.



National Star operated a drive-through vaccination clinic

“National Star took on the battle of ensuring our young people were recognised as extremely vulnerable and have been huge advocates championing their needs.”

Parent Louise Joslin



# What we achieved



National Star provides a wide range of education and personal development

## Education and personal development

National Star provides a wide range of high quality education and personal development programmes to enable young people with complex disabilities to become equal and active citizens as they transition into adulthood.

### Our charitable activity

To offer high quality residential and day education and personal development programmes for people with disabilities, in order to help individuals develop and sustain personal skills.

### What we achieved

Every learning experience is unique at National Star to ensure it suits the needs and aspirations of the individual. Our multi-disciplinary approach means education, therapies, residential and nursing teams work together to enable each learner to achieve their goals.

Our teaching methods are varied and innovative, with the emphasis on practical learning. The main education sites are Ullenwood in Cheltenham, Hereford and Mamhilad in Wales, as well as partnerships with colleges and local authorities across England, providing work-related programmes into employment and travel training.

In 2020 – 2021, 96% of learners received an accredited full award. Due to the pandemic, all grades were calculated in line with guidance from Ofqual. During the year, 489 young adults benefitted from our education programmes.

Learning did not stop at National Star during the pandemic. Teams adapted quickly with innovative approaches to ensure learners could continue their progress on their outcomes. Throughout the year, learning was accessed in cluster groups, each with its own dedicated care, therapies and education team. Three additional locations were sourced for Ullenwood day learners to limit risk of infection.

The academic year ended on a high note when we re-introduced face-to-face Leavers' Ceremonies. We ran eight in total with smaller groups of learners and for all involved they felt like a true celebration of a challenging year.

In May, National Star invited Ofsted to undertake a Pilot Inspection of the college in light of how effectively normal inspection activities could be completed within COVID-19 restrictions. It was a great opportunity for National Star to learn for future inspections and the team picked up some valuable insights into how an inspection would work under the new Education Inspection Framework.

National Star's learning programmes focus on three outcomes: achieving work, learning skills to positively contribute to the community and learning the skills to engage with the world.

As a charity, we are committed to providing residential learning as an important part of our provision because of the life skills outcomes learners achieve, alongside greater independence and confidence. In 2020 – 2021, we supported 119 residential learners.



National Star's education centre in Hereford continued to grow, with 27 learners accessing day education and supported internships. In January, they moved into the Eveson Centre, their own dedicated education and therapies centre in Hereford. They took an active role in what the centre would look like – inside and out – and created work so that the building reflects the young people who use it.

There were 15 learners at National Star's Welsh education centre. In June, learners started weekly access to the horticultural facilities and outdoor classroom at Coleg Gwent's Usk campus. This partnership will continue to grow into the new academic year.

In October 2020, we launched our Virtual Parent Forum. This is an opportunity for parents to share information and for us to provide information on a range of topics from transition after college to learner voice.

## Learner voice

Learner voice plays an integral part at National Star. Members of the Student Union (SU) give updates and presentations to governors and trustees. Current and former learners sit on the Advisory Board, as well as assisting at staff interviews.

The Student Union was involved with an online Q&A session with disability rights activists whose actions directly led to the implementation of the Disability Discrimination Act in 1995. The SU researched the topic and generated questions they would like to ask, culminating in a virtual meeting in December.

Along with Alumni Ambassadors, members of the SU led a Parent Forum on learner voice. In April, the SU also participated in the virtual Natspec Student Parliament, feeding into a collective response to the Government's Disability Strategy Survey, identifying ways how quality of life could be improved for young people with disabilities.

National Star's Learning Programmes Coordinator was appointed as the new Natspec Learner Voice Coordinator, sharing National Star's good practice with other specialist colleges to ensure learner voice is at the heart of what we do.

## Community engagement

National Star staff and learners are passionate about breaking down barriers around disability. Throughout the year, we did that in myriad ways. Sadly, we had to limit public access to our facilities due to the pandemic and this impacted on our community engagement.

Our social enterprises provided real work opportunities for learners. Ullenwood day learners ran a café and a takeaway at Elmscroft Community Centre when lockdown permitted it. When lockdown limited community access, the education team worked with learners to create new and meaningful work experience, such as **StarMart**, a new social enterprise.

Though **StarBistro** was not open to the public, learners gained practical experience serving staff members. Learners created a range of crafts in their Art Factory project sessions, which were sold in the **StarShop** at Ullenwood and at the new charity shop in Hucclecote. **StarPrint**, another social enterprise, provided



Learners ran a successful community café

work experience as learners produced a range of leaflets, mugs, canvasses and coasters for National Star and external customers.

Learners in Hereford opened their own internal card shop where they designed, made and sold cards to learners, staff and families. Their sandwich shop also provided work experience and helped with functional skills.

Learners took part in Mass Observation Day on 12 May by recording / writing diaries of their day. Their submissions are now part of the Mass Observation Archive, which is a valuable social research resource.

Learners, staff and residents also participated in the Association of Colleges 'Around the World in 30 Days' challenge to keep active and to maintain their mental wellbeing during lockdown. Colleges were challenged to collectively reach 46,975 miles and travel around the world in 30 days. National Star placed 14th in the country and the highest placed specialist college. Students and staff walked, some with mobility aids, cycled, drove their wheelchairs and swam to make up the distance.

A group of learners worked with the Museum of Gloucester to help develop their education resources. The Museum team asked the learners to 'test drive' its history loan boxes and to advise them on how to make them more accessible for young people with disabilities.

We ran our second **StarLit** Fest, which coincided with Cheltenham Literature Festival and celebrated storytelling in its many forms, including sensory stories. Learners also accessed drama and samba drumming sessions throughout the year.

The Vamos Theatre performed 'Love through Double Glazing' at Ullenwood and Hereford. Learners accessed The Everyman Theatre project, The Walk, which looked at the plight of refugees. A group of learners at Ullenwood created one of the giant temporary sculptures that formed the Kingfisher Trail, Cotswolds 2021.



## Transition to adulthood

Planning for transition beyond National Star starts when a learner begins with us. The transition team works closely with the education and therapies teams to ensure the best possible outcomes when it comes to where they live, the support they receive and the activities they will access. In March, we held a virtual National Star Transition Event for learners and their families.

The unemployment rate for disabled people increased from 6.9% the previous year to 8.4% in October – December 2020. This compared to an unemployment rate of 4.6% for people who are not disabled.\* National Star's work-related programmes supported every learner with a job mentor who worked with them and the employer to ensure the best long-term outcome. In 2020 – 2021, 68 people accessed our supported internships, traineeships and the Skills for Work programme. Work-based programmes were also run in Hereford, Gloucestershire, Bristol and London.

Over the summer, job mentors supported 13 learners in various settings on various pathways, including three Skills for Work learners who supported staff with the running of the summer school at Ullenwood. It was the first time the charity ran the summer school, for 12 to 19-year-olds, supported by Gloucestershire County Council.

National Star's learning programmes extend beyond the classroom or any one age group. Due to the pandemic, adult learning and community learning at Ullenwood went virtual. The launch of our adult and community education programme in Hereford was postponed due to the pandemic.

Our **Lift** Training programme provides disabled, disadvantaged and vulnerable young people and adults with the skills and confidence they need to travel independently. We were one of only a few independent travel training programmes that continued to deliver training throughout government restrictions. During 2020 – 2021, we worked with 169 learners in one-to-one and group sessions, which were mainly delivered online due to the pandemic. We delivered training in Gloucestershire, Derbyshire, East Sussex and Warwickshire.

## Ambitions

### For the year ahead

- Sustain and further improve high quality learning and teaching across all National Star provision, ensuring positive learner outcomes.
- Expand the range of services, such as private therapy and leisure / social activities at Hereford.
- Acquire additional teaching and therapy space at National Star in Wales.
- Source additional teaching space at Hereford to meet growing demand.
- Launch a new independent travel training initiative in Cambridgeshire.
- Develop and deliver work-based training with South Gloucestershire College.
- Work with Warwickshire College Group as part of an AoC / Natspec project into possible joint working projects.

### What we achieved last year

- Sustained high quality learning and teaching across all National Star sites.
- Held the first summer school at Ullenwood, in partnership with Gloucestershire County Council.
- Opened a new Hereford education and therapies centre in January 2021.
- Secured additional teaching space for day learners that met coronavirus social distancing guidelines.
- Created a new virtual adult and community learning programme in Gloucestershire.

## How we made a difference

# 91%

Of learners who took part in survey said college was either fantastic or good.

# 67,464

Hours of education delivered in the past year.

# 489

Young people accessed National Star's education and personal development programmes.

# 97%

Of learners fully achieved their personal learning goals.

# 96%

Of learners who left in July 2021 received an accredited full award.

\*Disabled people in employment, House of Commons, Briefing paper Number 7540, May 2021





National Star provides long-term living at four different locations

## Accommodation and care services

During the pandemic, National Star's continued commitment to the quality of care for young people and adults with disabilities was critical.

Young people and their families depend on us. We provide care for residential learners, respite and breaks, as well as long-term living and therapy services.

### Our charitable activities

National Star provides a range of care, therapies and accommodation services.

### What we achieved

#### Residential college living

National Star provides residential specialist college placements for young people with a range of disabilities and medical conditions. The residential care and nursing teams work closely together. They are also part of our multi-disciplinary approach. This means learning goes far beyond the classroom. It becomes an integral part of the college experience, embedded within their residential experience.

In 2020–2021, National Star had 119 residential learners based in accommodation at Ullenwood and Bradbury Gardens in Cheltenham, as well as Elizabeth House, Gloucester. Among these learners were those who lived with us beyond term time, with National Star supporting their needs during the year.

Throughout the pandemic, our residences remained open. The majority of residential learners remained at National Star

throughout the academic year because they depended on us for their level of care and to continue with their education and personal development programmes.

From September, learners worked in smaller cluster groups with dedicated therapies, care and learning staff, to help manage infection prevention and control. This ensured that when lockdown returned it did not disrupt college life. Staff provided barrier nursing for those who were highly vulnerable and had to shield.

Learners' mental and physical wellbeing was paramount and teams worked incredibly hard to keep spirits up when learners could not see their families. Innovative and creative activities supported learners' needs, as well as ensuring learners had fun. Activities included festivals, quiz nights, movie nights, pamper evenings and themed parties.

Many young people we support have life-limiting conditions and complex medical needs. There was great sadness with the deaths of three residential learners, which was not COVID-related but sadly due to their complex medical conditions. This had an incredible impact on the staff who worked with them and their fellow learners, especially those who shared a residence with them. Our Emotional Wellbeing team worked closely with staff to support learners in their grief and to support the staff themselves.

In October, National Star took part in one of the first Care Quality Commission's inspections based on the new Infection, Prevention and Control framework. The inspector was 'fully assured' that Elizabeth House was compliant in all eight areas of the framework.



## Long-term living

National Star developed long-term living in response to former National Star learners struggling to find suitable accommodation. Young adults want to live with their peers and to continue their personal development. That is what National Star does.

We provide long-term accommodation at Foundation House in Gloucester, MatrixCare in Malvern, Bradbury Gardens in Cheltenham and Ledbury Road in Hereford. Our long-term living residences were home to 32 residents. There continues to be a huge demand for our long-term living.

As with the college residences, staff in all the long-term living accommodations worked incredibly hard during the pandemic to keep residents safe, and just as importantly, mentally healthy, with a range of activities to keep them entertained. Residents themselves have a say in activities and are very much involved in the planning.

## Respite and StarBreaks

Due to the pandemic, National Star didn't run activity breaks, called **StarBreaks**, in 2020–2021. We focused on those young people with the greatest need and provided respite services at Ullenwood to ensure continuity for learners and additional support for families.

## Therapy services

National Star is fortunate to have purpose-built therapy facilities and teams of highly skilled professionals who are passionate about what they do. As a charity, it is important for us to share these facilities and expertise with the wider community and our service users. We do that through offering additional therapy services. Last year we provided more than 1,060 hours of therapy, including aquatic therapy, physiotherapy, speech and language therapy and emotional wellbeing support. The service was run at a limited level throughout the year so to meet infection control guidance.

## How we made a difference

**40,029**

Hours of therapy provided by National Star's multi-disciplinary teams.

**32**

Young people and adults live permanently in four National Star long-term residences.

**638,046**

Hours of care provided.

Successfully took part in one of the first Care Quality Commission's inspections based on the new Infection, Prevention and Control framework.

## Ambitions

### For the year ahead

- Focus on recruiting and retaining skilled and professional care staff within a competitive market.
- Review provision of long-term living in Worcestershire.
- Explore opportunities to create more long-term living accommodation in England and Wales.

### What we achieved last year

- All residential and long-term living accommodations remained open and functioning throughout the pandemic.
- Provided safe respite services throughout the pandemic.

“What an amazing four years Ruth has had at National Star. She has had a ball, made loads of progress and been very well cared for.”

Chris, Ruth's mother



National Star's long-term living in Hereford



## Chair of Governors Statement

# Safeguarding those in our care

National Star's robust approach to safeguarding is at the forefront of all aspects of our provision, ensuring the continued safety of the vulnerable learners, residents and clients using our services.

The charity promotes a 'no blame culture' with an open door policy for any member of staff, learner or resident who has concerns about safeguarding.

