PEABODY COMMUNITY FOUNDATION

England & Wales · Charity number 271731

Details

Other names	TRUST THAMESMEAD LIMITED
Status	Registered
Legal form	Charitable company
Company number	01267728
Registered	1976-08-20
Register	View on the Charity Commission register

Contact

Address	Peabody Trust Minster Court 45-47 Westminster Bridge Road London SE1 7JB
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Website	https://www.peabody.org.uk/community-programmes/the-peabody-community-foundation

Activities

Objects: The Charity is established for general charitable purposes for the benefit of the inhabitants of Greater London and its Environs, including and in particular Thamesmead and the surrounding areas, and in particular:1. to advance education;2. to relieve financial need;3. to promote health;4. to promote amateur sport;5. to promote for the public benefit community safety and the prevention of crime;6. to relieve unemployment for the public benefit in such ways as may be thought fit, includingassistance to find employment;7. to develop the capacity and skills of the members of the community in such a way that theyare better able to identify, and help meet, their needs and to participate more fully in society;and8. to provide or assist in the provision of facilities in the interests of social welfare for recreation or other leisure time occupation of members of the community who have need of such facilities by reason of their youth, age infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.“Greater London and its Environs” shall mean those Local Authority areas in and around Greater London, as further set out in Annex 1 parts A and B to the Articles, and any successor authorities to those listed in Annex 1.

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Activities: Peabody Community Foundation is a leading community development organisation working in London, with a focus on Thamesmead. Our community work is aimed at building the capacity of individuals and groups, through employment, training, volunteering, community engagement, youth programmes, sports programmes, financial advice, healthy living advice, and family support services.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Amateur Sport, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,966,035	£9,075,918	£34,422,057	0
2024-03-31	£10,049,537	£10,046,798	£34,245,283	129
2023-03-31	£8,477,540	£8,221,447	£34,224,759	103
2022-03-31	£11,795,935	£6,775,549	£33,975,963	90
2021-03-31	£7,715,170	£7,805,922	£28,848,042	107

Trustees

Name	Role	Appointed
Ngozika Anichebe		2025-01-01
Nivene Powell		2025-11-01
Peter Ntiamoah Baffoe		2018-09-26
Uba Amiri Mbarak		2020-11-18

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PEABODY COMMUNITY FOUNDATION

England & Wales - Charity number 271731

Accounts

Peabody

Peabody Community Foundation Annual Report and Accounts 2025

Working together to provide the right support in local communities

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Who we are

The Peabody Group has a long history of investing in communities and in April 2016 set up Peabody Community Foundation (PCF) to bring together the Group's community investment activities. Our team works in partnership with grassroots, local, and national organisations to develop programmes and provide support that meet the needs of local people. Together we help them become healthier, wealthier and happier.

In line with the whole of the Peabody Group, we are focused on doing what's right for residents and working closely with them to provide support when they need it most. We do this by taking a local approach so we can get closer to residents, listen to what they want, and deliver what they really need.

The Peabody Group is one of the oldest not-for-profit housing associations in the UK. It's responsible for nearly 109,000 homes, with around 220,000 residents across London and the Home Counties. It also has around 25,000 care and support customers.

Peabody

2024-5 *Highlights*

£9m invested

in communities.

30,000+ people supported

through projects and activities.

65,000+ hours

of free activities provided, including health and wellbeing projects, English classes, and tuition for primary school children.

1,200+ people

helped into work.

11 local community groups

awarded funding through the new Kerslake Community Award Fund.

£200,000+ raised

for local communities through the Peabody Fun Run, Dragon Boats Race, and the annual Peabody Golf Day.

£200,000+ in grants

awarded to local communities.

£10m+

of social value delivered.

Foreword
Peter Baffoe

Chair of PCF and Resident Experience Committee

Over the past year, PCF has continued to do what it does best, work alongside residents, partners, and local organisations to help people lead healthier, wealthier and happier lives.

The impact has been real and far-reaching. We supported more than 30,000 people through community programmes, helped over 1,200 people into work, and delivered more than 65,000 hours of free activities in local communities. And by working in partnership, we've delivered £10.4m of social value – that's tangible social and economic improvements to people's lives - showing what's possible when we join forces with others who share our values.

These numbers tell a powerful story, but what sits behind them is even more important: meaningful relationships, shared purpose, and deep-rooted commitment to the people and places we serve.

