



PSS (UK) Annual Report

2021-22

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Administrative information

Administrative details of PSS (UK)

Company registration number	PSS (UK): 214077
Registered charity number	England and Wales: 224469
Registered office (UK)	Eleanor Rathbone House Connect Business Village 24 Derby Road Liverpool L5 9PR Telephone: 0151 702 5555 Email: info@pss.org.uk
Website	www.pss.org.uk
President	Lord Mayor of Liverpool Councillor Mary Rasmussen
Vice Presidents	Bishop of Liverpool (currently vacant) The Most Reverend Malcolm McMahon (Archbishop of Liverpool) Professor Gerald Pillay (Vice Chancellor and Rector, Liverpool Hope University) The Earl of Derby Ian Meadows OBE DL
Bankers	Barclays Bank plc Lord Street Liverpool L2 1TD
Solicitors	Hempsons The Exchange Station Parade Harrogate HG1 1DY
Investment managers	CCLA Senator House 85 Queen Victoria Street London EC4V 4ET

Auditors	Crowe U.K. LLP 3rd floor The Lexicon Mount Street Manchester M2 5NT
Chief executive	Lesley Dixon

The **trustees** on the date of this report and who served during the year 2021/22 were:

Julie Cooke	Chair
J Andrew Kellaway	Vice-Chair
Jenny Hannon	Chair of Audit and Governance Committee
Beverley Mitchell	Chair of Finance and Performance Committee
Hilary Berg	
Dr. Kim Heyes	
Tracey Johnson	Resigned 05/06/22
Matthew Rothwell	
Colin Bell	Co-opted 23/6/21
David Sweeney	Co-opted 23/6/21
Peter Kinsella	Co-opted 15/12/21

Investment powers and authority

The Articles of Association place no restrictions on the amount or type of investments made by the company. However, PSS complies with the restrictions placed upon it by law.

PSS is a registered charity and, as such, is not liable to income tax or corporation tax.

The current active membership of PSS is 36.

The trustees of the charity derive no benefit, income or capital interest from PSS (UK) ("PSS") except for related party transactions (note 15).

PSS charitable objects as declared in our Articles of Association

The advancement of education, the advancement of health, the relief of poverty and the advancement of such other charitable purposes for the benefit of the community in such manner as the trustees shall from time to time think fit and in particular (but without prejudice to the generality of the foregoing) by assisting individuals in need to live and/or manage their needs more independently.

Welcome from our chief executive

During our centenary year in 2019, we learned an awful lot about what makes PSS what it is, and how we've stood the test of time. One of the big themes that came through in so many of the stories we heard about PSS was this sense of collective resilience amongst PSS people, the people we support and, let's face it, Scousers in general. We heard how, right from the beginning, no matter what was happening around us, PSS people always had that will to keep on going – to pick ourselves and others up when we were down, to defy the odds, to never take no for a final answer and if we couldn't find a way, to make one. Throughout our history, whenever things have gone wrong, or the world has thrown PSS a curveball, we've not only got on with things, we've continued to do all the things we do best; support people to live life their way, innovate and stand up for what we believe in.

We ended 2020-21 with no idea how the next year would go – the Government had just announced its four-step plan to end COVID-19 restrictions, but in reality we felt very much in the dark about how long the pandemic would continue, how it would affect our lives, how it would continue to impact things like social care funding, and what other challenges would lie ahead. For PSS, it's been another mixed bag of big achievements and some challenges. But if there was ever a time to prove that PSS spirit is still alive and well in all of our teams, it's been the last two difficult years when despite everything going on around us, we've continued to push forward, and never rested on our laurels.

Our staff once again deserve to take a bow. The pandemic has been exhausting for everyone – but especially for teams like ours who have been out there on the front line, still smiling, risking their own health to be there for others when they need them most, sometimes being both friends and family to the people we support. Like last year when we were all completely blown away by the amazing things they achieved, I'm again left in awe of the resilience, passion and dedication our front line workers have shown this year. No matter how hard things got, or how tired they've been, the quality of the services they've provided hasn't wavered – this year they've continued to provide the outstanding support the people who use our services are used to and bring so much energy and positivity to work.

As with others in our sector, the amount of change to how we've needed to do things as the pandemic evolved has continued to be relentless. It's thanks to the clear, concise and down-to-earth approach our central teams have taken that we've been able to put practical risk assessments in place that make sense, decode a lot of the complicated info out there and keep things as simple as possible for our staff, to help keep everyone safe and motivated. That clarity and consistency of message, delivered in the right way and at the right time, has meant our operational teams have been able to focus on what's most important to us – the people we support.

It's true that no matter what their role is, all of our teams give so much to their work and most people feel sure of their purpose – again, testament to our excellent managers and internal communications. In this year's staff survey, 98% of our people said their role is 'more than just a job'; every day I see evidence of that. Despite social care being a challenging place to be at the moment, this year our net promoter score – whether our staff would recommend us to their friends and family as an employer – went up for the second year in a row. Throughout the year we've been doing lots of ongoing work on things like pay, equality, diversity and inclusion and making PSS a much more sustainable place to work so we can make sure we're

the best employer we can be and be somewhere people from all different backgrounds choose to come and work.

In July 2021 we had the incredibly sad news that Andrew Devine, a man we had supported for 27 years through our Supported Living service, had died. Andrew suffered devastating injuries at the Hillsborough disaster and had a 24-hour care package from his PSS team, who had been based at his family home. Andrew's team were incredibly dedicated to providing the highest quality of care to Andrew and cared deeply for him and his family. Headed up by Supported Living team leader Jane, the team supported Andrew until the end of his life - Jane said she and the entire team had 'loved him as one of their own', with some of the same team supporting him for over 20 years. After his death, a coroner's inquest ruled Andrew the 97th Hillsborough victim and posthumously he was awarded Freedom of the City of Liverpool. We were so happy to see the outpouring of public support for this wonderful man who had showed so much resilience, and I know his team feel incredibly privileged to have been part of his life.

On the funding front, it's been another tough year for social care, which is still in huge need of an overhaul. In November, we had the really sad news that we'd lost funding for one of our most-loved services, Ruby, which supported anyone in Merseyside going through domestic abuse. We were so aware that the pandemic, and all the lockdowns, had massively increased the number of people experiencing domestic abuse, so when we heard that the funding had been cut, we were devastated and afraid of what that might mean for the people we support. We tried all we could to find funds to keep the service going, looking down every possible avenue, but after a lot of hard work, we knew that whatever we could find to keep the service going exactly as it was wouldn't be sustainable - we'd inevitably reach that point where funds dry up again quickly. We didn't want to give up hope, and true to form, knew we had to be open-minded, and find another way of looking at it. A lot of the people we support with Ruby are women who have been in the criminal justice system - often as a result of domestic abuse. We had a chat to our partners at the Ministry of Justice and, thankfully, they recognised the fantastic work our team does in this area and gave us funds to continue offering Ruby to those women alongside our newly-expanded Women's Turnaround service. Although it means a change to the way we can offer support through Ruby, thanks to the determination of our teams and that sense of resilience, we managed to retain it in a new form.

It's with a really heavy heart that I say things didn't have such a positive ending for one of our other services, Family Impact, which also lost its funding this year. The service worked with families affected by drug and alcohol addiction, supporting everyone involved to get through it. We once again tried everything we could to find funds to make Family Impact sustainable, but this time, thanks to the huge gaps in money available for social care, there was nothing more we could do - and after 15 years of helping hundreds of families, we had to let the service go. Despite their sadness, the team's big-heartedness shone through and they did a wonderful job of making sure all the people they support could find help from other organisations. Thankfully Rachel and Jess, our two incredible staff members from the Family Impact service, could continue their amazing work within their other service, Prisoners' Families, and we were able to keep their jobs safe.

Although we had some funding struggles in those two areas of our work, in others, there was a huge amount of growth. We're over the moon to have won a contract worth over £3 million with the Ministry of Justice to expand Women's Turnaround, as part of their reformation of the Probation Service. Having started off just in Merseyside, over the last year our Women's Turnaround service has grown into Wales, Cheshire and the Wirral. We've found new partners in our friends at Tomorrow's Women, and the service has gone from strength-to-strength. In Shared Lives, we've grown our Lincolnshire service and retained our contract in Norfolk for the next five years. We've also secured our Parent-Baby Relationships contract in Liverpool, meaning we can continue working to support parents with children on the edge of the care system. All of that against the backdrop of an ongoing pandemic and a sector that needs reform. Again, that PSS spirit comes to the surface.

Something that's been really great about restrictions starting to lift this year is our staff being able to return to our offices and to see our teams back together in person again. We all did a brilliant job of keeping in touch and working remotely, but there's nothing quite like that lovely bit of chat you can have when you're sitting with someone or can bump into them in the corridor. I've loved traveling around England and Wales to see all of our office-based teams loving their new hybrid working arrangements which allow them to come into the office 40% of the time and work elsewhere for the rest. We learned that for lots of us, working from home makes us more productive and lets us fit work around our life much better, but that lots of us still wanted to come into a workplace to mix things up a bit and have that face-to-face time. Some of us have preferred to be in the office for 100% of the time. That minimum of 40% contact with our teams has meant we've been able to continue to retain the warm, friendly feel that is synonymous with a visit to any of our offices. One of my favourite things has been seeing people from all over the organisation having lunch together again, or popping to get some water from the kitchen and seeing people meeting there for the first time – staff who joined us in the midst of lockdowns finally getting to meet their extended team in real life. It's fabulous, and I don't think anyone's going to take that for granted for a long while.

So much has happened this year, and here we are now in March 2022, back in the office with no restrictions at all in England or Wales. It all feels a bit surreal, and I don't mind admitting that the restrictions lifting has made us a little nervous – after working so hard to protect our teams and the people who use our services, we were perhaps a little bit slower than most when it came to removing some of the safety measures in our offices – but I feel the more considered, gradual approach we've taken has been the right one as we get used to 'living with' the virus. Measures continue to be in place in our front line services, of course, with testing being a crucial part of that, and our teams in those areas continue to be just as careful as ever.

Once again I'd like to say such a huge thank you to our fantastic team, our Board, our volunteers and our Shared Lives carers for putting their all into making our organisation what it so clearly is: resilient, brave and full of heart.

I hope you enjoy hearing about all the things we've been up to this year.

A word from our Chair

Last year I became PSS's Chair and helped steer the organisation through what was undoubtedly one of the most difficult years in its history. I knew from that experience that PSS was resilient – but coming through the darkness and into this year, when we finally saw the light at the end of the tunnel the pandemic had created for us, has made me reflect on the fact that PSS hasn't just got through the pandemic, it's now stronger as a result.

It's easy to batten down the hatches in a time of crisis and go inwards, staying in one place for self-preservation – but at PSS, that's not what we've ever done, and it's certainly not something we're about to start doing. Instead of closing up shop and doing what we've always done, we look outwards and scan the horizon for opportunity. We've even put a strategy in place this year for how we'll develop all the amazing ideas that have kept on coming from our teams throughout the pandemic – our Great Ideas Strategy - a framework for how we can keep on pushing forward. Instead of staying still, we've continued to grow this year, tapping into our purpose and determination to reach our goals, securing huge contract wins, building excellent working relationships with our commissioners and keeping some key contracts. That's no mean feat in the middle of a pandemic – but if anyone can do it, it's PSS.

The big PSS team, including our Board of Trustees, is truly extraordinary – everyone has come together and given their hearts and souls to everything they've done this year with the same positive, happy energy and determination to succeed. As things have opened up, everyone on the Board has enjoyed spending time with people we support and staff to do work in some really important areas – finding ways to work alongside the people we support to design and deliver our services, and make PSS more sustainable.

As we move out of 2022 and past the events of what can only be described as a rollercoaster few years for the world, I'm excited to see what PSS does next. There will undoubtedly be twists and turns, but I'm confident that with the same excellent governance, strong values, amazing culture and PSS-standards of resilience, we can continue to go from strength-to-strength.

Report of the trustees

Our governance

PSS was formed in 1919, is a company limited by guarantee (incorporated in 1926) and registered as a UK charity in 1963. PSS was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Membership is open to anyone (subject to the approval of the Board of Trustees) who wants to support PSS. The members of PSS elect a Board of Trustees ('the Board') from the membership. Those members elected as trustees are also the directors of the company. The Board must have a Chair and a Vice Chair. Trustees are elected for a term of up to three years, but may be re-elected up to three terms of three years.

In addition to the Annual General Meeting, the Board meets four times a year. It has three sub-committees - the Audit and Governance Sub-committee and Finance and Performance Sub-committee, which meet quarterly, and the Remuneration Sub-committee, which meets once a year. The sub-committees exist to provide a level of scrutiny to the work we do at PSS - for example, to have a really close look at the accounts, look at risk management or do internal audits. Each committee reports to the full Board.