Our safeguarding team works closely with staff and learners to ensure appropriate training and delivery on the Prevent agenda, Fundamental British Values and Safe, Healthy Relationships. This is woven throughout learners' education through differentiated teaching and learning opportunities, both in and out of the classroom.

The personalised learning team work closely with the safeguarding team to ensure that learners understand the support networks available to them. This takes place during the first half term of the academic year by way of an induction package for new learners and as a refresher for returners. This is reinforced throughout the year on an individual basis.

The effectiveness of National Star's approach towards safeguarding and its role in supporting learners' outcomes is recognised through Natspec (the membership association for organisations providing specialist services for students with disabilities) which regularly asks National Star to provide advice and guidance to other organisations.

A robust safeguarding process also means we are transparent in our operations and investigations. In 2020 – 21, there were 216 potential incidents investigated by the safeguarding team. This number reflects the effectiveness of the charity's open culture of reporting and how learners and staff feel safe that they can express concerns. It also illustrates the strong interactions between staff and learners about the importance of safeguarding.

Of the reported potential incidents, 19 were referred to other agencies such as Gloucestershire Safeguarding, the home area local authority and the Care Quality Commission. The majority of the investigations are low level concerns which often require staff management supervision and / or refresher training.

Although we have seen an increase in the number of safeguarding concerns reported for investigation, these have been largely found to be attributable to issues around staff retention and recruitment, refresher courses not face to face (this has been rectified) and COVID-related issues such as the appropriate use of PPE and learner mental health. The rise in reported concerns also reflects the increased number of learners with greater complexities.

The National Safeguarding Lead reports directly to the Board of Governors and a link Governor attends termly safeguarding strategic group meetings.

National Star works closely with Gloucestershire Safeguarding Children and Adults boards. We achieved 97% on Gloucestershire's Children's Safeguarding Annual Audit.

Learners are taught vital skills to keep themselves safe and healthy. In the 2020 – 21 Student Perception of College survey, 95% of learners who completed the survey felt safe at college all or most of the time.

Safeguarding practice is embedded within all aspects of staff development. This includes a robust induction combining virtual and face to face learning, regular safe working practice training delivered face to face by a Head or Director and it is a standing agenda item within every team meeting.

In the 2021 staff survey, 96% of staff felt safeguarding arrangements are effective at National Star, an increase of 4% from 2020.

We continue to develop and improve our robust safeguarding across National Star. It goes without saying that safeguarding is at the heart of our services used by vulnerable young people.



**Mary Saunders**  
Chair of Governors



Chair of Governors Mary Saunders



### Without National Star...

“Andy would just be in a care home rather than at Foundation House, a place he considers his home.”

**Andy's family**

When the pandemic started in early 2020, Andy was in the critical care unit of Gloucestershire Royal Hospital due to aspiration pneumonia. He had lived at National Star's long-term living accommodation in Gloucester – Foundation House – for seven years.

He was fitted with a permanent tracheostomy stoma formation and a total laryngectomy, which has further complicated his complex care needs. He was discharged from hospital due to clinicians' concerns of him remaining in hospital with COVID-19 cases.

Andy, who, at the age of 14, received life-changing injuries in a road accident, wanted to return to Foundation House, but the changes to his health meant that National Star needed to increase Andy's level of medical care.

For months, National Star worked with the Clinical Commissioning Group from his home area to negotiate a package that would meet the costs of his care. National Star put the care in place so that Andy could return home to Foundation House even before the funding was negotiated.

'The team at National Star never once hesitated and did everything in their power to keep Andy where he wanted to be, Foundation House,' says Andy's family. 'We were all reassured again and again that Foundation House was his home. During those months of uncertainty, that reassurance was so important to Andy and to ourselves.'



## Support services

## Our charitable activity

## What we achieved

Throughout 2020 – 2021, National Star shared best practice through a range of opportunities and settings. Our National Lead for Safeguarding supported the specialist sector by delivering webinars in partnership with Natspec (the membership association for specialist providers). During the pandemic, we supported colleagues across the specialist sector, leading the way in remaining open and sustaining a quality curriculum, putting health and safety at the centre of our activities.

National Star and Balcarras Academy supported schools and colleges using technology to deliver remote learning as part of the Department for Education EdTech programme.

Working in partnership with Balcarras, an outstanding comprehensive secondary school based in Cheltenham, National Star delivered training and online advice and guidance to 75 schools. National Star provided 80 online technology assessments, six online leadership courses delivered to 47 school leaders and 22 'EdTech Thursday' webinars to more than 150 teachers nationally, and created 60 EdTech Champions.

In November, Vicky Ford, Parliamentary Under Secretary of State for Children and Families, conducted a virtual visit to the National Star / Balcarras partnership.

National Star provided a range of training in the UK for The Education and Training Foundation (ETF). We also offered teacher education with participants from a range of specialist and mainstream further education colleges.

## International training

Working with the UK Government's Department for International Development, Skill India, the Indian Skills Council for Persons with Disabilities and with India's National Skills Development Corporation, National Star developed and delivered training for specialist teachers and employers in India. 2021 marked the end of this four-year programme.

Training focused on specialist teaching techniques for vocational trainers working with trainees with disabilities in training institutes across India. Training was delivered to more than 500 trainers across India. A guidance manual for specialist assessment was written for the Department of Government Training and will be used in 14,779 industry training institutes across India. National Star has also advised the Gujarati Government on the building development of a specialist training institute in Rajkot.

National Star's project EmployAble won a prestigious European Innovative Teaching Award from the European Commission and Erasmus+ which was a two-year partnership with Manpower Services College in Thessaloniki, Greece. Students from Greece were engaged in work activities in National Star enterprises, such as working in **StarBistro** and **StarPrint**. So successful was the project that Manpower Services has built a print facility modelled on **StarPrint** in its college and introduced job mentoring roles.



## National leaders

As one of the national leaders in specialist post-16 education, National Star was active in contributing to national reviews and research projects in 2020 – 2021.

National Star, in partnership with the British Esports Association, enabled the first ever esports competition for young people with disabilities. Involving four specialist colleges, the project also led to a piece of research by National Star which showed that people with disabilities are competitive in their aspirations and gameplay. However, consistent use of assistive and adaptive technology has not yet developed sufficiently to allow users to play on an equal footing. It was important to the participants that they were competing against others with disabilities.

National Star worked with Wolverhampton University on a study exploring the lived experiences of young people with disabilities, focusing on areas of central importance to those with disabilities.

We are currently working on a project with the Education and Training Foundation aimed at getting more people with disabilities into paid employment.

“

**National Star's EdTech Thursdays have become a recognised 'must attend' event.**

”

**Nicole Ponsford, Regional Lead for DFE EdTech Demonstrator Schools and Colleges Programme.**



National Star shares best practice through training

## How we made a difference

Countries National Star worked with in the past year included: India, Poland, Greece and Romania.

**800+**

People benefitted from National Star training in the UK and worldwide.

“

**The EmployAble project has broken the mould in education and can serve as a source of inspiration for others, to make teaching and learning more engaging, participatory and inclusive.**

”

**Citation from the European Innovative Teaching Award**

## Ambitions

### For the year ahead

- Develop a training and consultancy service in order to pass on National Star expertise.
- Deliver training and support as part of the Department for Education EdTech programme.
- Develop and deliver a project with the Education and Training Foundation (ETF) aimed at getting more people with disabilities into employment.
- Deliver a two-year project with Erasmus+ working with Greece, Romania and Poland to explore disability employment from school to the workplace. Called WorkAble Europe, it will compare good practice currently being delivered in each of partner countries.
- Provide valuable data and insight to national reviews and consultations.
- Deliver a range of research projects to inform future SEND provision in the UK.

### What we achieved last year

- Completion of a four-year training programme in India in conjunction with the UK Government's Department for International Development.
- Expanded the number of schools involved in the EdTech project to champion online learning.
- Provided valuable data and insight to national reviews and consultations.
- Delivered further specialist training with a range of international partners.



# How we achieved it



Staff were committed to providing education, therapies and care throughout the pandemic

## Our people

National Star and its services are only as good as the people it employs. That is why the charity is committed to attracting, developing and retaining talented, committed and highly-skilled staff. Without those staff, National Star cannot meet its strategic aim of providing and developing high quality services.

During the pandemic, that investment in staff was even more critical to ensure they had the support they needed to work in very challenging situations. The charity would not have been able to support those most in need without the staff's commitment.

This dedication was recognised with the 2021 Gloucestershire Business Award for Team of the Year. The judges paid tribute to National Star's exceptional teamwork, commitment and flexibility, which has enabled the charity to maintain high levels of customer care and service every day, throughout the pandemic.

The charity has 1,091 staff (as of 31 August 2021), many of whom are part-time or term-time staff, representative of and drawn from the surrounding local communities, with 7% declaring a disability and 15% declared as non-white British or black and minority ethnic, which was in line with the charity's Equality and Diversity targets. The gender split is 76% female and 24% male.

National Star is committed to training and development, with all our staff undertaking a detailed induction programme and follow-up training. In 2020 – 2021, our dedicated training team provided more than 20,000 hours of training and development. The team rapidly developed online training courses and virtual training programmes in response to the pandemic. There are 64 apprentices being trained in care, therapy and nursing.

National Star has an open policy in seeking and encouraging staff views. Results from a comprehensive staff survey, which was completed by 54% of the workforce in July 2021, reflected that staff take pride in their work and their role within the organisation,

feel supported and valued, and would recommend it to others as a place of work.

The survey revealed that 96% of staff are proud to work for National Star and 93% take pride in their work and doing their best. The survey also included a few pandemic-focused questions. We received 91% positive responses to the question that asked if senior managers had handled the pandemic well and 90% positive responses that the regular communications were clear and from a trustworthy source.

All staff are represented through the LINK Group, an elected staff consultation group working with and for staff across the organisation. The charity's whistleblowing policy and procedures also encourages staff to raise any concerns they may have.

Directors engage with staff through the governance structure. The Board of Governors has delegated oversight responsibility for the operational aspects of National Star's activities.

We operate an Equal Opportunities policy in respect of all employees and prospective employees. The charity maintains fair employment practices in the recruitment, selection, retention and training of all staff. All staff are subject to necessary Disclosure and Barring Service (DBS) checks and safeguarding training.

Inspection outcomes by local authorities, Ofsted, Estyn and the Care Quality Commission confirm that the processes and people are in place to maintain a very high standard of provision.

**96%**  
of staff said they  
were proud to work  
at National Star\*.

**20,000+**  
training hours  
given to our staff.

\*based on National Star staff survey 2021



# Income generation

For the second year running, the coronavirus pandemic had a massive impact on areas of additional income generation at National Star.

Whilst the majority of the charity's services are largely funded through statutory sources, we are dependent on our fundraising and other income generation activities to help fund our specialist facilities and to enhance the resources and experiences for those who depend on what we provide.

The charity took the difficult decision during the pandemic to close all of its sites to external visitors to protect those who depend on its services. This decision had serious repercussions for both fundraising events and for income generating activities, but we had to prioritise the health and wellbeing of the learners, residents and service users. Our **StarBistro** and conference facilities remained closed to the public, whilst **StarGolf** reopened from August.

In October 2020, National Star opened its new charity retail shop at Hucclecote, Gloucester, as part of our future strategy to develop our community fundraising presence. Despite being affected by two lockdowns, the shop generated £64,500 from October 2020 to August 2021.



Lumière Restaurant organised a family-friendly footgolf tournament

## Fundraising

Never has the generosity of supporters been so important to the charity. More than ever, it is vital that every supporter feels that giving to National Star is a positive and rewarding experience. Despite the challenges of the pandemic, National Star raised £901,302 in voluntary income.

## Trusts and foundations

Gifts from trusts and foundations made up 40% of the charity's total voluntary income for the year. Forty-four trusts supported a number of projects, equipment needs, pandemic support and our main capital project at 1 Ledbury Road, Hereford – the Eveson Centre, named in recognition of the significant funding support received for the project from the Eveson Charitable Trust. We were grateful to those trusts which helped us complete the renovation work to

create the Eveson Centre, our education and therapy facility in Hereford, during what has been a challenging time for charities and trust funders alike.

Other projects supported included learner outdoor equipment at various locations at Ullenwood, including support from the Severn Trent Community Fund, the National Lottery Community Fund, our Patron PJ Crook, and the Greaves and Withey Foundation; Creative and Performing Arts projects; Samba Drumming; and specialist equipment.

## Major gifts

Major gifts comprised 7% of the charity's total voluntary income for the year.

## Events, corporate partners and community support

Events, corporate fundraising and community support was massively affected by the pandemic and the associated lockdowns, raising 7% of the charity's total voluntary income.

Support from the local community, despite the pandemic, came from an extensive range of groups, businesses, schools and individuals who either participated in the limited range of fundraising events or who developed 'virtual' fundraising initiatives. In June, eight people took part in National Star's first wing walk, raising a total of £12,927.

Corporate partners provided invaluable support. We were the chosen charity for the 2021 Cheltenham Beer Week, for the third year running. In July, Cheltenham restaurant Lumiere hosted a footgolf fun day at **StarGolf**.

## Individual giving including Gifts in Wills

Gifts from individuals, in the form of donations, Gifts in Wills and taking part in the National Star Lottery, generated 46% of total voluntary income. Through regular communications, such as appeals and the twice-yearly **StarNews**, donors see the incredible difference their support has made whilst appreciating the charity's continued need.