This year, more than ever, we've seen how vital it is to be present, responsive, and rooted in local communities. Every day, we continue to witness the very real impact that the high cost of living is having on people's lives, on their wellbeing, their resilience, and their opportunities. And that's why the work of the foundation has never felt more important.

As a charity, we are committed to long-term investment in communities, and are passionate about helping people to thrive, not just get by. By staying close to residents and listening to what matters to them, we're able to deliver support that feels relevant, personal, and timely.

Residents have been given more space and power to shape the work we do, from local steering groups, to resident boards and events. This local, place-based approach is at the heart of Peabody's wider mission, and PCF is leading the way in showing what that looks like in practice.

Thank you to everyone who's played a part in this year's success, our team of dedicated colleagues, local delivery partners, volunteers, and of course, the residents who trust us to walk alongside them.

Together, we're building stronger, more connected communities, where people are not only supported in times of need but empowered to shape their own futures.

Peter

How we *work*

We're focused on how we can make things better for those living in local communities. We know that residents face a range of ongoing challenges, including barriers to employment, financial issues, and lower standards of health and wellbeing, and our goal is to help them deal with these challenges and become healthier, wealthier and happier.

To do this, we must recognise what people need. So, like the wider Peabody Group, we're working hard to improve the way we engage with residents to make sure we're providing the right support in the right neighbourhoods.

Our Community Investment Strategy sets out how we aim to help residents and communities to help themselves by listening and learning, sharing power, and using their own skills and passion to shape and drive change. We tackle poverty and inequality to help build financial resilience, and support people to get involved in local life through inclusive programmes and activities.

We also look at the bigger picture. We take a place-based approach to ensure we maximise our impact and make the best use of our resources and partnerships. We work closely with community groups, local authorities, and the voluntary sector across 19 boroughs and towns organising funding, activities and support to help make things happen.

Everything we do, we do with the aim of strengthening communities by stimulating growth, attracting new investment and improving local skills. We build meaningful and sustainable partnerships with organisations that share our commitment, and make sure that we deliver, monitor, and measure meaningful, long-term impact.

Healthier

We support wellbeing, helping people to thrive physically, mentally and emotionally.

Wealthier

We tackle poverty and inequality, supporting people to become financially resilient.

Happier

We help people to feel connected to, and involved in, their communities.

Key progress

Providing *real benefits*

This past year has been about listening and using the experience of people that live in local communities to help shape our approach. We've improved how we do this, holding regular events where residents can have their say, such as resident board sessions and steering group meetings.

For example, residents in South London said they needed more targeted support for people with Special Educational Needs and Disabilities (SEND). So we supported Erith Town Football Club to offer disability-friendly training sessions at Sporting Club Thamesmead. We also provided funding so Ballers Academy in Southwark could deliver community sports programmes for all ages and abilities, including chair-based exercise classes in Walworth and youth camps in Rotherhithe.

Residents also told us that a lack of local childcare was making it difficult for them to work. So we partnered with BNP Paribas to support 77 people to take childcare qualifications, increasing the number of potential childcare workers in local communities and relieving the pressure on working parents.

Meanwhile in North East London, we used feedback from more than 200 residents to help shape initiatives providing a range of new opportunities and experiences for local people. This included microgrants to support resident-led activities, including a trip to the seaside for 144 people, and a partnership with Islington Giving and the Make It Happen Fund, which distributed £15,000 for local projects.

On the Palmer and King's Cross estates in Islington, we adopted a neighbourhood approach, successfully engaging with more than 70 residents through pop-up cafes, a field clear-up, a free mini-library, and regular community surgeries.

Key progress

Measuring *our impact*

The key to our success is making sure we deliver the support and services that people really need. To do this, we're constantly reviewing the impact our work has on local communities. We look at the key outcomes and showcase the difference we're making by sharing case studies and stories that bring our work to life, alongside the data that highlights our progress.

In October, we launched the Kerslake Community Award, a new grant programme honouring the legacy of Peabody's former Chair, Lord Kerslake. The £40,000 annual fund will provide grants of up to £2,000 a year to support individual projects that help Peabody residents become healthier, wealthier and happier.

We run a network of around 100 community centres. During the year, we refurbished several of these with new kitchens and other facilities, re-opened three sites that had been closed since the pandemic, and helped attract more people to two previously underused spaces. These vibrant hubs host a wide range of resident and community-led activities, with 17 being managed directly by residents.

Refurbishment brings new sports and extra income

The climbing equipment and apparatus at the Link, a community centre in Thamesmead, hadn't been used for six years. So last year, it was removed and the space re-purposed into a large sports hall.