Charity Governance Codes

The principles of the Charity Governance Code are well embedded in the way things are done at PSS, including the work of Board; the approach to trustee and staff recruitment and development; policy; procedures; and our approach to putting the people we support at the heart of what we do.

Organisational purpose

Remaining true to our core purpose is a continual focus for our trustees. In 2019/20 we did a lot of work around how we can focus the services we provide into our key areas of growth – Shared Lives, homes and communities, strengthening families and our work with the Ministry of Justice. This is something we regularly revisit with our Board to make sure we're staying on track. We took this to new levels in 2021/22 by investing in a large refurbishment of our head office building, Eleanor Rathbone House. We've transformed the left-hand side of our ground floor, or as we like to call it, 'the west wing'. It's now an excellent new base for our Making Days service, fully kitted out with equipment and facilities for a variety of activities. More on that later.

Since we were founded in 1919, innovation has been at the core of our organisational purpose – it's how we spot areas of need and find ways to help meet those needs. Back in November 2021 our trustees gathered together for an away day looking at how we can nurture and encourage innovation throughout PSS. The way we see it, our operational staff and the people they support know better than anyone what good support looks and feels like - so it's vital we have the right systems and processes in place to make sure their ideas are captured, supported and realised. An example of the difference that innovation can make is the Shared Lives matching website we've developed. Shared Lives is a huge part of our offer and we are delighted that the website launched this year, is helping people looking to live in an arrangement to be matched with a carer that ticks all the boxes – whether it's where they live, their interests, their family setup and so much more. Think RightMove meets

Match.com! It's a brilliant idea that was the brainchild of Sarah, our business development and innovation manager for Shared Lives teams and is a prime example of why it's vital we enable our people to bring their ideas forward. The trustee away day has given our leadership team loads to think about to help them develop a framework for innovation, or as we call it, our Great Ideas Strategy. This is a great tool that will help us continue to meet people's needs and meet new needs in the future – which is what we're all about!

Leadership, board effectiveness and integrity

In last year's PSS Annual Report, we talked about our aims to bolster the operational, commercial and social care expertise we've got on our Board. We take a skills and values approach to all recruitment in PSS and we were thrilled to welcome Colin Bell, Dave Sweeney and Peter Kinsella to our Board during 2021/22, following a full recruitment process. This involved an application, interview (including being interviewed by people we support), service visits, DBS checks, reference vetting and a trial period before being co-opted officially. Trustees are elected by the members at the annual general meeting (AGM) but can be co-opted by the Board, pending election. During this time, our new trustees are given an induction to our work and their role as a trustee. Colin, Dave and Peter all passed their trial period and were formally appointed to the Board by the members at the AGM on 23rd March 2022. They bring a wealth of legal, operational, commercial and social care expertise, helping to make sure we have the right decision-makers on board (pun intended) to keep us around for future generations.

However, we don't rest on our laurels at PSS and during 2022/23, we will be undertaking a thorough skills audit of the full Board and will undertake further recruitment to make sure we continue to be governed by the best in the business. We recognise we have work to do to expand the diversity of the key decision-makers in our organisation and this will be a key focus for us in the coming year.

We've also built on the work started during 2020/21 around reviewing and revamping our governance processes. Our governance working group, involving four of our trustees, concluded their work during 21/22 and we've made a lot of changes to how we 'do' governance. Our trustee role descriptions have been reviewed and we've decided to move away from the traditional title of honorary treasurer. These important duties are now split between the Chairs of the Audit and Governance and Finance and Performance Sub-committees and detailed role descriptions have been developed for these roles. The roles of our committees were looked at in detail and our Board meetings are now structured to allow time for collective brain-storming, which allows our trustees to really get under the skin of new ideas from the outset. We've done this recently with our equality, diversity and inclusion work, and with our innovation work.

Decision-making, risk and control

Our Board is clear that while operational matters are delegated to our staff, the trustees maintain ultimate responsibility for everything that goes on in PSS. We've got lots of structures in place to give our trustees assurance that we're managing risk in a careful, yet open-minded way, like we mentioned in the risk appetite section of our risk management policy. We reviewed our organisational appetite for risk in several key areas during June 2021, to make sure that the conclusions we came to during 2019/20 still felt right, particularly as we entered the second year of the COVID-19 pandemic. We updated our appetite

statement to reflect that we take a cautious approach to risk in the areas of legal/health and safety, financial viability and safeguarding, but we're open when it comes to people, performance and reputation. Our risk appetite will get another review during 2022/23 to make sure it stays relevant as we continue to adapt to living with COVID-19 and the social and economic challenges the pandemic has brought.

Our Audit and Governance Committee continue to welcome a manager from one of our operational services at each committee meeting to talk through their latest risk register. This gives our trustees assurance that risk is being appropriately managed at all levels of the organisation and that critical risks are escalated up to director or strategic level where needed.

During the year, we also reviewed the appointment of our internal and external auditors. We were pleased to re-appoint Mazars LLP as our internal auditors and at the AGM in 2021 we appointed Crowe LLP as our external auditors for the first time, following a full tender process. We're confident that these firms will provide our Board with comprehensive assurance over the financial and operational controls we've got in place.

Equality, diversity and inclusion

Last year we made a commitment to becoming an actively anti-racist organisation and as we move towards the end of our two year Fair Play for All action plan, we're making great strides to truly living our inclusive values and culture. Having diverse representation on Boards can result in more meaningful and more collaborative decision-making which can benefit everyone, from the people receiving our support to the organisation as a whole and our ability to be around for future generations. In 2021, we undertook an analysis of current trustee equality and diversity data and benchmarked this against two sets of data (where available). Firstly we benchmarked against the general population – this is to measure how representative our Board is of the population we all live in. The second benchmark is against data on the diversity of charity Boards. Whilst we performed well against the benchmarks for gender, sexual orientation and, (when compared to other charity Boards) age, the trustees are keenly aware of the imbalance in ethnicity and age (when compared to the general population). We also did a big analysis of the whole of PSS's workforce equality and diversity data this year and identified similar results, with the addition of under-representation people with a disability in our teams.

To address this, we've committed to the creation of a working group which will be tasked with the development of a comprehensive equality, diversity and inclusion strategy during 2022/23. The working group will involve trustees and staff from a range of backgrounds and services and of course we will co-produce this work with people we support. We recognise that being a truly inclusive organisation will mean we will be best-placed to serve the communities we support and make PSS an even better place to work, volunteer and study.

Openness and accountability

Every year we ask all stakeholders to take part in our Annual Survey, giving them an opportunity to tell us about their experience of our services. These results are reported to the Board.

We received feedback from 385 people in response to our 2020/21 survey. This was a lower response rate than previous years, likely to be due to the reduced amount of face-to-face

contact during the pandemic. We have big plans in the coming year to try new ways of asking people to give us feedback, and to get people we support involved in service design. In previous years, we have used a NET promoter scoring approach as part of our Annual Survey. However, we've found through co-production discussions with many people we support that recommending PSS to friends and family is not very relevant, due to the nature of the service they might use. People are much more familiar with a Tripadvisor-style star rating, so we opted to use this approach during the 2020/21 round of surveys. Overall PSS received a weighted average rating of 8.9 stars out of 10 from the feedback given by people who benefit from the support we provide. The weighted score from the four English service commissioners who fed back was 9 stars out of 10.

We've also still got a really strong compliments and complaints process called 'tell us', which allows people we support, families, commissioners or anyone else who wants to give us feedback to tell us their thoughts either by email, letter or using a form on our website. Both compliments and complaints are reported to the Board at every meeting to make sure we continue to be transparent and open when responding to feedback. We keep a register of interests for trustees and senior managers and trustees declare any conflicts or relationships relevant to the agenda at the beginning of each meeting.

Trustee performance

The Chair of Trustees meets with individual trustees on an annual basis to discuss their contribution to the Board and to the organisation as a whole. The Board also does a review of its own performance and on the skills and expertise of our Board members on a biennial basis, as well as self-assessments against the Charity Governance Code, to ensure that they're acting in line with best practice, (although the pandemic has resulted in some short delays to some of our usual review processes).

Presentations about different aspects of PSS's work and service visits for trustees are arranged on a regular basis and trustees are expected to visit services individually throughout the year. Trustees are also expected to regularly attend Board and sub-committee meetings. These elements of trustee performance are measured in our key performance indicators.

Delegation of authority

The Board of Trustees appoints the chief executive to be responsible for the operation and development of PSS and for implementing the strategic objectives set by the trustees. The leadership team, which is made up of PSS directors, are appointed with support from the trustees. The trustees further delegate their responsibilities through the use of a comprehensive and structured 'delegation of authority' framework. The Board receive a comprehensive suite of papers about the operational status and development of PSS for their deliberations in advance of meetings. A well-developed risk management process further protects the activities of PSS. The register of risks and controls is closely scrutinised by the Audit and Governance Sub-committee before being submitted to the Board for their full review and input. These reviews further feed into the organisation's business plans. The Board are also involved in decision-making about collaborations with other charities or organisations.

Trustees' Statement on Public Benefit

At PSS, our vision is that by 2025, we'll be top of the list for life-changing support led by those using it, for roles that are more than just a job, and for imaginative thinking that challenges the status quo in our sector. PSS trustees confirm that they've done all the things the Charity Commission guide us to do in section 17 of the Charities Act 2011, to make sure we're benefiting the public as we work towards making our vision a reality.

Pay and remuneration

At PSS we are committed to accountability and transparency in the charity sector, but we believe that personal privacy is also an important factor when it comes to what we share.

All executive pay is determined by our Remuneration Committee, which works as part of our Audit and Governance Board Sub-committee. The trustees who make up this group are responsible for making sure there's a fair pay structure across PSS's executive team that recognises:

- Individual and team performance in the context of a challenging climate.
- The importance of recruiting and retaining the 'right' people (both in terms of experience and attitude).
- Fair pay that reflects the level of knowledge, skills and experience required and the responsibilities and accountabilities associated with the position.
- Pay levels that are benchmarked against comparable jobs locally and in the sector.
- Benefits to executive staff are in-line with benefits available to all staff.

This year we've started an extensive pay benchmarking exercise, looking across our sector to see how what we pay our teams here compares to other organisations that are similar to us. As part of this exercise, we're comparing pay and remuneration for each type of role across the organisation, including the executive team. The results of this research will help inform our pay and remuneration offers across the board, help us keep pay and remuneration at PSS fair and help us remain competitive employers.

Employment of people with disabilities

In line with our equality, diversity and inclusion policy, we give full and fair consideration to any applicant who considers themselves to have a disability, giving due regard to their ability and skill set. Candidates aren't asked about their health or disability before an offer is made, unless it's to find out whether someone requires any reasonable adjustments to be made. We offer all candidates who consider themselves to have a disability the opportunity to attend an interview if they meet the essential criteria for the role. When people with disabilities work with us, we make reasonable adjustments to either prevent an employee from being absent or to make sure they have a safe return to work following absence, and to avoid recurring absences in the future. PSS encourages all employees to develop their skills and qualifications, and to take advantage of promotion and development opportunities which won't ever be refused on the basis of an applicant's diversity.

Fundraising

Section 162a of the Charities Act 2011 requires charities to make a statement about fundraising activities. Although we don't do widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Any funds we get in this way are shown in our accounts as 'voluntary income' and that includes legacies and grants.

All fundraising activity is managed internally, without involvement from commercial participators, professional fundraisers or third parties. The day-to-day management of all income generation sits with the executive team, who are accountable to the trustees. PSS isn't bound by any regulatory scheme and we don't think we need to comply with any voluntary code of practice. We've received no complaints in relation to fundraising activities. Our terms of employment require staff to behave reasonably at all times - we don't approach individuals for funds, we don't raise funds for specific things or consider it necessary to design specific procedures to monitor fundraising in this way.

Employee engagement

The trustees acknowledge their obligations under Section 172(1) of the Companies Act 2006, including the interests of its employees. Whilst the trustees maintain overall responsibility for this, day-to-day engagement is delegated to PSS's leadership team.

Here at PSS, our people are super important to us – and we know how important PSS, and the work that they do, is also important to our staff. Our leadership team (made up of our three executive directors) makes lots of effort to make sure our teams feel like they're up-to-speed on the things going on across the organisation, that they feel part of things and that they're included and heard when there are decisions to be made. One of our values is to be open-minded, and our leadership team make a big effort to make sure they take this approach when they're listening to and engaging with our staff, taking ideas on board and taking people with them on PSS's journey.

Every two weeks, our CEO Lesley hosts 'Live with Lesley', an all-staff Zoom call where Lesley talks about what's going on across PSS and gives our teams the information they need to know about – whether that's information about new staff benefits, impactful stories from across the organisation or whether that's giving impactful news about things like COVID-19, our financial position or services coming to a close. The Zoom calls started off as a weekly crisis comms channel during the pandemic to manage change and make sure our staff were able to hear things straight from our leadership team and ask questions to them directly – but since it's proven to be a popular way for our teams to hear from our leadership team, we've continued with them post-pandemic.