Eight high fliers raised £12,927 in a sponsored wingwalk





Parents and students also raised money for the charity

## Fundraising objectives

Fundraising successfully ran three appeals and carried out the wing walk, which had been cancelled due to the pandemic the year before. We secured significant trust income to support the completion of the renovation of the Eveson Centre and the purchase of a range of specialist equipment for various National Star locations, despite many grant-making trusts remaining closed to all applications, whilst others continued to pivot their funding to support Covid responses. The charity continued to promote its legacy programme.

There were several fundraising objectives which could not be progressed due to the pandemic. These included:

- A programme of in-person events, and visits to the charity, to support our Major Gifts programme.
- Face-to-face fundraising, supporter tours and fundraising events. The closure of **StarBistro** also impacted on visitor tours.
- Corporate and Community income streams were hugely impacted due to pandemic restrictions.

National Star adapted to the pandemic by moving talks to online platforms and organising virtual events. Supporters were also invited to join online events such as the Leavers' Ceremonies and the Student Christmas Show 2020.

## Thank you for your support

National Star is grateful to all the people and organisations that have supported the charity. Together we have made a huge difference to the lives of young people with complex disabilities. The challenge is to meet the growing demand for National Star's specialist support. By raising awareness of the impact of our work, by working closely with supporters and by engaging new ones, National Star will strive to meet that demand.



## Ambitions

### For the year ahead

- Further develop our charity shops.
- Develop the supporter database.
- Review our fundraising activities and invest in establishing and maintaining future income streams.

### What we achieved last year

- *Opened our first shop.*
- *Maintained communications with our supporters.*
- *Adapted our fundraising plans to reflect the coronavirus situation.*

## Fundraising practices

We have high standards about the way our fundraising is undertaken, and how we communicate with supporters and the public as set out in our Supporter Promise.

Fundraising activities are carried out in accordance with the Code of Fundraising Practice and we comply with the law as it applies to charities and fundraising. We are members of the Fundraising Regulator's voluntary regulation scheme, and display the Fundraising Regulator badge on all our fundraising materials.

To ensure volunteers and third parties uphold these standards when undertaking fundraising on our behalf, we make sure they have the information and tools needed to be compliant.

Our complaints process is clear and easily accessible. Complaints received are recorded and investigated in line with the charity's complaints policy. In 2020 - 2021 we received no complaints about our fundraising activities carried out by the charity or someone on behalf of the charity.

We entered into a short-term Commercial Participator Agreement with the Cheltenham Beer Week Committee during Cheltenham Beer Week 2021.

Our fundraisers are aware of the need to be sensitive and careful when engaging with vulnerable people, and our approach reflects this. We never put pressure on anyone to make a gift, and if people do not want to give or wish to stop giving, we respect their decision. We do not engage in doorstep fundraising and we don't use services of external call centres or sales canvassing companies to support our fundraising activities. We never sell or pass on supporter details to other organisations.

We make it as easy as possible for people to contact us to opt out of receiving communications from us, or to change the method of communication, including working with the Fundraising Preference Service.

Registered with





# Finding creative solutions



**Keeping fit and active has always been vital in maintaining mental and physical wellbeing, and this became even more important for learners and residents during the coronavirus pandemic.**

Thanks to our generous supporters, including the Severn Trent Community Fund and the National Lottery Community Fund, we were able to transform our sports field at Ullenwood into a vibrant outdoor space with a wheelchair friendly path and several pieces of inclusive gym equipment.

The outdoor equipment funded included a disabled combined pull-down and chest press, combined pull-down and chest press, disabled arm and pedal bike, arm and pedal bike, seated leg press, side surfer and a wheelchair roundabout.

We now have a fantastic resource that National Star learners can use in their therapy, sports and leisure sessions, helping with their mental and physical wellbeing, and making the most of our beautiful Cotswolds grounds.

Our supporters have also enabled us to buy some other much-needed outdoor equipment.

Thanks to the generosity of our Patron Dr PJ Crook, we've been able to install a range of outdoor musical instruments at Ullenwood to support our OrcheStar development and to engage more learners with music.

The Greaves and Withey Foundation kindly funded a sunken trampoline and swing, and the Gloucestershire Community Foundation, Gloucestershire Funders and the Midcounties Co-operative Community Fund funded a wheelchair swing.

Thanks to our supporters, we've also been able to install basket swings at Ullenwood and at Bradbury Gardens, our residence in the centre of Cheltenham.

We hope to provide more outdoor exercise and therapy equipment at our other locations in Hereford and Mamhilad in the coming year to support learners and residents there.



Learners working out on the pull-down and chest press and the seated leg press



Keeping fit on the disabled arm and pedal bike



## A woman with a physical disability is seated on a rowing machine in a gym, holding the handle and looking towards a male staff member. The staff member, wearing a red jacket and a white face mask, is standing next to her, providing assistance. The background shows other gym equipment and a staircase.



# Principal risks and uncertainties

National Star's Board of Trustees is responsible for ensuring that effective and adequate risk management and internal control systems are in place to identify and manage the key risks to the charity.

The Board of Directors and Trustees are responsible for overseeing the risk management process. This process involves a consistent approach to identifying, assessing and mitigating the risks facing our charity to ensure they do not exceed the level of risk we are willing to accept. It is designed to manage, rather than eliminate, the risks to our charitable objectives and to provide reasonable assurance against material risks.

The processes in place regarding risk management include the following:

- A comprehensive risk management framework consisting of five sections: key controls, internal assurance sources, external assurance sources, current residual risk level and target risk level. The risks are regularly reviewed by the Senior Management Team, other risk 'owners' and the Head of Risk and Compliance, and documented in a risk register.
- The Risk and Assurance Committee reviews the framework and receives regular reports from the Head of Risk and Compliance and the Chief Executive on the effectiveness of controls.
- The committee, as well as reviewing risk controls, also considers and reviews the top strategic risks.

## Ongoing impact of the pandemic on our risk profile

The coronavirus pandemic, and the response to it, continues to have a significant impact on all the charity's activities and the external environment in which National Star operates.

The focus of the risk management strategy throughout the pandemic was on limiting its impact, with the immediate areas of focus being on business continuity and organisational resilience. The charity had a duty of care to its beneficiaries and to its staff. Managing risks relating to the health, safety and wellbeing of the young people and adults we supported, made more challenging because of their vulnerability, medical conditions and disabilities, was of paramount importance.

Providing that continuity of care throughout the lockdowns was complicated by staff shortages and staff absence, access to coronavirus tests and interpreting government and public health guidance for our specialist education provision, as well as our high level of adult social care and other services.

While the government safeguarded most education and care fees, the charity faced increased costs for infection control and operational costs. To limit the risk of infection, all our sites remained closed to the public and at the Ullenwood campus all commercial lettings ceased and social enterprises closed to the public, though continued to operate as part of learning programmes. The cessation of income generating activities and the inability to hold fundraising activities impacted on the organisation's immediate and future additional income generation.

National Star receives some 80% of its total income from fees for services, with the remaining 20% of income generated by fundraising and other programmes or income generation activities. As National Star receives public sector funding, it could only access the Government's Coronavirus Job Retention Scheme for a small number of staff affected by the cessation of our income generation activities.

During the pandemic, National Star's principal objective has been to remain open to support its beneficiaries and their families while protecting the staff. From the beginning of the academic year in September 2020, National Star was operating with almost 100% of its residential learners and a high percentage of day learners. This became a challenge when there were increased levels of staff absence, due to coronavirus, and as we limited staff movement between clusters of residents or learners to limit risk of infection.

To mitigate the risk of losing valuable staff and to support them during uncertain times, we enhanced our staff sickness policy, reviewed pay for care focused roles and made changes to our pay processes to safeguard roles and recognise the challenges for staff who continued to work directly with learners and residents.

All key actions taken by management in this period were focused on keeping the organisation open and safe for the young people and adults depending on its services, as well as supporting staff. Decisions at that time included: ongoing governance review of the charity's risk and financial position; the cessation of commercial activities and review of public access of all sites; the review of education and therapy delivery to enable services to continue as much as possible either in person or virtually; moving all non-learner or resident-facing operational and administrative services to remote working and developing new ways of working from online learning to virtual recruitment of staff and future learners.

## Our risk profile going forward

While several of the risks relating to the management of the initial crisis have been addressed, a number of other risks have increased as the long-term effect of the pandemic has become more evident. These include potential risks relating to:

- The impact of the pandemic and the commencement of the EU Settlement Scheme on staff recruitment and retention, especially for care-related roles.
- The impact on our income of the wider macroeconomic crisis in the short-term and, more importantly, in the long-term as local authorities and the government begin to pay back the huge deficit created during the pandemic.
- The impact of pandemic restrictions on the availability and timing of placements for future learners, due to periods of uncertainty and restrictions.
- The impact on our capital development programme and maintaining the quality of facilities, due to the impact on fundraising and other income generation activities, again affected by the wider macroeconomic crisis.



We continue to address a number of ongoing risks in key areas, such as recruitment and retention of staff, compliance with legal and governance requirements, information security and

maintaining our reputation of providing high quality services. The major risks we face are noted in the table below:

Risk	Mitigation
<p><b>Workforce planning</b></p> <p>Inability to recruit, develop and retain appropriate quality and quantity of key staff. These could include a number of risks which are heightened due to staffing issues:</p> <ul style="list-style-type: none"> <li>– Significant Health and Safety incident.</li> <li>– Significant Safeguarding incident.</li> <li>– Failure to comply with legal or regulatory requirements, including mandatory vaccination for care staff.</li> <li>– Failure to provide necessary care and nursing requirements.</li> </ul> <p>Failure to address the health and wellbeing of staff and support their ability to perform their roles during the pandemic and beyond.</p>	<ul style="list-style-type: none"> <li>– Ensure all staff (if not medically exempt) have appropriate vaccination status at beginning of employment.</li> <li>– Develop more ‘user-friendly’ and timely recruitment processes.</li> <li>– Develop processes to ensure all individual staff maintain renewal cycle for mandatory training.</li> <li>– Provide face-to-face safeguarding and safer working practice training by Head or Senior Director.</li> <li>– Develop organisational-wide recruitment and retention strategy.</li> <li>– Review pay structures, such as all those involved in Care Quality Commission regulated activities.</li> <li>– Review rewards, benefits and support for all staff.</li> <li>– Develop effective induction strategy for all staff at all locations.</li> <li>– Develop online recruitment marketing.</li> <li>– Regular communications regarding health and wellbeing information and organisational updates to all employees from the Senior Management Team.</li> <li>– Development of policies and procedures for areas of critical importance to Human Resources (e.g. sick pay, leave and hiring).</li> <li>– Risk assessments completed to identify necessary workplace adaptations and operating procedures (e.g. revised hygiene regimes, enforcement of social distancing and mandatory vaccinations and changes to NHS Test and Trace).</li> </ul>
<p><b>Reputation and trust</b></p> <p>Events may occur which adversely affect our reputation, operations or levels of stakeholder trust in us.</p> <ul style="list-style-type: none"> <li>– Impact on quality of services by staffing numbers.</li> <li>– Inability to match staff capacity to learner numbers.</li> <li>– Serious data security breach (from a cyber attack or non-compliance with GDPR).</li> <li>– Significant Health and Safety incident.</li> <li>– Significant Safeguarding incident.</li> <li>– A major outbreak of coronavirus within National Star’s services.</li> <li>– Lack of compliance with regulations in relation to our fundraising and marketing practices.</li> <li>– Failure to comply with legal or regulatory requirements.</li> </ul>	<ul style="list-style-type: none"> <li>– Senior level engagement in policy setting and monitoring.</li> <li>– An organisation-wide risk management programme which is reviewed by senior managers and trustees.</li> <li>– Comprehensive mandatory training and awareness programmes for all staff, which is constantly monitored.</li> <li>– Information security policies and procedures, including security patching, vulnerability scanning, penetration testing and anti-virus software.</li> <li>– Specific processes to address compliance requirements in critical areas, such as fundraising compliance and data governance.</li> <li>– Strict infection control procedures are reviewed in line with government guidelines and level of risk.</li> <li>– Maintain the high level of safeguarding in the organisation through robust systems and processes already in place.</li> <li>– Ensure the National Safeguarding Lead and Deputy maintain strong links to external professionals to ensure that safeguarding is current and at the forefront of all National Star work.</li> </ul>
<p><b>Care and support services</b></p> <p>Failure to maintain high quality delivery of care and support, resulting in ‘unacceptable quality’ in care in line with Care Quality Commission criteria.</p>	<ul style="list-style-type: none"> <li>– Set up and maintain a robust review programme to carry out clinical observations, care audits, resident feedback, internal QA processes and risk assessment procedures.</li> <li>– Carry out and review mandatory staff training combined with supervision and appraisal.</li> <li>– Continue to review and develop procedures which enable multi-disciplinary working.</li> <li>– Constantly review how care is delivered and what can be done to ensure safe delivery.</li> <li>– Work closely with HR and marketing on recruitment, development and retention of care staff.</li> <li>– Appoint a National Lead of Healthcare to ensure continuity of knowledge and expertise.</li> </ul>
<p><b>Learning and Personal Development programmes</b></p> <p>Failure to maintain high quality delivery of education and therapies programmes, resulting in ‘unacceptable quality’ in education and / or therapy in line with the updated Education Inspection Framework.</p>	<ul style="list-style-type: none"> <li>– Maintain and monitor ongoing clinical observation process by team of trained observers, both in person and virtually.</li> <li>– Ensure new staff receive in-depth feedback to help them develop their skills and expertise.</li> <li>– Prepare staff for formal observation in preparation for return to visits by Ofsted and Estyn (the Welsh inspectorate).</li> <li>– Work closely with HR and marketing to attract high quality teaching staff, therapists and facilitators.</li> </ul>