Now, two new partners are offering sports activities for people of all abilities and ages in the community, including some free spaces for Peabody residents. They're also providing an income for the next three years, proving that by listening to what communities want, everyone can benefit.

Key progress

Social *value*

We work with our contractors and suppliers to collectively create social value through our spending decisions so we can address more of the key issues faced by residents and those living in local communities. We've embedded social value targets in our large-scale contracts and engage with smaller partners to ensure that local communities benefit from employment opportunities, funding for grassroots events, projects and volunteering opportunities.

In January, Peabody completed the fit-out of its first affordable workspace at New Mansion Square in Battersea, South West London. This project is a partnership between the Commercial Properties and Economic Inclusion teams. Together, we're supporting early-stage and not-for-profit enterprises to grow and build resilience and scale by using our social value partners to help with things like legal support. Getting free advice on how to navigate a complex lease agreement can be the difference between surviving or thriving for first-time commercial businesses.

At the Calcott Community Centre in Islington, working together was key to improving the local space for residents to enjoy. A long list of Peabody teams including the Community Investment, Social Value, Estate Services, Community Properties, and Landscaping teams worked with one of Peabody's repairs contractors, Axis. Together, they cleared the field to make it a more attractive and accessible space for residents to use for recreation and community activities. Families and local people have welcomed the changes and are very pleased with how it now looks.

"Created more than £10m in social value – useful and tangible benefits to local communities.

PCF in action

Helping local communities *to be healthier*

Community-powered change

Residents of Purfleet-on-Thames in Essex organised a big community lunch in the summer for dozens of people of all ages. Soon after, volunteers set up a new local community pantry and café to give local people better access to affordable, healthy food and everyday essentials.

We supported the project together with the local council, Thurrock CVS, Purfleet-on-Thames Community Forum, and volunteers from the Purfleet Community Hub. Councillor Valerie Morris-Cook described the pantry and café as a local solution to a national problem.

"A massive thank you to everyone who has worked so hard to create this welcoming space where residents can access essential, healthy food at lower prices," she said. Thurrock is one of our key focus areas in Essex.

Inclusive sport for families

More than 50 deaf and disabled children and their families attended an Inclusive Sports Festival organised in partnership with Access Sport at Sporting Club Thamesmead.

More and more people are coming to the sessions for children with Special Educational Needs & Disabilities (SEND) and their families in Greenwich and Bexley, and the positive impact on the health and wellbeing of the individuals and their families is clear.

Speaking about the sessions, one parent said their child "really loved it".

"It was really great to meet a couple of people and find out about different clubs he can do going forward. It was a lovely environment because I didn't have to worry about his safety.

35,600kgs
of food delivered

£94,500
estimated value of food saved

Helping London eat well for less

As the cost-of-living continues to adversely affect many people, we are continually looking for ways to help. One of those is through our work on the London Food Insecurity Network (LFIN).

Through our partnership with HACT, the Felix Project, and other G15 housing associations, we're taking collective action, working towards a London where good food is never wasted and no social housing resident goes to bed hungry. Over the winter, the LFIN helped deliver an extra 35,600kgs of food, equal to just under 85,000 meals, by organising 48 special surplus food winter markets. The estimated value of food saved was just over £94,500.

PCF in action

Helping local communities *to be wealthier*

Young entrepreneurs on the up

Nine young local entrepreneurs received more than 70 hours of business masterclasses and support from YEA! Haringey to help them start or grow their own business.

Ariana, who attended the sessions in North London, said: “At first, I didn’t think I had the confidence to pitch my business to an audience. Fast forward to now, and not only did I find the courage, but I also secured second place to receive some funding to help grow my business.”

We worked with Local Champions CIC to help make their Young Entrepreneurs Alliance (YEA) sessions in Haringey happen. The 10-week programme provides eight hours of one-to-one coaching and mentoring, as well as a mental health first aid accreditation and £5,000 in seed funding to three participants.

Jobs fair helps expand potential

More than 1,000 people registered for our Career and Volunteer Fair in Thamesmead where 37 exhibitors including Lovell, the University of Greenwich, and the Peabody Talent Team, offered a variety of local opportunities ranging from new jobs to training and volunteering roles.

As well as finding out about job opportunities, residents attended CV and interview workshops, and sessions on financial assistance and digital support.

Feedback from those who attended the event was positive, with 93 percent rating the fair as fair, good or excellent.