Every Friday, we send out an internal newsletter called The Loop, which aims to engage our teams in news and initiatives from across the organisation. The publication is strategic, and our leadership team are able to use its reach to deliver key information about the organisation and get buy-in from our teams at every stage of any process.

We like to hear directly from our teams as much as we can, and always try to act on as many action points as they can from the feedback our staff give to them. Each September, we ask every member of the PSS team to fill in our staff survey (we call it The Big Survey), which

asks them to rate their experience as a PSS team member in almost every aspect – including how people feel our leadership team performs and whether they trust them to do a good job. Our leadership team are passionate about these results staying anonymous to help people feel free to be open and honest. When we get the results, which are analysed by our people and culture team, we're able to use these to further investigate trends and see what we can do to rectify any issues that have come up. In our Big Survey last year, our leadership team noticed quite a big decrease in our scores around being a psychologically and emotionally healthy workplace (78%). This didn't surprise us – being a social care charity in the midst of a global pandemic where a really large portion of our staff are frontline workers is bound to have an impact on perceptions. But we didn't make any assumptions. Every quarter, we run roadshows, sessions where they invite every member of staff to come along and listen to financial and performance updates before having the chance to give their views on a specific topic. Doing a roadshow on being an emotionally and psychologically safe place to work seemed like the perfect option, and our leadership team were really keen to hear about whether the pandemic did have a big impact on the scores, or whether our teams had other feedback for us. At the roadshow our people and culture team explored the subject with staff groups all over the country, encouraging them to openly talk about any factors that they think might help us make things better and to reflect on what may positively or negatively impact their scores. After our leadership team talked openly about the subject with our teams through Live with Lesley and doing lots of key reminders to staff about the support in place for their wellbeing, we commissioned a follow-up pulse survey a few months later, and we were super happy that this question then scored 93%, giving us loads more insight into how things can keep on improving in this area.

The leadership team noticed how in our Big Survey, we would often get feedback about pay at PSS and how people felt that their wages could be higher. In response to this (and the rising cost of living), we wanted to do something about it. In autumn 2021, we started working away with the heads of our service, looking into how PSS pay compares to other charities of our size. We did a really thorough job of making sure we had full understanding of each role's complexity and responsibilities, and then with the help of some external systems, we were able to make comparisons and benchmark our salaries. Through this benchmarking exercise, we found that some of the roles we've got at PSS were paid slightly less than other charities of the same size and turnover were paying. We've taken this on board, and thanks to carefully managed budgets in the last few years, we're happy to say we've been able to give the people in these roles a bit of a pay rise this year, to make their wages on par with what other charities of the same size and with the same turnover are offering – a direct result of our leaders listening to and engaging with our teams.

The light at the end of the tunnel

If, at the start of the year, you'd have told us that by the time 20/21 was over we'd be writing up our annual report sat at our desks in the office, with our whole teams around us, we'd probably have wondered how on earth we'd ever get there. But here we are! And what a productive year it's been. Let's have a look at the themes from our five-year strategy, our Big Plan, and tell you a bit more about what we've been up to...

Theme one: only the people we support know what it's like to be in their shoes – we listen to them, learn from them and use their knowledge to shape PSS and help them shape their lives.

Working together to make things better

We like to make as many decisions and run as many of our services as we can hand-in-hand with the people we support. It's a big part of what we do, and we're sure you'll see it pop up as a bit of a running theme in a lot of these snippets of information about our year.

In April, one of our co-production buddies and (we think) future president/mayor/queen of everything candidate, Jackie, who uses our Making Days service, came along to one of our Board meetings to tell our Board what she felt we needed to do to start working much more closely with people we support. Living with a learning disability and having expert knowledge of what it's like to use support services, Jackie's really passionate about making sure people's voices are heard, and she brought every ounce of her enthusiasm to show the Board just how important it is. Jackie's ideas got the Board all excited about what we can do together, and they agreed that it's time to go full steam ahead with finding even more ways people who use our services can have a say in how we run them. After that meeting, Jackie and our director of operations, Harriet, kicked off a whole string of workshops designed to find out what working together means for people we support – and how they felt we could get it right. A whopping 98 people came along to form the plan with us from right across the different services we provide. We're now busy collecting all the thoughts together to form a vision for what we want our work to look like in the future.

One Liverpool, one PSS

Other people who noticed there's a bit of a co-production theme here at PSS are some of the senior leaders involved in the One Liverpool Strategy, a plan that shows how NHS and care providers across the city can come together over the next few years to improve the health and wellbeing of Liverpoolians. We were invited to pop along to a special meeting with lots of chief executives, senior leaders in clinical commissioning groups, Merseyside Police and NHS trusts, to talk about how we work with the people we support and all the brilliant things we achieve together.

Peter, Corinne and Pete took to the stage alongside our CEO Lesley, family worker Jess and comms officer Siobhan to talk to the crowd about all the work they've been doing to help shape our services.

Pete and Corinne talked about how they worked with the PSS communications team to come up with, design and run upbeatliverpool.com, a new wellbeing website they launched together during the first lockdown in 2020. The site's been brilliant way to help people access trusted wellbeing advice and resources from home and get involved in loads of groups and sessions ran by those with lived experience of mental health challenges. It kept lots of people going and able to focus on their mental wellness when everything else was closed/feeling like Armageddon was upon us – and Corinne, Pete and the rest of the Upbeat gang do an amazing job of keeping it going.

Peter uses our Prisoners' Families service, which supports children who have a parent in prison, and he's been helping us with how we can make his and our other services better by taking part in our co-production groups. We never pressure anyone to give any details about their own personal experiences unless they want to, and until this point, we hadn't disclosed anything about Peter's background because he wasn't too comfy with telling people. But when he was on stage telling everyone about the work he's been doing with us, for the first time ever in public, Peter felt able to tell people that he has a parent in prison, and a little bit about it – a huge step for this amazing young man to take, and in front of lots of people he'd never met. We were all mega proud of him for being brave enough to tell his story, and afterwards he said that standing in front of all those people and saying it out loud showed him he doesn't have to be defined by the things his parent has done – he's his own person.

Peter, Pete and Corinne are absolute diamonds and we're so lucky to have them as part of our co-production team.

Making Days even better

Over the course of the last year, the people we support at Making Days have been busy transforming the bottom floor of our head office, Eleanor Rathbone House, into their dream day centre. They've taken what used to be a big empty area of our building and, working with our amazing team and Jo, our head of Homes and Communities services, designed a brand new, all-singing, all-dancing centre. We got the builders in, Jo put together approximately six million flat packs, and a few months later, the gang are settling in nicely and the rest of our staff are now very jealous.

Sensory room where you can let light and sound pour over you? Check.

Music room? Check.

Art station and space to hang work? Yep.

Specially-designed tech room with fully adjustable desks and bright pink chairs so everyone can get online and learn new stuff? Oh yes.

Brand new kitchen so people can hone their kitchen skills and whip up sustainable lunches for their friends? Done.

Chill-out room with a ginormous telly? You betcha.

Pamper rooms where people can get their hair and nails done? Of course!

We're super proud to be able to give people we support this amazing new place to get together, make tasty food, learn new things, get creative and generally have a brilliant time. After all, isn't that what great days are made of?

Doing Shared Lives recruitment right

When you rely on the support an organisation like ours can give, you know what works well and what doesn't. You see what makes the difference, and you know what's not going to work. That's why we've been doing loads of work this year to find out what the people who use our Shared Lives service think makes a great Shared Lives carer, and making sure people we support are on the panel when new carers are being assessed. With the information we've been given about what people think makes a good carer, we've been able to tweak our interview questions to make sure we're hitting the mark. And by having people we support on our carer recruitment panels, they're able to give us the lo-down on what they think of each carer as they come through the process.

Back to our roots

In 1919 when PSS was founded, it was ran *almost* completely by volunteers. Things have changed a little since then, but we've always had such a strong community of volunteers with us who have given so much of their time and effort to us over the years through lots of our different services. We know there's loads more we can do with our network of volunteers, and loads more people out there who would love to use their skills to benefit others, so this year we've revisited our roots and started to put a new volunteer strategy in place, with the help of two of our shiniest of volunteers, Corinne and Pete from our Wellbeing Centres peer support team, who have been essential to helping to kick off our volunteer strategy. When it's all done, our strategy's going to help us find new volunteers, help them to build a community, help them understand just how much we appreciate them and give them brand new adventures to go on. All in all, it's looking pretty exciting; Abi, our volunteering coordinator (recruited by Corinne and Pete), our operational teams, our people and culture team and our comms team have all started their engines and are raring to go – watch this space!

Don't worry

Having a family member in prison is a hard time for anyone, but for young people it can be incredibly confusing, worrying and upsetting. Sadly, there's also still a big stigma attached to having a parent in prison – one that young people often carry with them in secret, like a hidden sentence. The children we support in our Prisoners' Families service know all too well what it's like, and how lonely it can feel. They wanted to work with our communications team to help other young people in the same position as them feel less alone and to know that although sometimes it's really hard, things can and do get better. That's when the Don't Worry Book was born – a book of advice and stories written with the people we support. Evie, aged 16; Cameron, aged 13; Jada, aged 6; and Zainen, aged 8 share how they felt their parent was arrested, how they cope without their parent, what support they get from us at PSS and what it's like to visit someone in prison. We're so proud of Camera, Jada, Zainen and Evie for being so honest and giving us all of their best advice.

The most certain part of life

Talking about death is an important part of life – after all, it's one of the most certain parts of it. It's something that affects us all, but that not all of us tend to spend time thinking or talking about. There's still a massive stigma surrounding death and it can be quite a difficult subject to tackle, especially for people with learning disabilities. People with learning disabilities can sometimes feel a bit left out and be excluded from important conversations about things like funeral arrangements for themselves and loved ones who are sick and dying, and about remembering people. We listened to the people we support and wanted to do something to help make the subject of death lots more accessible for everyone, starting by putting together a group made up of people we support and PSS people to come together regularly and talk about how we can support people better at the end of their lives.

Death café

Back in December 2021, people supported by our Making Days services in Liverpool gathered together for a death café hosted by our friends over at People First - an amazing Merseyside organisation ran by people with learning disabilities. Their mission is to empower people with learning disabilities to have a voice, learn and grow through education, counselling and advocacy. People First's death cafes are all about supporting people who have a learning disability to have important conversations about death and illness, to feel more educated and informed about death and to remember people they've lost.

It was a really empowering (and actually super fun) day for everyone who came along, with plenty of light moments, too – like the whole room having a boogie to 'Always Look On The Bright Side of Life', for example. People First performed a thought-provoking play about a friend who had died and people discussing plans for her funeral and how she'd like to be remembered around her. There were loads of activities supporting people to open up about life and death: things people would like to accomplish before they die, what songs people would like to played at their funeral, how their perfect last day on Earth would be spent and who they'd like to talk at their funeral. There was also a chance to reflect on loved ones lost, remembering what people loved about that person and treasuring their memory by sticking their reflections on a special 'memory tree'.

When I die...

Another ace bit of work that came from this year was our 'When I die' booklet – a place for people we support to reflect on and write down all the things they'd like to happen when they die. The booklet was written in partnership with people we support and has everything in there, from the music they'd like at their funeral through to Lasting Power of Attorney what they'd like to happen to their things, helping people to make a log of all their wishes in a really accessible way. We hope this little book will mean more people with learning disabilities can get involved in their end-of-life plans and know that their voices have been heard.

Love is love

We reckon everyone – no matter who you are – should be able to have loving, safe relationships. That doesn't always mean romantic relationships (although we mean that, too); we're talking about having good relationships with friends, neighbours, colleagues and anyone else in our lives, too. To do that, we need to feel like our relationships are respectful,

mutual and safe. And we need to make sure we understand what we want from a relationship and where our boundaries are. We know that sometimes, people with learning disabilities can sometimes feel a bit left out when it comes to building new relationships, and since we work with lots of people who want to get out there and meet new people, we thought it was the right thing to do to tackle what we can do to help. We put it on our Fair Play for All Strategy, and in 2021 we started to work towards our goals. Our first step was to get a bit of a group together involving lots of people we support and PSS support staff, to talk regularly about what we can do to support people in their relationships and what we should work on. We've been listening to and learning from lots of people we support who are already in friendships and relationships about what they need from us, and we've been chatting to people who would love to have more relationships in their lives, or who want to learn more about things like safe boundaries, about what we can do to help them, too. We've taken all that knowledge and we're brewing up some staff resources and awareness days for next year. It's been such a brilliant adventure with lots of laughs and fun along the way. We can't wait to help more people we support find their tribes.