Risk	Mitigation
<p><b>Income generation</b></p> <p>Inability to obtain and manage sufficient statutory funding. A key risk is, due to delayed decisions on funding by local authorities and the high number of extension requests, that there are not sufficient places to meet demand for September 2022.</p> <p>Inability to recruit learners, especially with the concern around sufficient spaces meeting demand in certain service areas.</p> <p>Significantly reduced income from fundraising and other income generation activities, as a result of the pandemic. A key risk associated with this is also how to restart in-person fundraising and commercial income generating businesses.</p>	<ul style="list-style-type: none"> <li>– Develop effective relationships with individual statutory funders (local authorities) with the focus on value for money and levels of income.</li> <li>– Research and monitor government (England and Wales) direction on High Needs funding and engaging with key decision makers in government, local authorities and the NHS.</li> <li>– Review and update new marketing recruitment strategy with focus on service areas where there is capacity.</li> <li>– Engage current parents as ambassadors to promote the charity.</li> <li>– Develop close working of the admissions / assessment / transition team and marketing team.</li> <li>– Focus on working with local authorities that haven't previously placed a learner at National Star.</li> <li>– Raise the profile and knowledge of the Welsh offer.</li> <li>– Develop and maintain strong communication with parents to manage expectations around placements for the next few years.</li> <li>– Continue to deliver an excellent learner-training environment and operate social enterprise areas in a different, more limited form due to the pandemic.</li> <li>– Develop new alternative streams, such as pilot charity shops.</li> <li>– Explore and develop alternative commercial and social enterprise income, such as training and consultancy.</li> <li>– Maintain and develop strong customer / donor relationships and communications in preparation for the end of the pandemic and reopening of social enterprises, commercial activities and in-person fundraising.</li> </ul>
<p><b>Organisational response to the pandemic</b></p> <p>Failure to develop and implement a coherent and coordinated continuity business plan in relation to the ongoing pandemic.</p> <p>Failure to maintain and further appropriate quality of facilities due to the medium and long-term impact of the pandemic.</p>	<ul style="list-style-type: none"> <li>– Engagement of Senior Management Team, trustees, governors, staff and wider stakeholder groups (e.g. local authorities) in developing our organisational business plan and in ongoing discussions about our priorities and future direction.</li> <li>– Organisational business plan to be kept under review by Senior Management Team and the strategy sub-group as part of the wider organisational management process.</li> <li>– Ongoing horizon scanning by the organisation to identify changes in the external environment brought about by the pandemic which impact our strategy and operating model.</li> <li>– Development of swift responses to these changes in order to ensure financial sustainability.</li> <li>– Development and review of contingency plans throughout the pandemic and moving beyond the pandemic.</li> <li>– Evaluate capital projects in light of the changing environment.</li> <li>– Develop a long-term strategy to engage trusts and foundations and create new innovative fundraising initiatives focused on maintaining facilities.</li> <li>– Monitor and develop contingency planning for appropriate facilities.</li> <li>– Prioritise capital projects subject to affordability.</li> </ul>
<p><b>Financial stewardship</b></p> <p>Failure to effectively manage reserves to sustain operations during and post the pandemic.</p>	<ul style="list-style-type: none"> <li>– Reserves policy in place and compliance with policy monitored.</li> <li>– Designated reserve provision allocated to coronavirus risks.</li> <li>– Ongoing monitoring of financial position and increased focus on cash preservation, cost reduction and risk mitigation measures.</li> <li>– Review of investment strategy and regular dialogue with investment managers.</li> </ul>
<p><b>Operational effectiveness</b></p> <p>Technology risks including:</p> <ul style="list-style-type: none"> <li>– Performance of the technology infrastructure with mix of online / in-person working, particularly given the increased focus on, and importance of, online / virtual fundraising systems.</li> <li>– Technology strategy, including associated levels of investment and improvement in technology, fails to keep pace with developments in the external environment during and post pandemic.</li> <li>– Reliance on small companies developing the organisation's critical systems.</li> </ul>	<ul style="list-style-type: none"> <li>– Invest in skills and competencies of the IT team.</li> <li>– Implement appropriate safeguards and controls to protect work and IT systems.</li> <li>– Ongoing assessments of resilience and performance of technology.</li> <li>– Refreshed prioritisation criteria to decide how to allocate resources to technology projects to support organisational objectives.</li> <li>– Delivery model kept under review to ensure important projects can be delivered at pace.</li> <li>– Invest in the development of IT systems and review.</li> </ul>



## Structure and management

The directors of the company, who are trustees of the charity, are elected by the members of the company at the annual general meeting. New trustees / directors are considered on the basis of their skills and relevant experience alongside the balance of existing skills and experience amongst the board, and regular training is provided.

A broad range of marketing techniques were utilised to encourage a diverse range of people to apply to volunteer as a trustee or governor. The posts were advertised on LinkedIn and on other social media channels. The posts were actively promoted on the Women on Boards website and to members of various business networking groups as well as the Gloucestershire VCS Alliance.

The trustees have also given consideration of guidance provided in the Governance Code and undertaken a review of Governance Structures and members.

## Committees of the Board

As the charity is a company limited by guarantee, the trustees are also the company directors. The board delegates certain powers in connection with the charity's management and administration through its committee structure. This delegation is controlled by requiring the committees to report back regularly to the board, ensuring that all decisions made under delegated powers are ratified by the full board. All committees operate under agreed terms of reference, provide meeting minutes and report to the board on key areas of work undertaken. Other working project groups are ad hoc as required.

The board meets quarterly. Due to the pandemic, the board and its committees moved to virtual meetings and trustees, governors and committee members received regular updates from the Chief Executive. Some committees held additional meetings to monitor and address the impact of the pandemic on the charity.

The Board of Governors has delegated oversight responsibility for the operational aspects of National Star programmes and activities, including safeguarding, quality and achievements. The Board of Governors meets termly and operates within terms of reference agreed by the Board of Trustees.

The Finance and Investment Committee meets quarterly and is responsible for the oversight of the charity's financial affairs. The committee has a duty to keep a watching brief and provide advice, where appropriate, on potential and actual financial opportunities and threats, liaising with the Risk and Assurance Committee as appropriate. The committee met more frequently to review areas of potential impact of the pandemic on the financial sustainability of the charity.

The Risk and Assurance Committee meets quarterly and is responsible for reviewing the charity's risk assessment, risk management and internal control systems and processes. It may investigate any areas of concern or perceived risk. It acts as the corporate recipient of any information in line with the whistleblowing policy and to ensure that appropriate action is taken.

The Advisory Board is made up of student governors, an adult learner representative, Student Union President, former learners and members of the community, and acts as a consultative and representative group of the charity's beneficiaries to help inform the charity's plans and as part of its stakeholder engagement.

This working group includes representatives of trustees and governors to support the strategic planning and development of the organisation.

Day-to-day management of the charity is delegated to the Chief Executive, David Ellis, supported by the Deputy Chief Executive, Chief Operations Officer, Principal and a senior management team. The board set the pay for key management personnel (as detailed at note 8) by relation to industry standards and organisations of a similar size and activity.

The trustees confirm that they have complied with the requirements and duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit; 'Charities and Public Benefit' and that the extensive charitable purposes and provision of the charity, particularly in the areas of education and disability services, are for the public benefit.



## Trustees (Directors)

Name of Trustees (Directors)	Risk and Assurance Committee	Finance and Investment Committee	Governor	Advisory Board	Strategy Sub Group
Paul Styles (Chair of Trustees)					
Liz Cadman					
Brian Chatfield					
Tim Cooper					
Robert Haymon-Collins					
Chas Howes					
Jonathan McMahon					
Matt Shayle					
Barry Seamons (Trustee and Governor until October 2021)					

## Other Governors, Advisory Board and Committee Members

Name of other Governors, Advisory Board and Committee Members	Governor	Parent Governor	Student Governor	Staff Governor	Advisory Board	Risk and Assurance Committee	Strategy Sub Group
Mary Saunders (Chair of Governors)							
Michael Cooke							
Margaret Goldie							
Chris Harber							
Sue Hawkins							
Andrea Lewis							
Jane Matheson							
Adam Pearce							
Andrea Riga							
Dr Lara Rowlands							
Seb Sargeant							
Margaret Sheather							
Francesca Vismara							
Katie Leigh Walker (Until December 2020)							
Alisha Williams							
Elliot Caswell (From September 2020)							
Jason Felce (From February 2021)							

## Subsidiary undertakings

Two subsidiary undertakings operated during the year. NSF Trading Limited (company number 01168043) operated as the organisation's trading subsidiary for non-charitable purpose trading. NSF Design & Build Limited (company number 08628807) undertakes accommodation and facilities development projects on behalf of the charity. Both subsidiaries generated surpluses in the year after direct costs, administrative costs and audit fees (as detailed in notes 2a and 2b to the Financial Statements) which resulted in gift aiding a total of £37,119 (2020: £35,357) to the charity. Shareholdings are disclosed in note 10 to the financial statements.

## Trustees' duty to promote the success of the Charity (Section 172 statement)

Trustees as directors of the company have a duty to promote its success and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors, including:

- The likely consequences of decisions in the long-term;
- The interests of employees;
- The need to foster relationships with third-party stakeholders;
- The impact of the organisation's operations on the community and the environment;
- The desirability of the organisation maintaining a reputation for high standards of business conduct;
- Maintaining a reputation for high standards of conduct.

Day-to-day management is delegated to the Chief Executive and a senior management team, who are required to act in furtherance of the charity's purpose and organisational strategy and to ensure that activities are carried out in compliance with policies approved by the board. The trustees and governors review strategies to assess progress and to identify areas of focus for the following year and beyond. A strategy sub-group has also been established to support strategic initiatives during the course of the year. Policies are reviewed periodically by the board or on its behalf by board committees.

The board receives regular updates on the organisation's performance and progress with its plans for the future direction of the charity. The board and its committees keep under review the charity's principal risks and its risk appetite, considering emerging risks and regularly reviewing changes in the charity's risk profile and responses. By ensuring that management act in accordance with the strategy and in compliance with specific policies, the board and its committees obtain assurance that in promoting the success of the charity, due regard is given to the factors set out in Section 172.

Engagement with the charity's main stakeholder groups is discussed in the section 'Engaging with stakeholders'. The charity's senior management team regularly report to the board and its committees on key stakeholder relations and engagement activities, current issues and relevant feedback received from interaction with stakeholders.

## The likely consequences of any decision in the long term

The charity's strategy is based on its ambition to deliver and further develop high quality, relevant education, care and support services for people with disabilities. Trustees and management continued to review the long-term strategic plan – titled Maximising Potential – and areas of potential development of the charity's learning, education and care services. The trustees' discussion of all aspects of the future direction of the charity's work is informed by the feedback received from the consultations with stakeholders.



Trustees have responsibility for setting the charity's culture, values and standards, and ensuring that its obligations to its stakeholders are met. The charity has in place a range of policies and processes that promote corporate responsibility and ethical behaviour. Areas covered include fundraising (National Star's fundraising practices are discussed on page 24), safeguarding, equal opportunities and whistleblowing. All these policies are reviewed periodically and updated as necessary by the board or the relevant committee and are subject to periodic review of compliance.

It is essential that public trust in the charity is maintained and not damaged as a result of accepting donations from inappropriate sources. The board has approved a policy that enables trustees to refuse a donation which may be considered unethical.

Through regular engagement with key stakeholders, trustees and the senior management team maintain an understanding of stakeholders' needs that informs how the charity defines its organisational objectives, policies and strategy. The board's decision-making process considers the impact of potential decisions on relevant stakeholders, and the board obtains assurance that proper consideration is given by its committees to stakeholder interests through regular reports from each committee.

These are the young people and adults with complex disabilities and learning difficulties, who use the charity's services and their families. Learner voice is very important to National Star. There is an active elected Student Union. Members provide updates to the Board of Governors and are involved in staff recruitment and training. Feedback from learners and service users informs organisational improvements. Learner and parent governors have a voice on the Board of Governors and parents, learners and former learners are involved with the Advisory Board. The care and education teams continuously review learners' progress and residents' support to ensure they, and their parents, are kept informed and that the service users have an active say in their lives. Learners also work with governors and trustees on their strategy day, giving presentations and answering questions on young people's aspirations for the future. In October 2020, we launched our Virtual Parent Forum (see page 14 for more information about the Forum).

National Star's core income comes from fees paid by local authorities, the NHS and the Education and Skills Funding Agency (ESFA). The charity works closely with these bodies to ensure it is meeting the needs of the young people in its care. The charity has also worked closely with local authorities to provide local provision. For example, National Star worked with Gloucestershire

As a centre of excellence, National Star is committed to sharing best practice and its expertise. It consults and works closely with a range of professional bodies and specialist organisations to develop resources and share knowledge in the UK, Europe and the wider world. National Star continued to deliver online the Essential SEND Managers Workshop for the Education Training Foundation to support the development of high quality programmes and practice across the FE sector and to deliver online training in India. The charity also contributes to the Natspec practitioner network.