1,000+

people registered for our Career and Volunteer Fair

Helping inspire young people into construction

A group of young people aged 16 to 18 had the opportunity to learn about careers in construction at a work experience session at our Lombard Square Development Site in Thamesmead.

In partnership with Berkeley Homes and London South East Colleges, the session showcased a range of trades and outlined how the various skills are applied across different phases of development. The students also had the opportunity to speak with industry professionals.

We're working closely with our partners to offer more work experience opportunities to residents and others in local communities to help broaden their understanding of the jobs available and help us showcase the sectors where there are skills shortages.

Working together – a win-win for all

Peabody resident Kelly, is now on her way to long-term employment and construction company Wates has a motivated new team member - all thanks to effective collaboration.

Wates had been struggling to find a suitable candidate for a Business Administration Apprenticeship and was about to close the vacancy.

Through the Islington Anchor Institution Network, the Peabody Economic Inclusion team got in touch with Freda Azam, a Resident Engagement Caseworker at Islington Council who supports residents to get apprenticeships.

Freda put forward three candidates for the Wates apprenticeship, and after some additional help with her CV and interview techniques, Kelly got the role and is now working towards a qualification in business administration.

PCF in action

Helping local communities *to be happier*

Tackling loneliness and improving wellbeing

One size fits all doesn't work when it comes to providing support and services in local communities. That's why the day centre in Southall, an area of West London known for its large South Asian population, tailors its services to older people from those communities - and the residents love it.

One 75-year-old local resident joined the centre to make friends and help relieve her loneliness after her husband passed away during the COVID lockdown.

Five years on, and she still loves going to the day centre and looks forward to meeting her friends and joking and laughing with them. "Being at home, it's the same chores," she says. "But coming here I get to mingle with friends." These things, she says, help make her day.

The Southall Day Centre provides a broad programme of activities focused on the needs of local residents. They all promote positive health and wellbeing, and include things like keep-fit classes, cultural events, art and craft sessions and singing groups.

Challenging preconceptions

There's more to the Moorings Sociable Club in Thamesmead than meets the eye. As well as providing essential support to local residents with issues such as housing, jobs and training, it's also home to the Camouflage Café – a café which over the past year has enabled students with learning disabilities practice their barista skills.

In July, seven local students aged 19-25 graduated from the bespoke barista internship programme run by Brighter Futures. As well as equipping the young people with a qualification to help them become more independent, by being based in the community, the programme helps challenge people's preconceptions and normalises the presence of diverse abilities in the working environment.

> **"The venue was ideal, and Peabody staff showed us the love; our young people felt at home, and this also contributed to their success in completing the programme.**

Residents and partners working together to empower local people

Mama Haven, a group led by a Peabody resident in Hammersmith and Fulham, has helped local mothers to improve their future prospects after identifying a gap in their skillset and working with partners to deliver bespoke training.

With funding from PCF, Mama Haven has hosted a range of activities, including research into barriers to employment. The research found that many local women entrepreneurs needed to improve their digital marketing skills.

So the group, led by Elise Brown, secured funding from one of Peabody's partners, Axis Europe, for a six-week training course at the Old Oak Community Centre.

The practical course, delivered by Align and Shine, attracted a diverse group of women, particularly those over 40 – a previously underserved demographic. It showed them how to enhance their online presence and gave them the confidence to try new things.

Partnerships like this help exemplify the power of collaboration between us, our social value partners, and resident-led organisations like Mama Haven. By addressing the specific needs of Peabody communities, these initiatives empower individuals, strengthen the local economy, and contribute to a more inclusive and prosperous future for all.

Final word by
Stephen Burns

Executive Director Care, Inclusion and Communities

As we look to the year ahead, our focus remains firmly on supporting people across all stages of life. From families with children and young people, to older residents looking to stay active and connected, we are here to help people live healthy, fulfilling lives. We're committed to shaping our work to meet the real-life needs of the people and communities we serve.

A place-based approach

We know that lasting change happens when people are connected, communities are resilient, and local voices lead the way. That's why we'll continue to invest in neighbourhoods, encourage leadership from within, and help residents come together to shape the places they live. Through regular conversations, local events, and resident-led groups and boards, we'll continue to design our work alongside the people who know their communities best.

We also know that the financial challenges many people face are not going away. This makes our role even more important. We see real opportunities to work with new partners to reach more people, and unlock resources that can make a real difference.

In the year ahead, we'll continue to build on our strong foundations, working hand- in-hand with residents, partners, and communities to create places where everyone can thrive.