Easy for you to say

Making our communications more accessible is a biggie on our Fair Play For All Plan and something our communications team are working really hard on. The team's only little, just two people, and so producing easy read versions of everything that goes out across the organisation is quite the task – but we'd really like it to happen. Lisa, our head of communications, decided it was time to train as many people as we could to write easy read information, so that whenever we're giving important info out to people we support who have learning disabilities, we can help them to understand. She organised some training in how to write easy read communications for 15 of our people and they're now all geared up and ready to produce easy read versions of the info they need to get to people we support. We're also working on setting up a testing board of people we support who are also passionate about accessible communications. They're going to vet what we do and make sure it's up to scratch before it goes out.

Theme two: we'll make wise decisions that keep us around for future generations.

Saying goodbye to Family Impact

We were really sad to lose our Family Impact: Drugs and Alcohol service in January this year after its funding came to an end. Over the last 15 years, our incredible team were by the side of hundreds of children, parents, grandparents and carers across Merseyside as they went through some of their most difficult times as a result of drug and alcohol abuse. We're so proud of everything the team has achieved for the families they supported, and we know that their impact will continue in the lives of those people for many years to come.

Ruby shines on

We had another huge change in our funding this year. Funding for our much-loved Ruby domestic abuse service, which supported anyone in Merseyside experiencing domestic abuse of any kind, came to an end. We knew how necessary this service was, especially with the soaring rates of domestic abuse we were seeing throughout the COVID-19 pandemic, and we

fought really hard to save it. We know how vital it is, though, to have sustainable funding – it's the best thing for PSS, the people we support, and our devoted teams who give their all every day. We shouldn't have to scramble round for funding for services like this, but it's the unfortunate reality. This time we just couldn't find a funding stream that could keep Ruby going stably in the same way as it had been. It was a real blow to everyone involved in the service. That's when our friends at the Ministry of Justice (MOJ) stepped in and agreed to fund Ruby to continue supporting the women we work with in our Women's Turnaround service, who have been through the criminal justice system. So many women who use our Women's Turnaround service have been victims of domestic abuse at some time – so being able to continue offering that specialist support to these women is fantastic and we're really grateful to the MOJ to be able to continue offering these women high-quality support. Although not in its usual way, Ruby can shine on.

Keep growing, keep going

Although there have definitely been a few sad moments this year with the loss of some really important work, we've also had lots of happy growth and retention stories in 2021-22.

We're delighted to have retained our all work supporting families at HMP Altcourse in Liverpool, our Liaison and Diversion Service, supporting people who might be at risk of offending, our Parent and Baby Relationships service, supporting new parents to form brilliant bonds with their children, and our Women's Turnaround New Leaf service, which supports unemployed or economically inactive women in Cheshire to get back into work. We were also really happy to sign a fresh contract with our Shared Lives commissioners in Norfolk, who have awarded us another five years of providing people with the support they need in a safe, happy home with one of our Norfolk Shared Lives carers. In Lincs, we've seen loads of lovely growth in our Shared Lives service and despite having a few team mates missing this year – the team's worked well with our commissioner and they've pulled it out the bag.

But in terms of big growth, there's one biggie we have to mention.

Big wins for women

In May 2021, we were chuffed to bits to be awarded over £3 million worth of contracts by the MOJ to expand our fantastic Women's Turnaround service (which used to be just in Merseyside) into Wales, Cheshire and the Wirral. Pretty impressive, right?

Women's Turnaround supports women who have offended to understand the reasons why they've chosen to do what they've done and overcome any issues that may have led them to make poor choices – things like housing issues, unemployment, drug and alcohol addiction, debt problems, parenting struggles and domestic abuse. By rectifying these issues, the women we support are less likely to offend again. Thanks to this mega expansion, we're chuffed to be able to offer even more women this life-changing support.

The contracts have been awarded to us as part of the MOJ's plans to improve the Probation Service by bringing it back into the public sector, making it easier for third sector organisations like PSS to access Government funding. PSS has been awarded 'prime provider' status and we now run our service directly in North Wales and East Cheshire. On the Wirral, in Cheshire West and Chester, we're thrilled to be working with fellow charity, the Tomorrow's Women.

Tomorrow's Women has been providing support to women in the criminal justice system on the Wirral since 2011. This new partnership as PSS sub-contractors has meant they've continued this fab work while expanding into Cheshire West.

The whole Women's Turnaround team have worked so hard to get this up and running – from the initial tender right through to setting up new offices and supporting our first women with the new contract – and we couldn't be prouder.

Shared Lives supergroup

Sometimes it's the little changes that make the biggest difference to how we feel. For the longest time we had a Shared Lives England team and a Shared Lives Wales team who did all the same stuff and sang from the same hymn sheet, but were separate teams and kind of orbited around each other. One day we stepped back and thought actually, why have we got two majorly talented teams going solo when we can have one big Shared Lives supergroup and be even more brilliant? Kind of like how Bryan from Westlife and Keith from Boyzone joined forces to make Boyzlife, except loads better, with more than two people and with a lot (oodles) more social impact. Now we've got one big Shared Lives team and we're feeling more connected and stronger as a result.

Great relationships

Speaking of fab teams, relationships with our commissioners have gone from strength to strength this year. The Ministry of Justice has been working super closely with us after our Women's Turnaround expansion. In Shared Lives, we've been working wonders alongside our Lincolnshire commissioner who's helped us achieve lots of growth, and in Suffolk, we've seen the same thing. Our relationship with Liverpool City Council grows stronger all the time and they've just given us the green light to put a big focus on Shared Lives carer recruitment in Merseyside. We're proud of the strong relationships our teams forge with our commissioners and it's all down to how they live the PSS values in everything they do.

Theme three: people want to be part of our down-to-earth, strong and ambitious team of staff, Shared Lives carers and volunteers. Our differences are celebrated but our values unite us.

Big Awards, bigger hearts

Back in February 2022, loads of us got together on Zoom for our annual Big Awards ceremony – a chance for all our team to get together, look back on the year and celebrate some of our total superstars.

We gave Big Awards to those who have been most big-hearted, open-minded, professional, genuine and determined. We also honoured an extra-special volunteer, said thank you to someone who went above and beyond during the pandemic and celebrated the person who lives all our PSS values through and through, our Pride of PSS.

This year we had over 90 nominations. As usual, the shortlist and winners for our values and volunteer awards were chosen in secret by our Big Awards panel, made up of last year's winners, and all reports say it was really, really hard to choose this time. The winner of our Pride of PSS Award was chosen by our lovely Board of Trustees, and our COVID-19 2021 Hero

was picked out by our leadership team – who also said how hard it was to make a decision with so many people worthy of a win.

So – who made the shortlist and who were this year’s winners?

The Big-Hearted Award

Barry Neil, Supported Living

Jessica Schorah, Prisoners' Families

Jane O'Hare, Supported Living

Winner: Barry Neil, Supported Living

The Genuine Award

Lauren Baines, learning and development

Michael Galbraith, Parent-Baby Services

Becky Newman, Women's Turnaround North Wales

Winner: Michael Galbraith, Parent-Baby Services

The Open-Minded Award

Abi Reese, Shared Lives Midlands/volunteering team

Liam Broughton, Supported Living

Suzanne Marks, front of house/quality team

Winner: Abi Reese, Shared Lives Midlands/volunteering team

The Determined Award

Gill Creevy, Shared Lives Merseyside

Nicky McGovern, Wellbeing Centres

Michelle Ford, Shared Lives East

Winner: Nicky McGovern, Wellbeing Centres

The Professional Award

Justin Wall, Shared Lives England

Libby Davies, Strengthening Families/central services

Kathryn Whelan, front of house/quality team

Winner: Kathryn Whelan, front of house/quality team

Volunteer of the Year 2021 Award

Abbi, Shared Lives Lincs volunteer

Pete, Wellbeing Centres volunteer

Leah, Shared Lives East volunteer

Jackie, coproduction buddy (Making Days)

Joint winners: Leah and Jackie

Pride of PSS 2021 Award

Sharon Cooper, Women's Turnaround

Bob Bell, Shared Lives North West

Lisa O'Rourke, Shared Lives Merseyside

Libby Davies, Strengthening Families/central services

Winner: Libby Davies, Strengthening Families/central services

Covid-19 Hero 2021 Award:

Lisa O'Rourke, Shared Lives Merseyside

This special award was given by the leadership team to say thank you to Lisa for going above and beyond her role in Shared Lives to head up a complex project with Liverpool City Council that meant she was able to make sure all social care organisations, including PSS, across Liverpool had the right personal protective equipment to keep them safe during the pandemic.

Fact: Lisa also happens to be one of our most-nominated PSS people every year!

As you can see, we've got lots of very special people working and volunteering with us here at PSS and every year we're in awe of all the amazing acts of kindness, bravery and spirit our

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people show day in, day out. Not that they'd tell you that, of course, for them it's just part of the day job.

Hybrid works

Same as many different organisations across the globe, hybrid working is a permanent thing for us now and we've been doing it since our return to office working earlier in 2021. It's given our office-based teams the flexibility to be at home when they need to be, or be with people when they need to be, too – which works out great for lots of different people who either love working from home for the productivity it brings or love it for the way it fits around their personal lives.

We've always loved the way our culture has created a lovely atmosphere in our offices, and although we wanted to give people much more freedom to decide their own hours and locations of work than we did before the pandemic (who knew so much home working was possible?!), we wanted to put an agreement in place to try and retain some of that PSS magic when people get together in person. We did a lot of thinking about having a minimum amount of time in the office, and what we came up with is working really well. Our office-based teams make sure they're in the office 40% of their time – and they can be at home, in a café or wherever they need to work – for the rest. Or, if it's better for them, they can come into our offices 100% of the time, or 75% or 50% - whatever works for them and their team.

Saying a big thank you

Thanks to some very careful budget management, in December 2021, we were excited to be able to give each and every member of our team a gift – some Love2Shop vouchers – as a big thank you for all they did during what turned out to be another difficult year (thanks to the pandemic). It's not often we're able to do something like this, but when we are, we love showing our teams some appreciation. Word on the street is that the vouchers – which could be spent in a whole load of high street shops including food shops like Iceland – went down a treat right before Christmas when the purse strings are already a bit tight.

Anti-racism at PSS

Our work to make PSS a much more diverse place to be has continued this year. We've been doing some important work to compare the ethnic diversity of PSS staff with our local demographics, and the next stage is to draw up a plan for how we can make sure there are no differences. We've kept the conversation about racism going this year by sharing lots of resources with our teams to help them educate themselves on important issues surrounding ethnicity – and we've held an all-staff Zoom call where we talked about our journey with anti-racism and where we can go next. Our guide to anti-racism is now on our website along with a frequently-updated list of resources for our staff to refer back to, and we're just in the process of looking at how we can try to eliminate any potential bias from our recruitment processes all together with some clever tech. We're firing on all cylinders and passionate about doing all we can to help eliminate systemic racism.

Live and learning

Every two weeks, we all get together with our chief exec as a big team and talk about stuff that's either going on at PSS or impacting us and the people we support, with the help of a

string of special internal and external guests. What started off as a way to update people on the latest COVID-19 stuff has now turned into a regular touch point for everyone, and we've covered a whole host of topics - from anti-racism and neurodiversity through to the importance of brand, and possibly one of our favourites, transgender issues. Recently we were joined by friend of PSS Christian, who told us all about his journey to becoming a trans man, and Abby, a PSS team mate from our Shared Lives East service, whose daughter, Jess, is trans. Christian and Abby spoke honestly and openly about their experiences and we learned so much about the trans community. Our two guests were ready to answer every question we put to them - from the differences between gender and sexuality to what 'deadnaming' is, and why we shouldn't ever do it. We love having this regular slot to talk about important issues - long may it continue.

Doing business, with a heart

Every year we do what we like to call a leadership narada with our teams ('narada' is Polish for meeting, by the way), where all our managers and team leaders get together, talk about important issues and learn new skills. This year, our topic was commercial skills, and our learning and development team mixed things up a bit in the form of blended learning. We popped our managers into small teams with people they don't usually get to work with, and together they had to go away and whip up a business case for how they could improve one of our services, come up with a way to market it and crunch the numbers into a sustainable budget - a great way for all our managers to brush up on the full breadth of commercial skills it takes to do business with a heart, like we do at PSS.

Happy teams

We're so chuffed to report that for yet another year, despite all the trials and tribulations of the pandemic, our annual staff survey results have been just as good as last year, or got even better:

- 97% said PSS is a fun place to work
- 98% agreed their work is 'not just a job'
- 98% of people said they feel they make a difference
- 90% of people look forward to coming to work each day
- 98% of people said when they looked at what they achieved as a team, they felt proud
- 98% of people said they felt treated fairly regardless of who they are

Taking some pressure off

We're full of ambition at PSS and we don't like to rest on our laurels - we're always pushing forward to try new things and be better, with really ambitious goals that each and every person at PSS works towards. This year was a big year, and one where we were still up against the pandemic. We were aware that some of our teams might be feeling a little overwhelmed as they tried their best to make innovation happen whilst also fighting all those little fires COVID-19 started and getting on with their day jobs. We knew it was important to give our teams the chance to focus their attention in the right places, so we had a little look at our five-year Big Plan with our senior management team and agreed some bits and bobs to put on pause for a little while. As pressures start to lift, we'll go back and see what we can reintroduce, but for now, we've given our teams space to breathe and reflect, which is so important on many different levels.