National Star works closely with key opinion leaders and influencers – both parliamentarians and national bodies. For example, we work closely with NHS England, NHS Wales, Public Health England, Ofsted, VODG, Estyn, Association of Colleges, Natspec (the membership association for organisations which offer specialist further education and training for learners with learning difficulties and / or disabilities) and the Care Quality Commission to help shape and inform policy to secure the best outcomes for young people with complex disabilities and learning difficulties. We strive to work in partnership with other SEND bodies in pursuing shared policy outcomes. In May 2021 National Star supported Ofsted inspectors in their preparation to return to on-site inspections.

National Star consults its supporters about its fundraising activities in a number of ways. The charity engages with supporters on a regular basis through tailored communications to specific audiences. This includes face-to-face visits, telephone and virtual conversations, and written communications. A number of supporters are invited to share in celebratory events at National Star, providing them with the opportunity to meet beneficiaries and their families. National Star staff visit many community groups and organisations to talk about the charity's work and its fundraising needs. Prior to the pandemic, National Star had an 'open door' policy for supporters to visit on an individual or group basis. This gave them the opportunity to learn more about the charity's work and our fundraising, see the impact of their fundraising support and meet beneficiaries and National Star staff. In the light of the coronavirus situation, a virtual tour was developed, and site visits will be re-introduced as soon as the pandemic allows.

The senior management team, with the support of the trustees, provide employees with information on matters of concern to them as employees through various channels of communications, including National Star's intranet, the elected staff consultation group (LINK) and regular update emails and video communications from the Chief Executive, the Chair of Trustees, the Chair of Governors and other senior managers. Throughout the pandemic there have been regular – often weekly – staff communications to ensure all staff are kept informed. An annual staff survey was carried out in July, which resulted in actions led by the senior management team. The trustees and the Board of Governors are kept informed about staff relations and regularly review staff feedback and employment policies.



# Supporting the Environment

Sustainability and supporting the environment plays an important role at National Star. In July 2021, we received the Green Impact Gold Award. Green Impact helps people understand sustainability and social responsibility, shows them what they can do to make a difference, and supports them in achieving these actions.

It covers the whole sustainability agenda and is based on the themes of continual improvement, collaboration and meaningful change to establish new social norms and inspire people with the skills and passion needed to make a difference.

National Star received a Bronze Award in 2018–19 and the Silver Award in 2019–20, so the Gold Award demonstrates improvements in our sustainability despite the difficult operating

conditions in 2020–21. In addition to our gaining the Green Impact Gold Award, one of our volunteers won a SOS–UK Sustainability Hero Award for working with learners on projects which enabled National Star to achieve the Gold Award.

We took part in various green initiatives throughout the year, including the Hedgehog Friendly Campus scheme and the planting at Ullenwood of 420 saplings from the Woodland Trust under their scheme to provide free trees for schools and communities.

In July–August 2021, Site Services created an accessible path at Ullenwood to provide a valuable health and wellbeing benefit, as well as providing access for the inclusion of ‘The Five Pathways to Nature Connectedness’ into the curriculum. Learners at Hereford, Mamhilad and Ullenwood were involved in various gardening initiatives throughout the year. In June, National Star in Wales learners started weekly access to the horticultural facilities and outdoor classroom at Coleg Gwent’s Usk campus.

## Streamlined Energy and Carbon Reporting

Type of Emission	Scope	Activity	Unit	2020/21	2020/21	2020/21	2020/21	2019/20	2019/20	2019/20	2019/20
				Quantity	kWh Energy	tCO2e	% of total	Quantity	kWh Energy	tCO2e	% of total
Direct	1	Services – Biomass	kWh	3,064,410	3,064,410	46	5%	1,428,500	1,428,500	22	2%
		Services – Gas	kWh	914,229	914,229	167	18%	864,254	864,254	159	12%
		Services – Oil	litres	56,945	674,298	181	19%	172,547	2,051,341	549	42%
		Services – LPG	litres	10,644	77,270	17	2%	13,048	94,622	20	2%
		Owned Vehicles	litres – diesel	43,561	462,046	109	12%	36,510	386,397	93	7%
		Owned Vehicles	litres – petrol	1,636	15,621	4	0%	3,498	33,088	8	1%
Energy Indirect	2	Services – Electricity	kWh	1,834,835	1,834,835	390	42%	1,746,294	1,746,294	407	31%
Other Indirect	3	Personal Vehicles	miles	82,323	97,363	23	2%	135,751	159,421	37	3%
Total Gross Emissions (tCO2e)						937				1,296	
Total Energy Consumed (kWh)					7,140,071				6,763,916		

Intensity Metric Ratio:	2020/21	2019/20
Number of Employees (FTEs)	847	798
Tonnes of CO2e Per Employee	1.11	1.62

During 2020–21, National Star continued with implementing measures to improve energy efficiency, including our programme of replacing lighting with LED fittings. The introduction of a new 500kw biomass boiler has led to a reduction in oil and a carbon neutral CO2 output. The installation of the new boiler has enabled us to register with Ofgem for the Renewable Heat Incentive.

Recommissioning works took place around the Ullenwood site to ensure we are not losing excess energy through our district heating pipe network. We also started looking into the feasibility of solar panels at our Ullenwood and Bradbury Gardens locations.

This report is provided in accordance with The Companies (Directors’ Report) and Limited Liability Partnerships (Energy and

Carbon Report) Regulations 2018, which came into force from 1 April 2019. As a large charitable company, National Star is required to provide the following information for the Group in relation to its UK energy use, associated greenhouse gas emissions, intensity ratio and energy efficiency actions.

## Methodology

Our reporting methodology was based on the UK Government’s Environmental Reporting Guidelines, 2019. Our calculations were based on the UK Government GHG Conversion Factors for Company Reporting (2021).

All emissions calculations are derived from activity data representing the Group, including its subsidiary undertakings. Parameters include those emissions for which National Star has operational control. The reporting period is 1 September 2020 to 31 August 2021.



# Statement of trustees' responsibilities

The trustees (who are directors of National Star Foundation for the purpose of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and generally accepted accounting practice (United Kingdom Accounting Standards).

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the incoming resources, including the income and expenditure of the charity and the group 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 the Statement of Recommended Practice: Accounting and Reporting by Charities as revised in 2019;
- Make reasonable and prudent judgements and estimates;
- State whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show the charity's transactions, 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 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and for taking reasonable steps to prevent and detect fraud, and other irregularities.

In so far as each of the trustees of the charity at the date of approval of this report is aware, there is no relevant audit information needed by the charity's auditor in connection with preparing the audit report of which the charity's auditor is unaware. Each trustee has taken all of the necessary steps in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees confirm that they have had regard to the Charity Commission's guidance on public benefit and report on the charity's objectives and achievements on pages 13 to 21. The reference and administrative details on page 59 form part of the Trustees' Report.

By order of the Board of Trustees, the Annual Report (incorporating the Strategic Report) has been approved by the Board of Trustees and signed on its behalf by:



**Paul K Styles**  
Chair of Trustees  
27 January 2022

## Alison

### Without National Star...

“I wouldn't be following my dream to become a nurse.”

”  
**Alison**

Alison is taking advantage of the career progression offered at National Star by training to become a nurse. Alison joined National Star two years ago and worked as a senior care and support worker (facilitator). Now she has started her four-year nurse apprenticeship, which will result in her qualifying as a registered nurse.

'I always wanted to be a nurse,' says Alison, who has worked more than two decades in care. She can remember the defining moment when she knew that she wanted to become a nurse.

'Before I joined National Star, I was working at a care home where I was caring for someone at end of life. The woman needed a medication to calm her as she was agitated, and the agency nurse couldn't get to her. I spent the night watching this woman in such distress and suffering. Everything I needed to make a difference was there in that room, but I couldn't administer it because I wasn't qualified.

'I decided then I couldn't watch such suffering again and not be able to do something. Now thanks to working at National Star, I am following that dream.'





# Independent auditors' report

## Opinion

We have audited the financial statements of National Star Foundation ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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 or the group'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 contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and,

except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

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

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

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

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

- adequate and proper accounting records have not been kept; 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 set out on page 34, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a



# Independent auditors' report

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the operations were CQC Regulations for service providers and managers, Ofsted, General Data Protection Regulation (GDPR), taxation legislation and employment legislation.

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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, recording the impact of the CQC regulatory review, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance & Investment Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and Ofsted, and reading minutes of meetings of those charged with governance.

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

## 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.



### Guy Biggin

Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
4th Floor  
St James House  
St James' Square  
Cheltenham  
GL50 3PR

**Date:** 10 February 2022



# National Star Foundation

## Consolidated statement of financial activities

(Incorporating an income and expenditure account for the year ended 31 August 2021)

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	4/14	454,676	446,626	901,302	881,780
<b>Charitable activities</b>					
Student fees		23,394,021	–	23,394,021	22,039,891
Other charitable activities	3	7,135,450	–	7,135,450	6,409,985
ESFA capital grants		72,132	–	72,132	51,921
Teachers Pension Grant		123,253	–	123,253	126,105
Adult Social Care Infection Control Grant		381,539	–	381,539	117,113
<b>Other trading activities</b>					
Trading turnover – NSF Trading Limited	2a	74,614	–	74,614	132,411
Investments		17	–	17	7,437
<b>Other</b>					
Other income	5	206,260	–	206,260	187,550
<b>Total income</b>		<b>31,841,962</b>	<b>446,626</b>	<b>32,288,588</b>	<b>29,954,193</b>
<b>Expenditure on:</b>					
Raising funds	6	384,147	–	384,147	360,050
Charitable activities	6/14	30,386,112	304,975	30,691,087	28,419,030
<b>Other expenditure</b>					
NSF Trading Limited	2a	42,098	–	42,098	131,810
NSF Design & Build Limited	2b	2,777	–	2,777	3,559
<b>Total expenditure</b>		<b>30,815,134</b>	<b>304,975</b>	<b>31,120,109</b>	<b>28,914,449</b>
<b>Net Income before gain on investments</b>		<b>1,026,828</b>	<b>141,651</b>	<b>1,168,479</b>	<b>1,039,744</b>
<b>Net gain / (loss) on investments</b>	10	<b>780,709</b>	<b>–</b>	<b>780,709</b>	<b>(132,752)</b>
<b>Net income</b>		<b>1,807,537</b>	<b>141,651</b>	<b>1,949,188</b>	<b>906,992</b>
<b>Transfer between funds</b>	14/15	<b>275,049</b>	<b>(275,049)</b>	<b>–</b>	<b>–</b>
<b>Net movement in funds</b>		<b>2,082,586</b>	<b>(133,398)</b>	<b>1,949,188</b>	<b>906,992</b>
<b>Reconciliation of funds:</b>					
Total funds at 1 September 2020	14/15	29,380,034	2,868,154	32,248,188	31,341,196
<b>Total funds at 31 August 2021</b>	<b>14/15</b>	<b>31,462,620</b>	<b>2,734,756</b>	<b>34,197,376</b>	<b>32,248,188</b>

The notes on pages 41 to 58 form part of these financial statements.



# National Star Foundation

## Consolidated balance sheet

As at 31 August 2021

Company Number: 00522846

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9a	26,162,149	26,408,622
Investments	10	3,979,214	3,198,505
		<b>30,141,363</b>	<b>29,607,127</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	1,750,036	1,381,805
Cash at bank and in hand		7,111,533	5,966,129
		<b>8,861,569</b>	<b>7,347,934</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	12	(4,792,077)	(4,639,586)
<b>Net current assets</b>		<b>4,069,492</b>	<b>2,708,348</b>
Creditors: amounts falling due after one year	12	(13,479)	(67,287)
<b>Total net assets</b>		<b>34,197,376</b>	<b>32,248,188</b>
<b>The funds of the group</b>			
Restricted funds	14	2,734,756	2,868,154
Unrestricted funds	15	31,462,620	29,380,034
<b>Total group funds</b>		<b>34,197,376</b>	<b>32,248,188</b>

The charity net income in the year was £1,958,162 (2020: £947,007) before group consolidation.

These financial statements were approved and authorised for issue by the Board of Trustees on 27 January 2022 and signed on its behalf by:



**Paul K Styles**  
Director

The notes on pages 41 to 58 form part of these financial statements.



# National Star Foundation

## Charity balance sheet

As at 31 August 2021

Company Number: 00522846

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	9b	26,446,267	26,683,766
Investments	10	3,979,315	3,198,606
		<b>30,425,582</b>	<b>29,882,372</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	1,840,070	1,334,385
Cash at bank and in hand		6,961,949	5,854,291
		<b>8,802,019</b>	<b>7,188,676</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	12	(4,732,628)	(4,480,429)
		<b>4,069,391</b>	<b>2,708,247</b>
<b>Net current assets</b>			
Creditors: amounts falling due after one year	12	(13,479)	(67,287)
		<b>34,481,494</b>	<b>32,523,332</b>
<b>The funds of the charity</b>			
Restricted funds	14	2,734,756	2,868,154
Unrestricted funds	15	31,746,738	29,655,178
<b>Total charity funds</b>		<b>34,481,494</b>	<b>32,523,332</b>

These financial statements were approved and authorised for issue by the Board of Trustees on 27 January 2022 and signed on its behalf by:



**Paul K Styles**  
Director

The notes on pages 41 to 58 form part of these financial statements.