Theme four: we believe that technology, when used in the right way, can make everyone's personal and professional lives easier and better.

Full kit and caboodle

One of the themes on our Big Plan is about how tech can help improve people's lives, and we mentioned earlier that our Making Days crew have just moved into a brand new day centre on the ground floor of our head office. Well, let us tell you, it's like Curry's in there – thanks to the hard work of our tech team, there's so much cool tech for the people we support to enjoy, it's made the rest of us really jealous. What an amazing opportunity for the Making Days gang to get stuck into new hobbies and creative projects, and to learn lots of digital skills.

IASME

When we expanded our contracts with the MOJ, we had to do a lot of work to meet some data protection and cyber security governance standards they have in place called IASME. IASME helps organisations like ours do as much as we can to prevent some of the main cyber security issues out there and protect the info we hold about the people we support. The difference between IASME and other certifications we've done is that it includes things like policies and training as well as the usual IT access control type checks. Our quality, governance and tech teams joined forces to look at things like monitoring, risk assessment and management, change management, incident responses and how we handle business continuity, making sure we put the IASME standards in place.

Digital efficiency

We're trying to be as sustainable as possible, and the majority of our offices are now virtually paperless... but if there's one thing COVID-19 lockdowns were good for, it was for building up our team's tech skills and showing us that we don't need to rely on having access to printers to do the majority of our work. They're not completely obsolete, of course – there are definitely some things we still need physical copies of, especially when it comes to communicating with people in an accessible way – but thanks to our people getting to grips with the likes of digital signatures, OneDrive and Teams, we've really reduced how much we print. So much so, that we've been able to retire some of the printers from our head office, saving us some money and helping save some paper, too.

Almost total Eclipse

For the past few years our small but mighty tech team's been working hard on the mammoth task of digitising all of our paper files and building a client management system called Eclipse – and as 2021-22 draws to a close, we're so close to completion. Introducing Eclipse has involved a whole load of inputting data, training teams, producing reports and getting used to a whole new way of working, and a job this complex as definitely had its hurdles, but we're now really close to signing it all off as done and dusted. It's been no mean feat to get this far, but it's worth it to know we've got all the info we need about the people we support in one safe place.

Matching Lives

This year we launched possibly one of the snazziest new ideas we've had for ages – MatchingLives.com. It's a brilliant new website we built to help match our Shared Lives carers with people we support. It makes matches in a way similar to how a dating app might work (except there's obviously no dating at all involved!), looking at what someone's looking for in a carer and what our carers can offer. Matching Lives allows our carers to create an online profile that tells social work professionals and people who are looking for support all about them and what they can offer as a Shared Lives carer. When social workers or other professionals are looking for a carer to support someone who wants to use Shared Lives, they're able to tell the website to show them the profiles of carers who can meet the needs of the specific person they're working with – for example, they may need someone who has no pets, who can provide personal care and has an accessible house. The website will search through all the carer profiles in our online database and show them the carers who will meet those needs. Social care professionals and people we support are then able to view the profiles of carers who will be a good match for them and find out a bit more about them. At the click of a button, they can message our team to request more information about them or ask to meet up. So far, we've been trialling it with a couple of our commissioners to see how it all works in practise. It's hot off the press and it's pretty cool, and we can't wait to hear about all the matches made in heaven.

Theme five: we have a positive impact on our sector, our local communities, the people within them and the planet we live on.

Hitting the mark

Pay's one of the things that always comes up on our staff survey as being something our staff would like us to work on – in fact, it's consistently one of our lowest-scoring areas. We believe in fairness, and we want to make sure we're listening to what our team tells us, so this year, we come up with a way to look into pay at PSS, to see if there's anything we can do.

In autumn 2021, we started working away with the heads of our service, looking into how PSS pay compares to other charities of our size. We did a really thorough job of making sure we had full understanding of each role's complexity and responsibilities, and then with the help of some external systems, we were able to make comparisons and benchmark our salaries.

Through this benchmarking exercise, we found that some of the roles we've got at PSS were paid slightly less than other charities of the same size and turnover were paying.

We've taken this on board, and thanks to carefully managed budgets in the last few years, we're happy to say we've been able to give the people in these roles a bit of a pay rise this year, to make their wages on par with what other charities of the same size and with the same turnover are offering.

We're going to continue keeping an eye on the benchmarks we've established to make sure we're staying in line with them as best we can.

United Nations goals meets PSS priorities

We want to become a much more sustainable organisation and this year was the year we started really upping the ante and exploring what we can do to lessen our impact on the environment and amp up our positive impact on both our sector and the communities we work in.

PSS trustee Hil is an expert in helping organisations become much more sustainable, and together with our newly-appointed sustainability officer, Sarah, they set up a big project kick-off meeting with some people we support at Making Days, other trustees and PSS staff who are also passionate about sustainability. Together, the team started to write the PSS sustainability plan, looking at the United Nations' sustainability development goals and comparing them with PSS priorities. A great time was had all round, and the people who use our Making Days service even used their brand new kitchen to create a tasty vegan (sustainable) lunch for the occasion.

We can't wait to see all the ways we're going to make the world a better place.

Our performance in 2021-22

The remainder of the Trustees' Report constitutes the Strategic Report requirements of the Companies Act 2006.

Financial results

Our financial results have been very positive this year. Our trustees are pleased with the results, and how we have been able to continue to minimise the potential long term financial impact of COVID-19. We recognise that working with the provision of statutory services has supported our financial sustainability in a way that being grant/donations reliant during such a turbulent time wouldn't have. Our net income and expenditure, inclusive of gains and losses on investments, recorded a surplus of £1.4m (2021: £1.5m). Gains on investment for the year totalled £0.4m (2021: gain of £0.7m) with the underlying position exclusive of gains and losses on investments being a healthy £0.6m (2021: £0.8m). In light of the favourable year we rewarded each staff member with a £300 high street shopping vouchers, to recognise the tremendous work delivered through such challenging times. We have also now made a decision from June 2022 to pay our lowest paid earners in line with the real living wage and, for those services that do not afford this, we are in talks with the commissioners about reworking models or potentially handing services back

In relation to COVID-19. We are pleased to see our affected services have returned to full commissioned hours in the main.

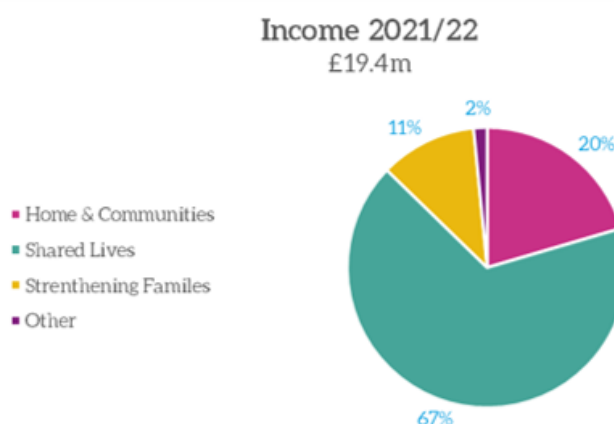
There are no post balance sheet events in relation to COVID-19.

Statement of Financial Activities

Income

Our yearly income of £19.4m represents an increase of £0.9m on prior year income. The increase is due mainly to continued growth in our Shared Lives services and winning our Turnaround contract with the Ministry of Justice. This growth was partly offset by reduced numbers returning to our Making Days service, due to COVID-19, and the closure of our Queens Drive Supported Living service, due to the sad death of Andrew Devine who we have supported for many years.

Income by Portfolio:



Our Shared Lives service remains the strongest generating 67% of our income and this is in line with last year. Our Strengthening Families stood at 11% against a prior of 8% due to the winning of our Turnaround projects in Merseyside Cheshire and Wales.

Expenditure

Our yearly expenditure of £18.9m was £1.1m up on prior year. Our increase in costs is mainly associated with growth, depreciation and costs associated with returning to an element of office-based working.

Pension

During the year we continued to work with First Actuarial LLP in relation to our section 75 debt of £1.9m that was triggered on 30 September 2020, when PSS left the Growth Plan run by TPT Retirement Solutions. The Scheme Actuary to the Growth Plan provided an uncertified debt figure of £1.9m but has been instructed by the Growth Plan trustee to not certify the debt, due to an ongoing court case regarding the potential non-adherence to scheme rules. In response, PSS have agreed a 'period of grace' with the Growth Plan trustee to 30 September 2023. In July 2022, TPT provided an updated debt on withdrawal figure of £1.24m for PSS as at 30 September 2021. This amount has been recognised in the balance sheet, along with deficit contribution payments due from when PSS left the Growth Plan to that valuation date of £161k.

In June 2022, TPT Retirement Solutions issued a new update to Growth Plan employers. This update confirmed that the court case could increase liabilities in the Growth Plan. The court process is ongoing and the matter is unlikely to be resolved before the end of 2024, at the earliest. In August 2022, TPT confirmed that the Court case does affect the Growth Plan. The

Scheme Actuary has estimated that, if the Court rules against the Trustee, the Section 75 debt for PSS will increase by around £350,000. PSS has recognised a contingent liability for this amount (see note 9) based on the level of uncertainty regarding the outcome of the court case.

Gains and losses on investment

During the year, a very healthy total unrealised gain on investments of £0.4m was achieved.

Balance Sheet

Our Total funds position increased by £1.5m to £9.5m.

Working capital

Our liquidity position has remained healthy with £1.9m (20/21: £2.3m) being held in cash at year-end. The organisation is able to cover its immediate liabilities by a factor of 1.7 (20/21: 2.4).

Debt

As at 31 March 2022 we were debt free. Part of our pension deficit buy-out plans will involve securing a loan from our bank. TPT have agreed an extension to the period of grace to 30th September 2023 and PSS has until this date to pay the debt or re-enter the scheme. The loan application is therefore on hold until such a time as the deficit becomes payable.

Investments

The value of our investments has increased by £1.2m against prior year, from £4.7m to £5.9m. The increase is due to unrealised gains of £0.4m and £0.8m invested during the year from our bank deposit account. This represents a total return of 11.7%, which meets our target of CPI + 5%

Our investments are held with CCLA.

During the year we moved our funds from the Charities Investment Fund over to the CCLA COIF Charities Ethical Investment Fund

CCLA COIF Charities Ethical Investment Fund is a Common Investment Fund established and regulated by the Scheme dated October 2009 and made under section 24 of the Charities Act 1993, now section 96 of the Charities Act 2011.

The Fund is managed by the Manager as an unregulated collective investment scheme and as an alternative investment fund in accordance with the FCA Regulations and the AIFMD Legislation

Investment Objective – To provide a long-term total return comprising growth in capital and income

Investment Policy – The portfolio is an actively managed, diversified portfolio of assets designed to help both present and future beneficiaries from the effects of inflation. It has an emphasis on equities but also includes property, bonds and other asset classes

Target Returns – over time, the fund aims to achieve an average total return before costs of Consumer Price Index (CPI) inflation plus 5%

The Fund follows a client-driven ethical investment policy.

Reserves

Our reserves policy outlines the level of free reserves that PSS holds in order to ensure we can cover our current cash flow needs and potential future obligations. This is done with the objective that we would be able to continue our work if faced with difficult financial times, whilst having time to adjust our business strategy, and additionally maximise the funds available to fund charitable activities. By definition, our free reserves are unrestricted reserves less tangible fixed assets and should cover eight to ten weeks of anticipated expenditure.

Our balance of free reserves currently stands at £5.5m. This includes the target of approximately eight to ten weeks' worth of anticipated expenditure and the remaining balance makes up our Transformation & Development fund. This is reviewed regularly and our Trustees consider the level of free reserves held to be satisfactory.

Restricted reserves

Our restricted funds are to be used for detailed purposes as specified by the original objectives of those funders. Three of the restricted funds; Child Welfare, Mountford Fund and Liverpool Queen Victoria Fund have been invested and the income arising is spent on the specified purpose.

Going concern

The Trustees have given consideration to the basis of preparing financial statements in the context of the challenging times affecting the charitable sector including any ongoing impact of COVID-19.

A rolling four year forecast is reviewed quarterly by our Finance Committee, including sensitivity analysis reflecting best and worst case scenarios. The latest projection for the period ending March 2023 shows an expected surplus of £0.3m, and March 2024 forecasting at a surplus of £0.1m. Worst case scenario for March 2023 is forecasted at a break even position and March 2024 a deficit of (£0.3m).

Our worst case scenario is based on not achieving new work growth targets of £1m in 2024, and we have confidence in this area as we exceeded our prior year target, and have already achieved 41% of our 2022/23 targets by quarter May 2022 and we achieved 140% of 21/22's growth target.

Our management accounts to April 2022 are showing a surplus of £32k which is ahead of budget reflecting the prudent nature of our forecasting

Our reserves remain very strong and our worst case scenario can be fully covered. Our free reserves stand at £5.5m, which would cover our total costs net of carer payments for 6 months. The Trustees consider that the going concern basis remains appropriate. Further information in this respect is given in the accounting policies.

Key Performance Indicators

This year we continued to report on a number of important key performance indicators (KPIs) across various areas of the business, offering an 'at a glance' picture of corporate health for our Board and Sub-committees to reassure them on our progress against our plan.

KPI	21/22				Year-End Result	20/21
	Q1	Q2	Q3	Q4		
Number of Shared Lives Carers approved at panel (Target = 112)	20	20	27	25	92	89
Commentary: Q4 update - end point 92% of target across all services, with individual services ranging from 50% to 143% of target. 22/23 year starts with new growth plans in each area with focus of carer recruitment & referral generation including new comms plans to balance scales depending on service needs. Some adjustments made to next year's KPIs to reflect changes in contracts or more realistic expectations for growth (yearend figure is sum of quarterly results)						
Progress against annual new growth target (Target = 100%)	112%	127%	140%	140%	140%	114%
Commentary: This year was very positive in terms of growth with our retention of the Women's Turnaround service for Merseyside and two successful contract awards for the same service in Cheshire and North Wales. This has firmly established us on the Ministry of Justice's Dynamic Framework, opening us up for other criminal justice opportunities in the future. In addition, we were successful in a bid to the Department of Health and Social Care's Starting Well fund - working alongside Everton in the Community we have created an extension of our Parent Baby Relationship service in specific, targeted areas of Liverpool. This service offers bonding and attachment support to families earlier on than we could previously offer. We also were successful in a bid to Children in Need to continue our Prisoners' Families service. We managed to save our Ruby service through a 12-month piece of grant funding, this service now has a particular focus on those women around our Turnaround service - those at risk of entering or already within the criminal justice system. A number of other contracts were retained or extended including New Leaf (Women's employment support around criminal justice in Cheshire) and our Diversion and Liaison work, promoting out of court interventions with women in Merseyside.						
Regulated services compliant	100%	100%	100%	100%	100%	100%
Commentary: All rated as good or above.						
Number of Volunteers (Target 70)	51	51	58	97	97	70

Commentary:

Growth in Shared Lives Carers, professionals and family members becoming panel members. Also a rise in expert by experience role on each Shared Lives area due to work shop's held.

Managing external pressures: funding

As an organisation that receives the majority of its income through contracts with the public sector we, like many others, are feeling the impact of the funding cuts that are taking hold across the UK. This means that service pricing and value for money are absolutely central to our offer and retention is key to our future success.

Adherence to our Business Development Strategy which has clear objectives around sustainability and growth has enabled us to maintain a consistent approach to bids and tenders which has enabled us to retain and secure new business.

In 2021-2022 we retained funding around key contracts including:

- MOJ Women's Turnaround - Merseyside
- New Leaf
- Liaison and Diversion
- Children in Need – Prisoners' Families

We've also built on our growth strategy by winning new contracts including:

- MOJ Women's Turnaround - Cheshire
- MOJ Women's Turnaround – Wales
- Growing Together – Starting Well Fund

Work that ended during the year:

- Family Impact: Turning Families Around

Risk Management

The Board of Trustees has ultimate responsibility for the management of risk across PSS. However, delegated authority has been passed to the Audit & Governance Sub-committee to maintain a framework of risk management and control across the organisation.

We have a cross-organisational risk register that sits at leadership level and is assessed by the Audit & Governance Sub-committee, and the Board quarterly. Any changes in the potential impact and or interventions around these risks are discussed at these meetings. Underneath this sit directorate risk registers and underneath that, portfolio and service level registers. All risk registers are real-time active documents and are also formally re-assessed each quarter at team meetings. We have listed below the top risks taken from our risk register.

1. Financial risk - relating to contract margins squeeze

The current economic climate remains challenging, specifically the financial challenges arising from the National Living Wage legislation and wage expectation. We continue to mitigate financial risk by focusing on securing new contracts through our Business Innovation Strategy. We have a high level long term financial plan that considers the financial risks and how they can be mitigated.

In terms of investments, PSS is exposed to market price risks arising from movements in the value of units held in the COIF Charitable Investment fund.

CCLA Fund Managers are responsible for all the investment management, risk management and administration services.

They employ a risk management process, including the use of appropriate stress testing procedures, which enables it to identify measure, manage and monitor at any time the relevant risks of the positions to which the Fund is or may be exposed and their contribution to the overall risk profile of the Fund.

2. Financial risk - relating to pension deficit

PSS moved away from the Growth Plan, run by TPT Retirement Solutions (TPT), during the prior year. The Growth Plan scheme carries a significant deficit and PSS plans to settle their element of this debt. We received confirmation of our uncertified debt figure of £1.9m as of September 2020. This figure of £1.9m was accounted for in prior year. TPT have since provided an updated debt figure of £1.24m as of 30 September 2021, which has been accounted for in the current year, plus outstanding deficit contribution payments due to this date of £161k. TPT have advised they are not yet able to certify this figure as they are involved in a current court case surrounding uncertainty of scheme benefit changes. We are working with First Actuarial LLP to manage this risk effectively and are confident our free reserve levels can comfortably cover any risk.

3. Cyber security risks

Cyber security continues to be an important part of our operational and financial functions. Ransomware attacks, fraudulent activity, entrapment and attempted grooming of vulnerable people are all pertinent risks faced by PSS. To counter this, we have become Cyber Essentials and Cyber Essentials Plus certified. In addition during the year we employed external auditors Mazars to conduct a thorough review of this area and we agreed a plan to ensure we are even more protected. The trustees are happy with the work being done in this area including regular penetration and vulnerability testing.

4. Staffing Levels

Over the year recruitment and retention has proved challenging. Vacancy levels have risen correlating to impact seen across many sectors relating to 'the great resignation' Our staff turnover rate for the year stood at 24% against a prior year rate of 17%. We also recognise this could have been worse and that our positive staff survey results reinforce the positive

experience PSS employees have with us. We continue to work with our funders to ensure we are keeping pace with fair wages for our sector, especially important given the rise in the cost of living. We are also committed to paying the real living wage.

Auditor

In respect of each trustee at the date the trustees' report is signed:

- So far as we are aware, there is no information needed by the charity's auditor in connection with preparing their report (relevant audit information) of which they are unaware, and;
- As the trustees of the charity we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish the company's auditor is aware of that information.

A resolution to reappoint Crowe UK LLP as auditors for the ensuing year will be proposed.

Signed on behalf of the trustees

A handwritten signature in black ink, appearing to read 'Julie Cooke', with a stylized, cursive script.

Julie Cooke

Chair

Trustees' responsibilities

The trustees are responsible for preparing the strategic report, the trustees' annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose the financial position of PSS with reasonable accuracy at any time and enable them to ensure that the financial statements comply with the UK Companies Act 2006. They're also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Independent Auditors' Report to the Members of PSS (UK)

Opinion

We have audited the financial statements of PSS (UK) for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information 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 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 directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 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 36, the trustees (who are also the directors of the charitable company for the purposes of company

law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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 and 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

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 charitable service fee income, grant and other income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, designing audit procedures over income, sample testing on the posting of journals, reviewing accounting estimates for biases and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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



Vicky Szulist

Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP

Statutory Auditor

The Lexicon

Mount Street

Manchester

M2 5NT

28th September 2022

Statement of financial activities including the income and expenditure account

		2022			2021		
	Note	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		£	£	£	£	£	£
Income and Endowments from:	2						
Donations and legacies		26,421	11,310	37,731	24,218	29,630	53,848
Charitable activities		18,476,654	248,037	18,724,691	17,483,201	195,926	17,679,127
Other charitable activities		-	129,593	129,593	-	211,017	211,017
Investments		130,591	30,406	160,997	107,829	31,220	139,049
Other		367,753	-	367,753	485,591	-	485,591
Total		19,001,419	419,346	19,420,765	18,100,839	467,793	18,568,632
Expenditure on:	3						
Raising funds		582	-	582	653	-	653
Charitable activities - standard expenditure		18,445,886	408,063	18,853,949	17,260,773	457,610	17,718,383
- pension exceptional costs		-	-	-	13,148	-	13,148
Total		18,446,468	408,063	18,854,531	17,274,574	457,610	17,732,184
Net gains/(losses) on investments		301,404	86,097	387,501	534,428	170,104	704,532
Net income/(expenditure)		856,355	97,380	953,735	1,360,693	180,287	1,540,980
Transfers between funds		-	-	-	-	-	-
Other recognised gains/(losses)							
Gains/(losses) on revaluation of fixed assets		-	-	-	(309,207)	-	(309,207)
Gain/(loss) on revaluation of pension liability	9	534,387	-	534,387	(1,199,806)	-	(1,199,806)
Net movement in funds		1,390,742	97,380	1,488,122	(148,320)	180,287	31,967
Reconciliation of funds							
Total funds brought forward		7,099,262	902,285	8,001,547	7,247,582	721,998	7,969,580
Total funds carried forward		8,490,004	999,665	9,489,669	7,099,262	902,285	8,001,547

PSS has no recognised gains and losses other than those included above. All operations are continuing. The notes on pages 44-61 form part of these accounts.

Balance sheet at 31st March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	2,644,935	2,527,581
Investment property	5	391,667	391,667
Investments	6	5,922,111	4,734,610
		<u>8,958,713</u>	<u>7,653,858</u>
Current assets			
Debtors	7	1,854,127	1,672,861
Cash at bank and in hand	12	1,853,290	2,276,761
		<u>3,707,417</u>	<u>3,949,622</u>
Liabilities			
Amounts falling due within one year	8	2,145,351	1,669,870
Net current assets		<u>1,562,066</u>	<u>2,279,752</u>
Total assets less current liabilities		<u>10,520,779</u>	<u>9,933,610</u>
Liabilities			
Amounts falling due greater than one year:			
Pension deficit contribution	9, 10	1,031,110	1,932,063
		<u>1,031,110</u>	<u>1,932,063</u>
Total net assets		<u>9,489,669</u>	<u>8,001,547</u>
The funds of the charity	11		
Restricted funds		999,665	902,285
Unrestricted funds:			
General Reserve		8,168,235	6,773,805
Fixed Asset revaluation reserve		321,769	325,457
		<u>9,489,669</u>	<u>8,001,547</u>

These Financial Statements were approved by the Board of Directors on 28th September 2022 and signed and authorised for issue on its behalf by:



Julie Cooke
Chair

The notes on pages 44-61 form part of these Accounts.

Company registration number 00214077

Cash flow statement for the year ended 31st March 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	490,286	1,177,468
Cash flows from investing activities:		
Dividends, interest and rents from investments	160,997	139,049
Proceeds from the sale of property, plant and equipment	-	0
Purchase of property plant and equipment	(274,754)	(152,533)
Proceeds from sale of investments	-	78,604
Purchase of investments	(800,000)	(745,221)
Net cash (used in)/provided by investing activities	<u>(913,757)</u>	<u>(680,101)</u>
Change in cash and cash equivalents in the reporting period	(423,471)	497,367
Cash and cash equivalents at the beginning of the reporting period	<u>2,276,761</u>	<u>1,779,394</u>
Cash and cash equivalents at the end of the reporting period	<u>1,853,290</u>	<u>2,276,761</u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure)for the reporting period (as per the SOFA)	953,735	1,540,980
Adjustments for:		
Reversal of depreciation charge on revalued assets	-	(60,056)
Depreciation charges	157,401	146,675
Profit on sale of property	-	0
(Gains)/losses on investments	(387,501)	(704,532)
(Gains)/losses on revaluation of pension liability	534,387	(1,199,806)
Dividends, interest and rents from investments	(160,997)	(139,049)
(Increase)/decrease in debtors	(181,266)	(520)
(Decrease)/increase in creditors	(425,473)	1,593,776
Net cash provided by/(used in) operating activities	<u>490,286</u>	<u>1,177,468</u>
Analysis of cash and cash equivalents		
Cash in hand	<u>1,853,290</u>	<u>2,276,761</u>
Total cash and cash equivalents	<u>1,853,290</u>	<u>2,276,761</u>

Notes to the financial statements

1 Accounting policies

Basis of preparation

PSS (UK) is a company limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and has no share capital. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the Report of the Trustees.

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

The financial statements have been prepared in accordance with the historical cost convention, except that investments are stated at market value, and freehold land & buildings are carried at valuation.

The company has a £1 investment in a dormant subsidiary. Consolidated accounts have not been prepared on the grounds of materiality. The accounts therefore present information about the company only and not about its group.

The trustees confirm that the charity meets the definition of a public benefit entity under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis, which principally assumes that the company will continue to receive grants and fees at a sustainable level.