# National Star Foundation

## Consolidated statement of cash flows

For the year ended 31 August 2021

### Reconciliation of net income to net cash inflow from operating activities

	2021 £	2020 £
<b>Net income for the reporting period</b>	<b>1,949,188</b>	<b>906,992</b>
<b>Adjustments for:</b>		
Depreciation charges	1,420,324	1,453,912
Write off non-depreciating assets under construction	51,342	–
Interest from investments	(17)	(7,437)
(Gains) / losses on investments	(780,709)	132,752
(Profit) on sale of fixed assets	(2,670)	(3,938)
(Increase) / decrease in debtors	(368,231)	(494,063)
Increase in creditors	151,340	1,530,084
<b>Net cash provided by operating activities</b>	<b>2,420,567</b>	<b>3,518,302</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	(52,657)	(50,114)
<b>Net cash used in financing activities</b>	<b>(52,657)</b>	<b>(50,114)</b>
<b>Cash flows from investing activities</b>		
Interest from investments	17	7,437
Proceeds from the sale of property, plant and equipment	2,670	3,938
Purchase of property plant and equipment	(1,225,193)	(1,962,620)
<b>Net cash used in investing activities</b>	<b>(1,222,506)</b>	<b>(1,951,245)</b>
Change in cash and cash equivalents in the reporting period	1,145,404	1,516,943
Cash and cash equivalents at the beginning of the reporting period	5,966,129	4,449,186
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>7,111,533</b>	<b>5,966,129</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	7,111,533	3,966,129
Notice deposits (less than 3 months)	–	2,000,000
	<b>7,111,533</b>	<b>5,966,129</b>

The notes on pages 41 to 58 form part of these financial statements.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 1. Accounting policies

#### a) Charity information

National Star Foundation is a registered charity (charity number 220239) and was incorporated as a private company limited by guarantee in England and Wales (company number 00522846) on 20 August 1953. The address of its registered office is Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU. This is also the registered address of NSF Trading Limited and NSF Design & Build Limited.

#### b) Accounting convention

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments.

The consolidated financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

National Star Foundation meets the definition of a public benefit entity under FRS 102.

#### c) Going concern

The group and charity has cash resources and has no requirement for external funding. At the time of approval of the annual report, the COVID-19 pandemic continues to evolve and the long term impact on the charity, in common with other businesses, is unknown. The trustees have reviewed the position carefully with a view to ensuring the ongoing provision of care for the learners and residents as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for places remains strong for the academic year 2021 – 2022. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the trustees believes that financial resources are sufficient to ensure the charity will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

#### d) Consolidated financial statements

These financial statements consolidate the charity and its subsidiary undertakings NSF Design & Build Limited and NSF Trading Limited to 31 August 2021, all inter group sales and profits have been eliminated on consolidation.

Net income of £1,958,162 (2020: £947,007) was attributable to the charity for the year. The charity has also taken advantage of the exemption available to a qualifying entity in FRS 102 from the requirement to present a charity only Statement of Cash Flows and certain disclosures about the charity's financial instruments within the consolidated financial statements.

No separate Statement of Financial Activities ("SOFA") has been prepared for the charity alone as permitted by Section 408 of the Companies Act 2006.

#### e) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aims of the restricted funds are set out in the notes to the financial statements.

#### f) Income

All income is included in the SOFA when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 1. Accounting policies (continued)

Donations and gifts represent amounts receivable during the year, together with any associated tax refund and do not include the value of any pledges secured for future donations.

Fees are accounted for in the SOFA in the year in which the service is provided.

Grants (including government grants) are included in the financial statements on a receivable basis. The balance of income received for a specific purpose but not expended in the year is shown in the relevant funds on the Balance Sheet. Where entitlement occurs before income is received, the income is accrued.

Where income is received in advance of the charity having entitlement to the fund the income is deferred.

For legacies, 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(s) 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.

All capital grants received are recognised in the SOFA and credited to a separate restricted fund where there are restrictions on the future use of the fund. Any depreciation charged on that element of the cost of assets funded by grants is charged to restricted funds.

#### g) Expenditure

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Expenditure on raising funds include all fundraising, financing and trading costs of the subsidiaries.

All expenditure is accounted for on an accruals basis. Overheads and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity in the year on a basis consistent with use of the resources. The irrecoverable element of VAT is included with the item of expense to which it relates.

Governance costs are included within support costs and include strategic planning costs for the charity's future development, external audit and all costs of complying with constitutional and statutory requirements, such as costs of Board and Committee meetings and for preparing statutory financial statements and satisfying public accountability.

#### h) Pension costs

The Charity contributes to the Teachers' Pension Scheme at the advised rates. As it is not possible to separately identify the assets and liabilities of the Teachers' Pension Scheme, it is accounted for as if it were a defined contribution scheme. The charity's contributions to the scheme are charged in the financial statements as they accrue.

With regard to non-teaching employees, contributions are made to the charity's defined contribution pension scheme. All contributions are charged to the SOFA as they become payable in accordance with the rules of the schemes.

#### i) Tangible fixed assets

All expenditure above £500 for ICT and £1,000 for all other assets for the acquisition, enhancement, production and installation of fixed assets and all fixed assets received by way of donation are capitalised. Tangible fixed assets are stated in the Balance Sheet at cost less depreciation and impairment, or at estimated value at date of donation less depreciation in respect of donated assets.

Depreciation is calculated to write off the cost or valuation less estimated residual value of tangible assets over their estimated useful lives at the following rates:

Freehold Land	Not depreciated
Freehold Buildings	2% – 10%
Leasehold Property Improvements	20% (or over the lease term)
Fixtures & Equipment	10% – 20%
ICT	10% – 25%
Motor Vehicles	10% – 25%

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

#### j) Investments

Investments are stated at market value at the Balance Sheet date. All gains and losses relating to investments are accounted for in the SOFA. Investments in subsidiaries are held at cost.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 1. Accounting policies (continued)

#### k) Debtors

Short-term debtors are initially measured at the settlement price, less any impairment. Prepayments are valued at the amount prepaid net of any trade discounts.

#### l) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions with a short maturity of three months or less.

#### m) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Short-term creditors are initially measured at the settlement amount.

#### n) Financial instruments

National Star Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

#### o) Operating leases

Rentals payable under operating leases are charged to the SOFA on a straight line basis over the lease term.

#### p) Taxation

National Star Foundation is a registered charity, and as such is entitled to tax exemptions on all its income and gains, properly applied for its charitable purposes.

#### q) Judgements in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

#### i) Useful economic lives of tangible assets

The annual depreciation charges for the tangible assets are sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible assets and note 1i for the useful lives for each class of asset.

#### ii) Useful economic lives of intangible assets

Intangible assets are stated at their historical cost and amortised on a straight-line basis over their expected useful economic lives. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation associated with the specific asset. Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use. Intangible assets include software purchased from third parties and related software implementation costs. See note 9 for the cost amount of intangible assets.

#### iii) Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 11 for the net carrying amount of the debtors and associated impairment provision.

#### iv) Clawback provision

The charity has a provision for some elements of income in relation to learners and service users who left through the year or were absent for part of the year. When assessing the level of provision required, the charity has considered levels of fee income, services provided, availability of placement and pattern of attendance, as well as relevant funding guidance.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 2. Results of subsidiaries

#### a) NSF Trading Limited

The charity owns 100% of NSF Trading Limited (company registration number 01168043), which predominantly lets out the National Star Foundation facilities and undertakes the charity's trading activities. It has a signed ordinary resolution to gift aid its taxable profits to the charity. Its trading results, extracted from its audited financial statements, were:

	2021 £	2020 £
<b>Turnover</b>	<b>74,614</b>	<b>132,411</b>
Cost of sales	(37,806)	(126,635)
<b>Gross profit</b>	<b>36,808</b>	<b>5,776</b>
Other income	5,642	10,090
Administrative expenses	(11,186)	(15,745)
<b>Operating profit</b>	<b>31,264</b>	<b>121</b>
Taxation	–	–
<b>Profit after taxation</b>	<b>31,264</b>	<b>121</b>
Retained earnings at start of period	–	–
<b>Gift Aid donation to National Star Foundation</b>	<b>(31,264)</b>	<b>(121)</b>
<b>Retained earnings at end of period</b>	<b>–</b>	<b>–</b>
<b>Reserves</b>		
Profit and loss reserves	–	–
Share capital	100	100
<b>Shareholder's funds</b>	<b>100</b>	<b>100</b>

The trading company made a gift aid donation of £31,264 (2020: £121) to the charity within nine months of the year end, with the result that it has a £nil annual corporation tax liability.

#### b) NSF Design & Build Limited

The charity owns 100% of NSF Design & Build Limited (company registration number 08628807), which was set up to manage capital projects on behalf of National Star Foundation. It has a signed ordinary resolution to gift aid its taxable profits to the charity. Its trading results, extracted from its audited financial statements, were:

	2021 £	2020 £
<b>Turnover</b>	<b>296,357</b>	<b>1,331,962</b>
Cost of sales	(287,725)	(1,293,167)
<b>Gross Profit</b>	<b>8,632</b>	<b>38,795</b>
Administrative expenses	(2,777)	(3,559)
<b>Operating profit</b>	<b>5,855</b>	<b>35,236</b>
Taxation	–	–
<b>Profit after taxation</b>	<b>5,855</b>	<b>35,236</b>
Retained earnings at start of period	–	–
<b>Gift Aid donation to National Star Foundation</b>	<b>(5,855)</b>	<b>(35,236)</b>
<b>Retained earnings at end of period</b>	<b>–</b>	<b>–</b>
<b>Reserves</b>		
Profit and loss reserves	–	–
Share capital	1	1
<b>Shareholder's Funds</b>	<b>1</b>	<b>1</b>

The trading company made a gift aid donation of £5,855 (2020: £35,236) to the charity within nine months of the year end, with the result that it has a £nil annual corporation tax liability.

### 3. Other charitable activities

Other Charitable Activities income of £7,135,450 (2020: £6,409,985) arises from a range of activities undertaken during the year including:

	2021 £	2020 £
Foundation House	1,373,884	1,206,824
Hereford	846,742	664,288
Hereford long-term residence	891,053	638,395
LiftTraining	258,593	258,000
Respite provision	905,567	849,580
StarBistro	57,048	83,672
Steps into Work	358,643	398,569
Bradbury Gardens long-term residence	937,725	824,377
Mamhilad (Wales)	626,849	618,184
MatrixCare (Malvern)	275,473	259,314
Re-education / therapy services	90,485	121,643



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 4. Donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	165,754	446,626	612,380	865,890
Legacies	268,125	–	268,125	3,100
Other voluntary income	20,797	–	20,797	12,790
	<b>454,676</b>	<b>446,626</b>	<b>901,302</b>	<b>881,780</b>

In addition, the charity received a Government ESFA Building Conditions Grant of £72,132 (2020: £51,921), a Pension Grant of £123,253 (2020: £126,105), and Adult Social Care Infection Control Grants of £381,538 (2020: £117,113). There were no unfulfilled conditions or other contingencies attached to these grants. The charity is also entitled to a one quarter residuary share of a legacy from a long standing supporter. As at 31 August 2021, the final estate accounts of this legacy are yet to be finalised and a significant proportion of the estate is held in investments assets which will be encashed in due course. Therefore, the value of the residuary legacy is not certain, but is a significant gift and likely to be in the order of £1m. £565,023 of income from donations in the prior year related to restricted funds. All other income from donations and legacies in the prior year related to unrestricted funds.

### 5. Other income

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
StarShop and Student Shops	5,448	–	5,448	13,635
Transport	141	–	141	11,618
Profit on sale of fixed assets	2,670	–	2,670	3,938
Coronavirus job retention scheme grant	101,982	–	101,982	159,316
Charity retail	90,767	–	90,767	–
Other income	5,252	–	5,252	(957)
	<b>206,260</b>	<b>–</b>	<b>206,260</b>	<b>187,550</b>

All other income in the prior year related to unrestricted funds.

### 6. Analysis of expenditure

	Staff costs £	Other costs £	Depreciation £	Total 2021 £	Total 2020 £
<b>Charitable activities</b>					
Teaching and welfare	20,682,062	909,234	1,048,358	22,639,654	21,436,965
Premises	892,218	1,986,990	139,799	3,019,007	2,389,028
Support costs	3,219,640	1,580,619	232,167	5,032,426	4,593,037
	<b>24,793,920</b>	<b>4,476,843</b>	<b>1,420,324</b>	<b>30,691,087</b>	<b>28,419,030</b>
<b>Raising funds</b>					
Other	130,381	253,766	–	384,147	360,050
Trading costs	21,217	23,658	–	44,875	135,369
	<b>24,945,518</b>	<b>4,754,267</b>	<b>1,420,324</b>	<b>31,120,109</b>	<b>28,914,449</b>

Included within support costs are the following governance costs:

	2021 £	2020 £
Auditor's remuneration (gross)		
– Audit	26,676	29,344
– Non audit	5,220	4,020
Trustees / directors meeting costs	43	1,207
Other	99	963
	<b>32,038</b>	<b>35,534</b>



## For the year ended 31 August 2021

	2021 £	2020 £
Net income is stated after charging / (crediting) the following:		
Depreciation	1,420,324	1,453,912
Auditor's remuneration (net)		
– audit	22,230	24,453
– non audit	4,350	3,350
Profit on sale of fixed assets	(2,670)	(3,938)
Bank loan interest	17	4,417
Operating lease payments		
– land and buildings	127,492	118,852
– other	52,258	41,266

	2021 £	2020 £
Wages and salaries	22,551,028	20,829,877
Social security costs	1,559,986	1,499,773
Other pension costs	834,504	812,588
	<b>24,945,518</b>	<b>23,142,238</b>

During the year, the Trustees received £nil (2020: £nil) remuneration and no retirement benefits were accruing. No Trustees received reimbursed expenses during the year (2020: £nil).

	2021 No.	2020 No.
Charitable activities	1,106	1,062
Cost of generating funds – fundraising office	3	5
	<b>1,109</b>	<b>1,067</b>

Key management personnel are defined as the Chief Executive, Deputy Chief Executive, Chief Operations Officer and Principal. The remuneration figure includes gross salary, employer's National Insurance, employer's pension and benefits in kind.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 9a. Tangible fixed assets – group

	Freehold land and buildings £	Assets under construction £	Leasehold property improvements £	Motor vehicles £	Fixtures & equipment £	Total £
<b>Cost</b>						
At 1 September 2020	35,945,424	796,774	225,032	1,064,045	3,263,179	41,294,454
Additions	494,354	109,120	12,633	100,333	508,753	1,225,193
Disposals	(573,198)	(51,342)	(21,113)	(135,496)	(215,617)	(996,766)
Transfers	700,725	(700,725)	–	–	–	–
<b>At 31 August 2021</b>	<b>36,567,305</b>	<b>153,827</b>	<b>216,552</b>	<b>1,028,882</b>	<b>3,556,315</b>	<b>41,522,881</b>
<b>Depreciation</b>						
At 1 September 2020	11,487,042	–	173,181	765,863	2,459,746	14,885,832
Disposals	(573,198)	–	(21,113)	(135,496)	(215,617)	(945,424)
Charge for the period	1,001,935	–	35,685	57,666	325,038	1,420,324
<b>At 31 August 2021</b>	<b>11,915,779</b>	<b>–</b>	<b>187,753</b>	<b>688,033</b>	<b>2,569,167</b>	<b>15,360,732</b>
<b>Net Book Value</b>						
<b>At 31 August 2021</b>	<b>24,651,526</b>	<b>153,827</b>	<b>28,799</b>	<b>340,849</b>	<b>987,148</b>	<b>26,162,149</b>
At 31 August 2020	24,458,382	796,774	51,851	298,182	803,433	26,408,622

Included in the above within Fixtures & Equipment at cost is £158,096 (2020: £156,372) of Intangible software assets with depreciation charged on these assets during the year of £17,392 (2020: £17,157).



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 9b. Tangible fixed assets – charity

	Freehold land and buildings £	Assets under construction £	Leasehold property improvements £	Motor vehicles £	Fixtures & equipment £	Total £
<b>Cost</b>						
At 1 September 2020	36,220,568	796,774	225,032	1,064,045	3,263,179	41,569,598
Additions	503,328	109,120	12,633	100,333	508,753	1,234,167
Disposals	(573,198)	(51,342)	(21,113)	(135,496)	(215,617)	(996,766)
Transfers	700,725	(700,725)	–	–	–	–
<b>At 31 August 2021</b>	<b>36,851,423</b>	<b>153,827</b>	<b>216,552</b>	<b>1,028,882</b>	<b>3,556,315</b>	<b>41,806,999</b>
<b>Depreciation</b>						
At 1 September 2020	11,487,042	–	173,181	765,863	2,459,746	14,885,832
Disposals	(573,198)	–	(21,113)	(135,496)	(215,617)	(945,424)
Charge for the period	1,001,935	–	35,685	57,666	325,038	1,420,324
<b>At 31 August 2021</b>	<b>11,915,779</b>	<b>–</b>	<b>187,753</b>	<b>688,033</b>	<b>2,569,167</b>	<b>15,360,732</b>
<b>Net Book Value</b>						
<b>At 31 August 2021</b>	<b>24,935,644</b>	<b>153,827</b>	<b>28,799</b>	<b>340,849</b>	<b>987,148</b>	<b>26,446,267</b>
At 31 August 2020	24,733,526	796,774	51,851	298,182	803,433	26,683,766

Included in the above within Fixtures & Equipment at cost is £158,096 (2020: £156,372) of Intangible software assets, with depreciation charged on these during the year of £17,392 (2020: £17,157).



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 10. Investments – group and charity

Cost or valuation	Charity listed investments £	Charity investment in subsidiary £	Charity total £
At 1 September 2020	3,198,505	101	3,198,606
Additions	–	–	–
Disposals	–	–	–
Gains on investments	780,709	–	780,709
<b>Net Book Value</b>			
<b>At 31 August 2021</b>	<b>3,979,214</b>	<b>101</b>	<b>3,979,315</b>

The historical cost of listed investments at 31 August 2021 was £2,104,826 (2020: £2,104,826).

At 31 August 2021 the investments comprise accumulation units in CCLA COIF Charities Investment Fund of £1,495,018 (2020: £1,233,914), Schroder Charity Equity Value Fund of £1,260,592 (2020: £875,251), and St James's Place Wealth Management split into three separate investment funds; Diversified Bond £468,649 (2020: £437,827), Global Equity £278,225 (2020: £220,296) and Strategic Income £476,730 (2020: £431,217).

Such investments are primarily held to provide a return where monies are not required immediately for the charity's activities and form part of the charity's reserves policy.

#### Shares in Subsidiary

The charity holds 101 ordinary shares of £1 each representing 100% of the allocated share capital of NSF Trading Limited (100 shares) and NSF Design & Build Limited (1 share), both entities are incorporated in England and Wales. The value of the investments is the cost of £101.

### 11. Debtors – amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	1,027,815	993,409	1,020,425	992,535
VAT	9,773	65,384	1,796	–
Amount owed by subsidiary undertaking	–	–	106,324	23,386
Prepayments and accrued income	698,656	303,077	697,733	298,529
Other debtors	13,792	19,935	13,792	19,935
	<b>1,750,036</b>	<b>1,381,805</b>	<b>1,840,070</b>	<b>1,334,385</b>

Trade debtors are stated after impairment provision totalling £49,517 (2020: £85,677).



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 12. Creditors – Amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	1,298,493	1,254,833	1,283,493	1,091,470
Taxes and social security costs	392,330	382,205	392,330	382,205
VAT	–	–	–	733
Amount owed to subsidiary undertaking	–	–	–	89,114
Accruals	519,664	475,106	483,919	401,955
Deferred income	1,476,957	1,359,386	1,468,665	1,348,379
Pension	130,431	123,213	130,431	123,213
Other creditors	920,331	992,123	919,919	990,640
Bank loan	53,871	52,720	53,871	52,720
	<b>4,792,077</b>	<b>4,639,586</b>	<b>4,732,628</b>	<b>4,480,429</b>

Deferred income	2021 £
Deferred income at 1 September 2020	1,359,386
Resources deferred in the year	1,476,957
Amounts released from previous years	(1,359,386)
Deferred income at 31 August 2021	<b>1,476,957</b>

The value of deferred income relates to income that has been received during the year that relates to future periods, such as ESFA element 1&2 funding, respite funding & LIFT income.

### Creditors – amounts falling due after one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Bank loan	13,479	67,287	13,479	67,287
	<b>13,479</b>	<b>67,287</b>	<b>13,479</b>	<b>67,287</b>

### Creditors – bank loan – group and charity

In November 2016, a loan of £300,000 was drawn from HSBC Bank plc. The loan is for a six year term and is repayable by monthly instalments, with the final payment being in 2022. The loan is secured by way of a legal charge

over the freehold property known as 2 Manor Barn, Ullenwood, Cheltenham. Interest is charged at a rate of 2.5% above the Bank of England Base Rate.

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Within one year	53,871	52,720
Within one and two years	13,479	54,108
Within two and five years	–	13,179
	<b>67,350</b>	<b>120,007</b>

As part of the organisation's response to its risk management processes in light of the coronavirus pandemic, the organisation continues to hold an overdraft facility with HSBC to support any cash flow pressures that may result from a disruption to services and to mitigate risk. The facility of £2.5m is secured against the organisation's assets by way of a Debenture and was not used in the reporting period.

### 13. Share capital

The charity does not have a share capital as it is limited by guarantee. Each of the Members is a guarantor to the extent of £1 in the event of the charity being wound up whilst they are members, or within one year of them ceasing to be members in respect of debts and liabilities contracted before they ceased to be a member.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 14. Restricted funds

2021	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 August 2021 £
Therapies Centre Star Appeal Development (Schroder Foundation – £50,000 September 2009)	38,917	–	(1,000)	–	37,917
Star Appeal / Development (The Henry Smith Charity – £125,000 May 2008/ £125,000 May 2011)	197,083	–	(5,000)	–	192,083
Elizabeth House Residential Accommodation Project (Big Lottery Fund – £300,000 January 2000)	176,500	–	(6,000)	–	170,500
Cleeve Bungalow Residential Accommodation Project (Big Lottery Fund – £250,000 July 2006)	174,583	–	(5,000)	–	169,583
Education & Skills Funding Agency – Building Improvement Fund Capital Grant – Pittville Project (£2,209,746 2014–2015). The restriction ends in 2025.	1,835,175	–	(59,399)	–	1,775,776
Committed Funds – various restricted gifts	77,982	246,806	(178,159)	(79,009)	67,620
Covid-19 PPE – various restricted gifts	50,417	–	(50,417)	–	–
Smart House Project – MW&AB Ingram's Charitable Trust	183,997	–	–	–	183,997
Sunken Trampoline & Swing – Greaves and Withey Foundation	–	16,650	–	(16,650)	–
Outdoor Gym Equipment – Severn Trent Community Fund	–	10,001	–	(10,001)	–
Outdoor Gym Equipment – various other restricted gifts	–	34,489	–	(34,489)	–
Ledbury Road Hereford – The Eveson Charitable Trust (part of a £200,000 pledge)	–	100,000	–	(100,000)	–
Ledbury Road Hereford – various other restricted gifts	–	38,680	–	(31,900)	6,780
Development Fund	133,500	–	–	(3,000)	130,500
	2,868,154	446,626	(304,975)	(275,049)	2,734,756

A number of the restricted funds detailed above relate to fundraised capital projects where the specified funder has required that the fund is separately noted and recorded. Where a donation has been given and the asset is required to be held for a number of years, the fund has remained restricted and the appropriate depreciation has been

charged against it. The nature of the funding is identified in the schedule details above.

Where the funder's restrictions have been fulfilled and no further restrictions apply, the funds have been transferred to unrestricted funds as shown in the note.



## For the year ended 31 August 2021

<b>Comparative disclosure for year ended 31 August 2020</b>	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Balance at 31 August 2020 £</i>
Therapies Centre Star Appeal Development (Schroder Foundation – £50,000 September 2009)	39,917	–	(1,000)	–	38,917
Star Appeal / Development (The Henry Smith Charity – £125,000 May 2008/ £125,000 May 2011)	202,083	–	(5,000)	–	197,083
Elizabeth House Residential Accommodation Project (Big Lottery Fund – £300,000 January 2000)	182,500	–	(6,000)	–	176,500
Cleeve Bungalow Residential Accommodation Project (Big Lottery Fund – £250,000 July 2006)	179,583	–	(5,000)	–	174,583
Education & Skills Funding Agency – Building Improvement Fund Capital Grant – Pittville Project (£2,209,746 2014–2015). The restriction ends in 2025.	1,904,988	–	(69,813)	–	1,835,175
Committed Funds – various restricted gifts	71,066	93,738	(47,197)	(39,625)	77,982
Covid–19 PPE – various restricted gifts	–	174,074	(123,657)	–	50,417
Smart House Project – MW&AB Ingram’s Charitable Trust	183,997	–	–	–	183,997
Ledbury Road Hereford – The Eveson Charitable Trust (part of a £200,000 pledge)	–	100,000	–	(100,000)	–
Ledbury Road Hereford – various other restricted gifts	10,000	63,711	–	(73,711)	–
Development Fund	–	133,500	–	–	133,500
	<b>2,774,134</b>	<b>565,023</b>	<b>(257,667)</b>	<b>(213,336)</b>	<b>2,868,154</b>



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 15. Unrestricted funds

2021	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers and investment gains £	Balance at 31 August 2021 £
General unrestricted funds	27,100,494	31,767,348	(30,770,258)	826,345	28,923,929
Designated Funds – future development	1,510,000	–	–	268,125	1,778,125
Designated Funds – Covid-19 risk	1,044,684	–	–	–	1,044,684
<b>Charity</b>	29,655,178	31,767,348	(30,770,258)	1,094,470	31,746,738
Non-charitable trading funds	–	74,614	(44,875)	(29,739)	–
Consolidation adjustments	(275,144)	–	–	(8,974)	(284,118)
<b>Group</b>	29,380,034	31,841,962	(30,815,133)	1,055,757	31,462,620

### Designated funds

At the year end the trustees have designated funds of £1,778,125 (2020: £1,510,000) for the future development of the Ullenwood site, and designated funds of £1,044,684 (2020: £1,044,684) for Covid-19 risk.