The Trustees have given consideration to the basis of preparing financial statements in the context of the challenging times affecting the charitable sector including any ongoing impact of COVID-19.

A rolling four year forecast is reviewed quarterly by our Finance Committee, including sensitivity analysis reflecting best and worst case scenarios. The latest projection for the period ending March 2023 shows an expected surplus of £0.3m, and March 2024 forecasting at a surplus of £0.1m. Worst case scenario for March 2023 is forecasted at a break even position and March 2024 a deficit of (£0.3m).

Our worst case scenario is based on not achieving new work growth targets of £1m in 2024, and we have confidence in this area as we exceeded our prior year target, and have already achieved 41% of our 2022/23 targets by quarter May 2022 and we achieved 140% of 21/22's growth target.

Our management accounts to April 2022 are showing a surplus of £32k which is ahead of budget reflecting the prudent nature of our forecasting

Our reserves remain very strong and our worst case scenario can be fully covered. Our free reserves stand at £5.5m, which would cover our total costs net of carer payments for 6 months. The Trustees consider that the going concern basis remains appropriate.

Income and expenditure

Service income represents the amount of grants and fees receivable for the year and is credited to incoming resources when the services have been completed. Income relating to a future period is deferred.

Donations and legacies are recognised when receipt is probable and the value can be measured reliably.

Investment income is recognised when receivable for unrestricted services and in accordance with restrictions for restricted services.

Furlough income from the Government's Coronavirus Job Retention Scheme is recognised when receivable following a submission claim to HMRC.

The contribution of volunteers is not quantified in financial terms.

Expenditure is recognised on an accruals basis and is allocated between:

- expenditure incurred on the fulfilment of the charity's objectives (charitable activities);
- expenditure incurred directly in the effort to raise voluntary contributions (costs of generating funds); and
- expenditure incurred in the governance of the charity.

Any unexpended income on services which relates to grants or donations which must be expended in the following year is taken to creditors as 'Grants and donations received in advance', and shown as deferred income. The outturns of other services, whose income exceeds expenditure or whose expenditure exceeds income, are taken to reserves.

Allocation of overheads

PSS has a significant degree of centralisation of services such as human resources, business development, finance, IT and quality and compliance.

The costs of these centralised services are allocated to individual services on the basis of actual service expenditure. This ensures a fair and transparent allocation of costs and is in line with accepted practices within the voluntary sector.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

The fixed asset revaluation reserve contains revaluation gains recognised on property, plant and equipment currently held by the charity.

Investments

Investments are stated in the balance sheet at fair value. Unrealised gains and losses arising on the revaluation of investments are, together with the realised gains and losses arising on the sale of investments, shown in the statement of financial activities as net gains/(losses) on investments.

Tangible fixed assets

Properties, including land and buildings, are included at fair value as at the balance sheet date. A full valuation is attained from a qualified valuer, for each property at regular intervals, and specifically in any year were the trustees believe there has been a material change in value.

Revaluation gains or losses (which are not considered to be impairment losses) on assets held for the charity's own use are included in the SOFA under the section for other recognised gains and losses.

Depreciation is calculated to write off the cost or valuation of tangible fixed assets, excluding land, less their residual values, on a straight line basis over their estimated useful lives.

The following depreciation rates are used:

Furnishings and fittings	20%
Office equipment and minibuses	25%
Freehold property	2%
Leasehold property	2%

Property valuation are split as follows:

	Land	Building
Eleanor Rathbone House	25%	75%
Other property	75%	25%

The split for Eleanor Rathbone House has been used on the advice of the independent valuers, who deem the majority of the value to be in the building. The 'other' properties however are much older and are therefore deemed to hold the majority of their value in the land.

Service-based assets, and assets individually costing below £250 are written off fully in the year of acquisition.

Investment property

A portion of the leasehold property, Eleanor Rathbone House, is leased out to a third party and is therefore recognised as an investment property as it meets the definition of a mixed use property. Investment property is held at fair value as at the balance sheet date. The portion of the Eleanor Rathbone House held as investment property is one sixth of the total fair value, which represents the area of the property which the lessee occupies.

Leased equipment

Payments in respect of operating lease agreements (being agreements not giving rights approximating to ownership) have been charged to the Statement of Financial Activities on a straight line basis.

Financial instruments

Financial assets and financial liabilities are recognised when PSS (UK) becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially

measured at transaction price (including transaction costs). PSS (UK) 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.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

Creditors and provisions are recognised where PSS (UK) 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Cash at bank and in hand

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

Pension costs and other post-retirement benefits

PSS participated in the Growth Plan scheme, a multi-employer defined contribution pension scheme managed by TPT Retirement Solutions (TPT), until 30th September 2020. From the 1st October 2020 PSS moved to The People Pension. From the period March 2020 to Sept 2020 PSS had entered into a funding agreement with TPT to contribute towards the scheme deficit. The amount recognised for this period was the net present value of the deficit contributions payable under the agreement that relates to the deficit. The interest cost of the debt is reflected in the SOFA with the payments (less interest) being offset against the liability.

On leaving the Growth Plan, the deficit relating to PSS becomes due. TPT has provided an uncertified debt figure for PSS as at September 2020 of £1.9m, calculated on an annuity buy-out basis. In July 2022, TPT provided PSS with an updated debt figure as at 30 September 2021 of £1.24m. This has been fully accounted for along with £161k deficit contribution payments due. PSS's Period of Grace has been extended to September 2023, which means the debt will become payable at that point.

Since 1st October 2020, PSS has participated in the People's Pension scheme, a master trust multi-employer defined contribution scheme managed by B&CE. Contributions to the pension fund are charged to the SOFA.

Termination benefits

Termination benefits are employee benefits payable as a result of either the charity's decision to terminate an employee's employment; or an employee's decision to accept voluntary redundancy in exchange for those benefits.

Taxation and Deferred Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, the trustees are required to make estimates and judgements. The matters considered below are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cash flows.

- Valuation of freehold and long-leasehold property - In order to determine the fair value, advice is taken from independent qualified valuers. In this context, judgement is exercised in a number of areas, including local market conditions and investor demand.
- Classification of leases - whether leases entered into by PSS (UK), as lessee, is operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty include:

- Depreciation of tangible fixed assets and impairment – Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate.
- Provision for bad debts – bad debts is provided against when there is objective evidence that the debt will not be recoverable.

2 Incoming resources

Analysis of income:	2022		2021		Total
	Unrestricted	Restricted	Unrestricted	Restricted	
	£	£	£	£	£
Grants:					
Ministry of Justice	-	-	-	32,593	32,593
Children in Need	-	44,773	-	43,162	43,162
Merseyside Police	-	46,831	-	36,795	36,795
Department of Health & Social Care	-	144,839	-	-	-
Other	-	11,594	-	83,376	83,376
Total Grant Income	-	248,037	-	195,926	195,926
Fees for charitable services provided	18,476,654	-	17,483,201	-	17,483,201
Donations from trusts and individuals	26,421	11,310	24,218	29,630	53,848
Big Lottery Fund	-	129,593	-	211,017	211,017
Legacies	-	-	-	-	-
Investment Income	130,591	30,406	107,829	31,220	139,049
Sundry Income	367,753	-	379,033	-	379,033
Furlough Income	-	-	106,558	-	106,558
Total Income	19,001,419	419,346	18,100,839	467,793	18,568,632

Incoming resources continued

Movements in deferred income	2022		2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted
	£	£	£	£	£
Grant income deferred at 1.4.2021	-	232,028	232,028	-	48,791
Grants receivable in the year	-	232,730	232,730	-	379,163
Grant income deferred at 31.3.2022	-	(216,721)	(216,721)	-	(232,028)
Grant income recognised for the year	-	248,037	248,037	-	195,926
Donation income deferred at 1.4.2021	-	-	-	-	-
Donations received in the year	26,421	11,310	37,731	24,218	29,630
Donation income deferred at 31.3.2022	-	-	-	-	-
Donation income recognised for the year	26,421	11,310	37,731	24,218	29,630
Big Lottery Fund income deferred at 1.4.2021	-	29,365	29,365	-	30,037
Big Lottery Fund income receivable in the year	-	100,228	100,228	-	210,345
Big Lottery Fund income deferred at 31.3.2022	-	-	-	-	(29,365)
Big Lottery Fund income recognised in the year	-	129,593	129,593	-	211,017
Fee income deferred at 1.4.2021	62,873	-	62,873	73,871	-
Fee income receivable in the year	18,541,499	-	18,541,499	17,472,203	-
Fee income deferred at 31.3.2022	(127,718)	-	(127,718)	(62,873)	-
Fee income recognised in the year	18,476,654	-	18,476,654	17,483,201	-

Incoming resources continued

	2022		2021	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Home & Communities	3,973,474	1,900	4,381,344	500
Shared Lives	12,969,714	142	12,404,994	-
Strengthening Families	1,781,499	390,943	1,008,000	441,602
Other	276,732	26,361	306,501	25,691
	19,001,419	419,346	18,100,839	467,793
				18,568,632

Big Lottery Fund analysis

	Restricted		Restricted	
	2022	2021	2022	2021
	Income deferred 14.2021	Income receivable for the year	Income deferred 1.4.2020	Income receivable for the year
	£	£	£	£
Family Impact 0010266218	8,865	120,728	6,653	80,845
Parent & Baby Wellness 0010300227	20,500	(20,500)	21,384	40,000
The Ruby Project 0010255361	-	-	2,000	89,500
	29,365	100,228	30,037	210,345
				(211,017)
				29,365

Investment income includes:

Income from UK listed investments
Income from non-UK listed investments
Income from investment & unit trusts
Interest on deposit funds

	2022		2021	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Income from UK listed investments	-	-	-	-
Income from non-UK listed investments	-	-	-	-
Income from investment & unit trusts	130,247	30,406	107,060	31,220
Interest on deposit funds	344	-	768	-
	130,591	30,406	107,828	31,220
				139,048

3 Expenditure

Expenditure on charitable activities

	2022					2021				
	£	£	£	£	£	£	£	£	£	£
	Direct Costs	Support Costs	Governance Costs	Exceptional costs	Total	Direct Costs	Support Costs	Governance Costs	Exceptional costs	Total
Home and Communities	3,552,911	328,469	14,548	-	3,895,928	3,516,191	355,248	15,601	2,955	3,889,995
Shared Lives	11,590,063	1,071,508	47,459	-	12,709,030	10,936,024	1,104,889	48,523	9,191	12,098,627
Strengthening Families	1,733,281	160,242	7,097	-	1,900,620	1,192,015	120,432	5,289	1,002	1,318,738
Other	348,371	-	-	-	348,371	424,171	-	-	-	424,171
Costs of generating voluntary income	582	-	-	-	582	653	-	-	-	653
	17,225,208	1,560,219	69,104	-	18,854,531	16,069,054	1,580,569	69,413	13,148	17,732,184

Expenditure on charitable activities is the cost of providing charitable services, including staff costs, and elements of service managed centrally. Governance costs relate to the costs of compliance with statutory requirements, including the external audit. The portfolios listed above allocate expenditure on charitable activities based on the operations of the charity.

Governance Costs

	2022	2021
	£	£
Statutory audit fees	22,200	21,600
Other fees to internal auditors	12,606	20,147
Salaries	34,298	27,666
Legal & professional costs	-	-
	69,104	69,413

Expenditure continued

	2022 £	2021 £
The following amounts are included in expenditure:		
Depreciation: tangible fixed assets, owned	157,400	146,675
Operating Lease rentals:		
Land & Building	124,321	121,845
Other	14,875	17,736
Auditors Remuneration - Audit Services	22,200	21,600
	<u>2022</u>	<u>2021</u>
	£	£
Staff costs		
Salaries	5,377,845	5,543,097
Social Security costs	415,335	414,424
Other pension costs	380,912	413,327
	<u>6,174,092</u>	<u>6,370,848</u>
Average no. of employees	<u>287</u>	<u>314</u>
Analysis:		
Charitable activities	285	312
Governance	2	2
	<u>287</u>	<u>314</u>
	2022	2021
The emoluments of higher paid employees fell within the following ranges:	No.	No.
£60,000 - £70,000	2	-
£70,001 - £80,000	-	2
£90,001 - £100,000	1	1

The key management personnel comprise of the chief executive officer, director of operations, director of finance and people, and director of business development and innovation. The total gross salaries and employer pension contributions of the key management was £316,347 (2021: £369,808). During the year 3 higher-paid employees (2021: 3) participated in the defined contribution pension scheme. Employer's pension contributions for higher paid staff were £57,333 (2021: £49,717). The total paid during the year on redundancy and termination payments was £12,976 (2021: £34,653).

No trustee or person with a family or business connected with a trustee received remuneration in the year from the charity. Expenses of £42 (2021: £Nil) were reimbursed to one (2021: None) member of the Trustees. Professional indemnity insurance that covers our trustees was paid during the year at a cost of £4,284 (2021: £3,246).

A liability is recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The value of this provision is £64,109 (2021: £55,263).

During the year fees were paid to 515 (2021: 480) self-employed Shared Lives carers. These fees are categorised as charitable expenditure and are not considered when calculating staff cost.

4 Tangible fixed assets

	Freehold property £	Leasehold property £	Furnishings & fittings £	Office Equipment £	Total £
Cost/valuation					
Balance at 1.4.2021	273,000	1,958,333	246,465	1,056,103	3,533,901
Additions	-	202,381	569	71,804	274,754
Disposals	-	-	-	-	-
Gains/(losses) on revaluations	-	-	-	-	-
Transfers	-	-	-	-	-
Balance at 31.3.2022	<u>273,000</u>	<u>2,160,714</u>	<u>247,034</u>	<u>1,127,907</u>	<u>3,808,655</u>
Depreciation					
Balance at 1.4.2021	10,338	5,151	168,489	822,342	1,006,320
Charge for year	1,365	30,134	29,755	96,146	157,400
On disposals	-	-	-	-	-
Written back	-	-	-	-	-
Balance at 31.3.2022	<u>11,703</u>	<u>35,285</u>	<u>198,244</u>	<u>918,488</u>	<u>1,163,720</u>
Net book amount					
31-Mar-22	<u>261,297</u>	<u>2,125,429</u>	<u>48,790</u>	<u>209,419</u>	<u>2,644,935</u>
31-Mar-21	<u>262,662</u>	<u>1,953,182</u>	<u>77,976</u>	<u>233,761</u>	<u>2,527,581</u>

All tangible fixed assets were used for charitable purposes.

The trustees have deemed that these valuations remain appropriate at 31 March 2022.

	2022 £	2021 £
If the freehold and leasehold land and buildings had not been revalued, they would have been included on the historical cost basis as follows:		
Cost	1,925,404	1,925,404
Accumulated depreciation	114,933	87,122
Net book value	<u>1,810,471</u>	<u>1,838,282</u>

5 Investment property

	2022 £	2021 £
Balance at 1.4.2021	391,667	440,000
Additions	-	-
Disposals	-	-
Loss on revaluation	-	(48,333)
Balance at 31.3.2022	<u>391,667</u>	<u>391,667</u>

Investment property is included on a fair value basis. An external revaluation was carried out by Eckersley as at 27th January 2021. The trustees have considered the valuations above as a fair reflection of the year end fair value.

6 Fixed asset investments

	Unrestricted £	Restricted (LQV) £	Restricted (Mountford) £	Restricted (LCWT) £	Total £
Listed investments:					
Market value at 01.4.2021	3,705,163	297,995	37,152	694,300	4,734,610
Legacies	-	-	-	-	-
Additions	800,000	-	-	-	800,000
Disposals	-	-	-	-	-
Adjustment to market value	301,404	25,856	-	60,241	387,501
Market value at 31.3.2022	<u>4,806,567</u>	<u>323,851</u>	<u>37,152</u>	<u>754,541</u>	<u>5,922,111</u>
Analysis of quoted investments:					
Fixed interest	-	-	-	-	-
Ordinary shares - UK	-	-	-	-	-
Ordinary shares - overseas	-	-	-	-	-
Alternatives	-	-	-	-	-
Other investments:					
Deposit fund	-	-	37,152	-	37,152
Investment & Unit trusts	<u>4,806,567</u>	<u>323,851</u>	<u>-</u>	<u>754,541</u>	<u>5,884,959</u>
	<u>4,806,567</u>	<u>323,851</u>	<u>37,152</u>	<u>754,541</u>	<u>5,922,111</u>

All the quoted fixed asset investments investment units with the COIF Charities Fund or deposits with the COIF Charities Deposit Fund.

The historic cost of listed investments at 31 March 2022 is £5,386,154 (2021: £4,586,154).

There are no individual investments which comprise greater than 5% of the value of the portfolio.

The company has a £1 investment representing 100% of the issued ordinary share capital of PSS Commercial Services Limited incorporated in England. The subsidiary has been dormant throughout the year. Consolidated accounts have not been prepared on the grounds of materiality. The net assets of the company at the balance sheet date were £1.

	UK £	Non UK £	Total £
An analysis of the location of investments is as follows:			
Listed investments at valuation	-	-	-
Investment and unit trusts	5,884,959	-	5,884,959
Deposit fund	37,152	-	37,152
At 31 March 2022	<u>5,922,111</u>	<u>-</u>	<u>5,922,111</u>
At 31 March 2021	<u>4,734,610</u>	<u>-</u>	<u>4,734,610</u>

7 Debtors: amounts due within one year

	2022 £	2021 £
Trade Debtors	1,328,178	1,264,538
Other Debtors	1,697	1,627
Prepayments & Accrued Income	<u>524,253</u>	<u>406,696</u>
	<u>1,854,128</u>	<u>1,672,861</u>

8 Creditors: amounts due within one year

	2022 £	2021 £
Trade Creditors	241,873	340,605
Other Creditors	473,702	380,677
Accruals	544,976	494,542
Deferred Income	344,438	324,266
Other Taxes & Social Security	130,332	93,701
Pension Creditor	43,464	36,079
Pensions Trust liability: due within a year	<u>366,566</u>	<u>-</u>
	<u>2,145,351</u>	<u>1,669,870</u>

9 Creditors: amounts due greater than one year

	2022 £	2021 £
Pensions Trust liability: due greater than a year	1,031,110	1,932,063
	<u>1,031,110</u>	<u>1,932,063</u>

On 30 September 2020, PSS left the Growth Plan run by TPT Retirement Solutions. The Scheme Actuary to the Growth Plan has provided an uncertified debt figure of £1.9m but has been instructed by the Growth Plan trustee to not certify the debt, due to an ongoing court case regarding the potential non-adherence to scheme rules. In response, PSS have agreed a 'period of grace' with the Growth Plan trustee to 30 September 2023.

In June 2022, TPT Retirement Solutions issued a new update to Growth Plan employers. This update confirmed that the court case could increase liabilities in the Growth Plan. The court process is ongoing and is being contested by TPT. The matter is unlikely to be resolved before the end of 2024, at the earliest. In August 2022, TPT confirmed that the Court case does affect the Growth Plan. The Scheme Actuary has estimated that, if the Court rules against the Trustee, the Section 75 debt for PSS will increase by around £350,000. PSS therefore has a contingent liability of £350,000, should the outcome of the court case go against TPT.

10 Pension obligations

PSS left the Growth Plan as at 30th September 2020. TPT Retirement Solutions (TPT) provided an uncertified debt figure due of £1,932,063. PSS's funding position calculated using an annuity buy-out basis. TPT have advised that they are unable to certify the debt, due an ongoing court case relating to their potential non adherence to scheme rules.

In July 2022, TPT provided an updated debt figure for PSS of £1.24m at 30 September 2021. This has been recognised in liabilities with £161k of deficit contribution payments due from when PSS exited the scheme, until the valuation date.

This figure represents PSS's share of the schemes total underfunding of £86m. This includes orphan liabilities. Orphan liabilities are the total amount of the Growth Plan's liabilities, which are not attributable to employment with any of the participating employers. The liabilities were apportioned to existing participating employers as at the date of withdrawal and the orphan liabilities shared amongst the existing participating employers in proportion to their share of the non-orphan liabilities.

The Scheme Actuary confirmed in August 2022 that the court case would affect the Plan and associated liabilities. They estimated that PSS's Section 75 debt will increase by around £350,000, should the Court rule against the Trustee. PSS has recognised a contingent liability for this amount (see note 9).

The trustees have agreed that our intention is to settle the debt once TPT are in a position to certify the figure. Our period of grace for debt settlement has been extended to 30 September 2023 and so management has used judgement to treat amounts as due greater than one year, excluding deficit contrubution payments that are due within a year.

11 Reserves

	2022						2021					
	Balance at 1.4.2021	Incoming resources	Expenditure & losses	Net incoming/ (outgoing) resources	Realised/ unrealised gains/losses & transfers	Balance at 31.3.2022	Balance at 1.4.2020	Incoming resources	Expenditure & losses	Net incoming/ (outgoing) resources	Realised/ unrealised gains/losses & transfers	Balance at 31.3.2021
	£	£	£	£	£	£	£	£	£	£	£	£
Restricted funds:												
Child Welfare	507,004	3,191	(1,376)	1,815	60,241	569,060	384,871	4,379	(813)	3,566	118,567	507,004
Mountford Fund	37,152	-	-	-	-	37,152	37,061	91	-	91	-	37,152
Liverpool Queen Victoria	330,702	9,131	(1,055)	8,076	25,856	364,634	272,243	9,603	(2,681)	6,922	51,537	330,702
Other	27,427	407,024	(405,632)	1,392	-	28,819	27,823	453,720	(454,116)	(396)	-	27,427
Total restricted funds	902,285	419,346	(408,063)	11,283	86,097	999,665	721,998	467,793	(457,610)	10,183	170,104	902,285
General funds:												
Fixed Asset Revaluation	325,457	-	(3,688)	(3,688)	-	321,769	640,425	-	(5,761)	(5,761)	(309,207)	325,457
General reserve	6,773,805	19,001,419	(18,442,780)	558,639	835,791	8,168,235	6,607,157	18,100,839	(17,268,813)	832,026	(665,378)	6,773,805
	7,099,262	19,001,419	(18,446,468)	554,951	835,791	8,490,004	7,247,582	18,100,839	(17,274,574)	826,265	(974,585)	7,099,262
Total unrestricted funds	7,099,262	19,001,419	(18,446,468)	554,951	835,791	8,490,004	7,247,582	18,100,839	(17,274,574)	826,265	(974,585)	7,099,262
Total reserves	8,001,547	19,420,765	(18,854,531)	566,234	921,888	9,489,669	7,969,580	18,568,632	(17,732,184)	836,448	(804,481)	8,001,547

Reserves continued

	2022						2021					
	Tangible fixed assets £	Investment property £	Investments at market value £	Bank balances £	Other assets & liabilities £	Total £	Tangible fixed assets £	Investment property £	Investments at market value £	Bank balances £	Other assets & liabilities £	Total £
Restricted funds												
Child Welfare	-	-	754,541	981	(186,462)	569,060	-	-	694,300	981	(188,277)	507,004
Mountford Fund	-	-	37,152	-	-	37,152	-	-	37,152	-	-	37,152
Liverpool Queen Victoria	-	-	323,850	-	40,784	364,634	-	-	297,995	-	32,707	330,702
Other	-	-	-	-	28,819	28,819	-	-	-	-	27,427	27,427
	-	-	1,115,543	981	(116,859)	999,665	-	-	1,029,447	981	(128,143)	902,285
Unrestricted funds												
Fixed Asset reserve	321,769	-	-	-	-	321,769	373,790	(48,333)	-	-	-	325,457
General reserve	2,323,166	391,667	4,806,568	1,852,309	(1,205,475)	8,168,235	2,153,791	440,000	3,705,163	2,275,780	(1,800,930)	6,773,805
Designated funds	-	-	-	-	-	-	-	-	-	-	-	-
	2,644,935	391,667	4,806,568	1,852,309	(1,205,475)	8,490,004	2,527,581	391,667	3,705,163	2,275,780	(1,800,930)	7,099,262
	2,644,935	391,667	5,922,111	1,853,290	(1,322,334)	9,489,669	2,527,581	391,667	4,734,610	2,276,761	(1,929,073)	8,001,547

12 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	<u>1,853,290</u>	<u>2,276,761</u>

13 Analysis of net debt

	At 1 April 2021 £	Cash flows £	At 31 March £
Cash at bank and in hand	<u>2,276,761</u>	<u>(423,471)</u>	<u>1,853,290</u>

14 Financial commitments

The charitable company has financial commitments in respect of operating leases as follows:

	Land & Buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Not later than 1 year	45,093	55,728	13,080	17,352
years	<u>33,002</u>	<u>11,002</u>	<u>52,320</u>	<u>24,018</u>
	<u>78,095</u>	<u>66,729</u>	<u>65,400</u>	<u>41,370</u>

15 Related party transactions

During the year a total of £2,000 (2021: £4,750) in donations was received from Rodney Paul & Janet Sturges. Our Director of Operations, Harriet Michael-Phillips, is the daughter of Rodney Paul & Janet Sturges. These donations were made voluntarily to support our Ruby service. There was £Nil (2020: £Nil) outstanding at 31 March 2022.

16 Financial instruments

	2022 £	2021 £
Financial Assets		
Cash at bank and in hand	1,853,290	2,276,761
Investments	5,922,111	4,734,610
Trade debtors	1,328,178	1,264,538
Other debtors	1,697	1,627
Accrued income	368,378	272,961
	<u>9,473,654</u>	<u>8,550,497</u>
Financial Liabilities		
Trade creditors	241,873	340,605
Other creditors	473,702	380,677
Accruals	544,976	494,542
	<u>1,260,551</u>	<u>1,215,824</u>