Comparative disclosure for year ended 31 August 2020	Balance at 1 September 2019 £	Income 2020 £	Expenditure 2020 £	Transfers and investment gains 2020 £	Balance at 31 August 2020 £
General unrestricted funds	27,052,191	29,256,759	(28,521,413)	(687,043)	27,100,494
Designated Funds – future development	1,750,000	–	–	(240,000)	1,510,000
Designated Funds – Covid-19 risk	–	–	–	1,044,684	1,044,684
<b>Charity</b>	28,802,191	29,256,759	(28,521,413)	117,641	29,655,178
Non-charitable trading funds	–	132,411	(135,369)	2,958	–
Consolidation adjustments	(235,129)	–	–	(40,015)	(275,144)
<b>Group</b>	28,567,062	29,389,170	(28,656,782)	80,584	29,380,034



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 16. Analysis of net assets between funds of the group and charity

	Fixed Assets £	Investments £	Net Current Assets / Liabilities £	Long Term Liabilities £	Fund Balance £
<b>2021</b>					
Restricted funds	2,345,859	–	388,897	–	2,734,756
Designated funds	–	–	1,778,125	–	1,778,125
Covid-19 risk	–	–	1,044,684	–	1,044,684
Unrestricted funds	24,100,408	3,979,315	857,685	(13,479)	28,923,929
<b>Charity</b>	26,446,267	3,979,315	4,069,391	(13,479)	34,481,494
Subsidiary's Reserves – NSF Trading Limited	–	(100)	100	–	–
Subsidiary's Reserves – NSF Design & Build Limited	–	(1)	1	–	–
Consolidation	(284,118)	–	–	–	(284,118)
<b>Group</b>	<b>26,162,149</b>	<b>3,979,214</b>	<b>4,069,492</b>	<b>(13,479)</b>	<b>34,197,376</b>

Comparative disclosure for year ended 31 August 2020	Fixed assets £	Investments £	Net current assets / liabilities £	Long term liabilities £	Fund balances £
Restricted funds	2,422,258	–	445,896	–	2,868,154
Designated funds	–	–	1,510,000	–	1,510,000
Covid-19 risk	–	–	1,044,684	–	1,044,684
Unrestricted funds	24,261,508	3,198,606	(292,333)	(67,287)	27,100,494
<b>Charity</b>	26,683,766	3,198,606	2,708,247	(67,287)	32,523,332
Subsidiary's Reserves – NSF Trading Limited	–	(100)	100	–	–
Subsidiary's Reserves – NSF Design & Build Limited	–	(1)	1	–	–
Consolidation	(275,144)	–	–	–	(275,144)
<b>Group</b>	<b>26,408,622</b>	<b>3,198,505</b>	<b>2,708,348</b>	<b>(67,287)</b>	<b>32,248,188</b>

### 17. Other financial commitments

At 31 August 2021 the group had future minimum lease payments under non-cancellable operating leases as follows:

	Property £	Other £	2021 Total £	2020 Total £
Commitment expiring:				
Within one year	55,283	41,562	96,845	120,019
One to five years inclusive	41,250	39,705	80,955	52,964
	<b>96,533</b>	<b>81,267</b>	<b>177,800</b>	<b>172,983</b>



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 18. Pension commitments

#### Defined contribution:

The charity operates defined contribution schemes for its non-teaching employees. The assets are held separately from those of the charity in independently administered funds, and the amount charged to the SOFA was £457,279 (2020: £435,746).

#### Defined benefit:

The charity participates in the Teachers' Pension Scheme ('the TPS') for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £377,225 (2020: £376,842) and at the year-end £45,115 (2020: £43,507) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or

reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

### 19. Capital commitments

At 31 August 2021 the group had capital commitments as follows:

	2021 £	2020 £
<b>Land and buildings:</b>		
Authorised and contracted for – Ledbury Road, Hereford (Residential Accommodation)	–	11,414
Authorised and contracted for – Ledbury Road, Hereford (Education & Therapies Centre)	–	192,609
Authorised and contracted for – Ullenwood Car Park & External Works	–	5,000
Authorised and contracted for – Ullenwood Heating Infrastructure	–	67,875



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 20. Related party transactions

As stated in Note 1 to the financial statements, the charity has two wholly owned subsidiary companies – NSF Trading Limited and NSF Design & Build Limited.

During the year a management charge was made by National Star Foundation to NSF Trading Limited of £6,895 (2020: £10,569). At the end of the year gift aid of £31,264 (2020: £121) was payable by NSF Trading Limited to National Star Foundation. The total year-end balance owed to National Star Foundation was £46,747 (2020: £23,386).

During the year income was received by NSF Design & Build Limited from National Star Foundation of £296,357 (2020: £1,331,962), this related to recharged building costs plus fees. At the year-end gift aid of £5,855 (2020: £35,236) was payable by NSF Design & Build Limited to National Star Foundation. The total year-end balance owed to National Star Foundation was £59,577 (2020: £89,114 owed from National Star).

### 21. Agency arrangements

The charity acts as an agent in distributing 16–19 year olds bursary funds from the Education & Skills Funding Agency (ESFA). Payments received from the ESFA and subsequent disbursements are excluded from the SOFA as the charity does not have control over the charitable application of funds.

Summary of Bursary Account	2021 £	2020 £
At 1 September 2020	16,616	18,884
Income from ESFA	26,323	25,629
Bursary payments	(18,683)	(27,897)
<b>At 31 August 2021</b>	<b>24,256</b>	<b>16,616</b>

### 22. Financial instruments – group

	2021 £	2020 £
<b>Financial assets</b>		
Financial assets measured at fair value	3,979,214	3,198,505
Financial assets measured at settlement amount	8,635,773	7,104,176
<b>Financial liabilities</b>		
Financial liabilities measured at settlement amount	2,738,488	2,722,062

Financial assets measured at fair value consist of investments.

Financial assets measured at settlement amount comprise of cash at bank and in hand, trade debtors, accrued income and other debtors.

Financial liabilities measured at settlement amount comprise of trade creditors, accruals and other creditors.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 23. Analysis of changes in net debt

	At 1 September 2020 £	Cash-flows £	New finance leases £	Other non-cash changes £	At 31 August 2021 £
Cash	3,966,129	3,145,404	–	–	7,111,533
Cash equivalents	2,000,000	(2,000,000)	–	–	–
Overdrafts	–	–	–	–	–
	<b>5,966,129</b>	<b>1,145,404</b>	<b>–</b>	<b>–</b>	<b>7,111,533</b>
Loans falling due within one year	(52,720)	52,720	–	(53,871)	(53,871)
Loans falling due after more than one year	(67,287)	(63)	–	53,871	(13,479)
Finance lease obligations	(172,983)	36,683	(41,500)	–	(177,800)
<b>Total</b>	<b>5,673,139</b>	<b>1,234,744</b>	<b>(41,500)</b>	<b>–</b>	<b>6,866,383</b>

### 24. Post balance sheet events

Subsequent to the year ended 31 August 2021, the charity had no post balance sheet events.



# National Star Foundation

## Notes to the Financial statements

For the year ended 31 August 2021

### 25. Consolidated statement of financial activities for the year ended 31 August 2020

	Note	Unrestricted Funds £	Restricted funds £	Total Funds 2020 £	Total Funds 2019 £
<b>Income from:</b>					
Donations and legacies	4/14	316,757	565,023	881,780	366,977
<b>Charitable activities</b>					
Student fees		22,039,891	–	22,039,891	21,503,871
Other charitable activities	3	6,409,985	–	6,409,985	5,730,350
ESFA capital grants		51,921	–	51,921	75,442
Pension Grant		126,105	–	126,105	–
Adult Social Care Infection Control Grant		117,113	–	117,113	–
<b>Other trading activities</b>					
Trading turnover – NSF Trading Limited	2a	132,411	–	132,411	471,199
<b>Investments</b>		7,437	–	7,437	9,763
<b>Other</b>					
Other income	5	187,550	–	187,550	44,943
<b>Total income</b>		<b>29,389,170</b>	<b>565,023</b>	<b>29,954,193</b>	<b>28,202,545</b>
<b>Expenditure on:</b>					
Raising funds	6	360,050	–	360,050	226,593
Charitable activities	6/14	28,161,363	257,667	28,419,030	26,680,712
<b>Other expenditure:</b>					
NSF Trading Limited	2a	131,810	–	131,810	281,449
NSF Design & Build Limited	2b	3,559	–	3,559	3,632
<b>Total expenditure</b>		<b>28,656,782</b>	<b>257,667</b>	<b>28,914,449</b>	<b>27,192,386</b>
<b>Net Income before loss on investments</b>		<b>732,388</b>	<b>307,356</b>	<b>1,039,744</b>	<b>1,010,159</b>
<b>Net (loss) / gain on investments</b>	10	<b>(132,752)</b>	<b>–</b>	<b>(132,752)</b>	<b>29,338</b>
<b>Net income</b>		<b>599,636</b>	<b>307,356</b>	<b>906,992</b>	<b>1,039,497</b>
<b>Transfer between funds</b>	14/15	<b>213,336</b>	<b>(213,336)</b>	<b>–</b>	<b>–</b>
<b>Net movement in funds</b>		<b>812,972</b>	<b>94,020</b>	<b>906,992</b>	<b>1,039,497</b>
<b>Reconciliation of funds:</b>					
<b>Total funds at 31 August 2019</b>	14/15	<b>28,567,062</b>	<b>2,774,134</b>	<b>31,341,196</b>	<b>30,301,699</b>
<b>Total funds at 31 August 2020</b>	14/15	<b>29,380,034</b>	<b>2,868,154</b>	<b>32,248,188</b>	<b>31,341,196</b>



# Administrative and legal details

National Star Foundation (formerly the National Star Centre for Disabled Youth) is a company ('the Company') limited by guarantee and a registered charity ('the Charity'). National Star Foundation is governed by its Memorandum and Articles of Association (as Incorporated 20 August 1953 and last amended 9 January 2012). It operates a wide range of activities and programmes in pursuance of its charitable purposes, the largest of which is the operation of National Star College ('the College'). It uses National Star as a working name and operates two subsidiary companies; NSF Trading Limited (company number 01168043) and NSF Design & Build Limited (company number 08628807), which form the group ('the Group').

## Company number

00522846 in England and Wales

## Charity number

220239

## Registered office

Ullenwood Manor, Ullenwood, Cheltenham, GL53 9QU.

## Auditors

Crowe U.K. LLP, 4th Floor, St James House, St James' Square, Cheltenham, GL50 3PR.

## Bankers

HSBC Bank, 2 The Promenade, Cheltenham, GL50 1LR.

## Solicitors

Veale Wasbrough Vizards, Narrow Quay House, Narrow Quay, Bristol.

## Investment managers

CCLA Investment Management Ltd, Cazenove Capital and St. James's Place Wealth Management.

### Frazer, age 23

### Without National Star...

“My dream to be independent would still be just a dream.”

**Learner Frazer**

When Frazer was growing up, he always dreamed of living independently but never thought it would ever happen. Frazer is epileptic and has complex medical needs following brain surgery to remove a rare tumour known as hypothalamic hamartomas.

He left National Star during the pandemic, which meant that he had to move back home with his mum and dad for a while. A year on, Frazer is finally settling into his own place, in supported living accommodation in Droitwich.

'I wanted to live away from home so that I can make my own choices. I never thought I would be able to do it,' says Frazer.

While at National Star, Frazer received the William Fletcher Award for his outstanding work as a club ambassador for Forest Green Rovers. He worked with support staff to bring fellow college students to matches.

The employability and work skills he learned in college, combined with the support and encouragement he received from staff, has enabled Frazer to realise his dream. 'My confidence is 100% better since going to National Star,' says Frazer.

'Now that I have moved into my new home a whole new chapter in my life has just begun.'

His next big plan is to find part-time work and earn money of his own.





# Providing crucial care during the pandemic

Throughout the pandemic, National Star has remained open, providing much needed care, support and education. It was one of the few specialist providers in the country to remain fully open.

That was only achieved through the charity's multi-disciplinary staff teams quickly adapting to different ways of working. Their innovative approach and dedication to those they support enabled National Star to continue to provide care, therapies and learning.

High levels of infection control were critical, as well as lobbying for all learners and residents to be vaccinated as a matter of priority in January 2021.

Despite the challenges of the pandemic and lockdowns of 2020–21, National Star was still able to provide 745,539 hours of education, care and therapy to young people and adults with complex disabilities and learning difficulties.



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[www.nationalstar.org](http://www.nationalstar.org)

National Star is a working name of National Star Foundation which is registered in England and Wales, company number 00522846, charity number 220239. Registered office Ullenwood Manor, Ullenwood, Cheltenham, Gloucestershire, GL53 9QU



Ofsted January 2018



Foundation House, Gloucester 2020  
Elizabeth House, Gloucester 2018  
Ullenwood, Cheltenham 2017



**National Star**

Realising the aspirations  
of people with disabilities



Winner – Interdisciplinary Working, 2020  
Shortlisted – Innovative Use of Technology, 2020