Stephen

Thank you

We would like to thank the following for their invaluable support in 2024-25:

A

214 Space
2second chance
7th Hanwell Scout Group
A2 Dominion
Action Funder
Addison Lee
Age UK Islington
Agnes Smith Advice Centre
AIP Community
Angel BID
Art Burst
ARTification
Ashfords LLP
Assemble
Axis

B

BBVS JV
BNP Paribas
Berkeley Homes
Bevan Brittan
Blake Morgan
Blossom Antenatal
Boostworks
Brabners
Break That Cycle
Brentford FC Community Sport

C

Canal and Rivers Trust
Capsticks
Central London Community Healthcare Trust
Children with Voices
Chocolate Films
Clarke Willmott
Clarion Housing Group
Connect Stars
Cook for Good
CSG Ushers

D

DanceWest
Dee Caf CIC
Dementia Concern
Devonshires
Doorstep Library

E

Ealing Social Prescribers (NHS)
Ealing Sports Development
Ealing Trailfinders Foundation
Employee Volunteering
Empowering Parents, Empowering Communities (EPEC)

F

Fusion21

G

GLL Better
Good Neighbours Committee
Grounds Care Group
Groundwork

H

HACT
Hammersmith & Fulham Family Hub
Harmony Fire
Harrow Club
Hashim Academy
Hatch
Havelock Family Centre
Havelock Primary School
Haven Wood C.I.C
Help on Your Doorstep
Hill Group UK
Homestart Oxford
HS2 Community Foundation
Hyde

I

Iconic Steps
Imperial Health Charities
Islamic Relief
Islington Giving

J

J A Steele and Son
JCS Garden Cleaning Ltd
JE Delve
Jigsaw Conferences

K

KBH Haus
Kier Services
Kundakala

L

L&Q
Leader's Community
Lets Go Southall
Lightning Fire Safety Systems
Lightside
Lloyd's Park Children's Charity
LMAC
London Borough of Bexley
London Borough of Brent
London Borough of Ealing
London Borough of Hackney
London Borough of Hammersmith and Fulham
London Borough of Islington
London Borough of Lambeth
London Borough of Lewisham
London Borough of Southwark
London Borough of Tower Hamlets
London Borough of Waltham Forest
London Borough of Westminster
London Community Foundation
London Sport
Loughborough Junction Action Group (LJAC)
Lumi Foundation

M

Mama Haven
Marsh Limited
MDP Communication Services Ltd
Milverdene
Mount Anvil
Mulalley
MTVH
My Tree Care Ltd

N

Notting Hill Genesis

O

OFOB
Our Moving Stories
Oxford City Council

P

Pennington Manches Cooper
Petit Miracles
Plentific
Poetic Unity
Purdy Contracts
Pristine London

Q

Quaggy Development Trust
Quinn London

R

Reading Borough Council
Realworth
REED Specialist Recruitment
RGE
Ripe Learning
Riverside
Risen Christ Church
Royal Borough of Greenwich
Royal Borough Kensington and Chelsea
Royal College of Music

S

Saatchi Gallery
Saltash
SCCI Alphatrack Ltd
Settle
Seville Developments
Sharratts
Skyway
Sonshine Smiles
Southall Community Alliance
Southern Housing
Sovereign Network Group
Spark
Sporting Inspirations
Step Now
SureServe

T

T Brown Group
The Bike Project
The Chandran Foundation
The Dovecote Project
The Felix Project
The Guinness Partnership
The Leys CDI
The Rocci Tree
Thomas Sinden
TLF
TLT
Together for Migrant Children
Topcoat Construction Ltd
Trees-UK of Bromley
Trowers and Hamlin

U

United Living
United St Saviour's Charity
Urban Trailblazer CIC

V

Venture Community
Association
Voluntary Action Islington

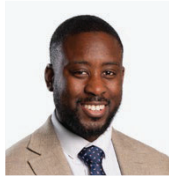
W

Walworth Living Room
Wates
Westcott Park Community Garden
Westminster Bangladeshi Association
Westplay
Wettons Cleaning Services
Whale Song CIC
Winckworth Sherwood
Work Zone

Y

Young Ealing Foundation

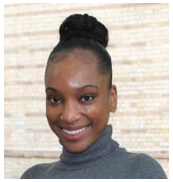
Meet our Trustees



Peter Baffoe

Chair (from 1 January 2025)

Peter became Chair of the PCF Board on 1 January 2025 after being a resident Board member since May 2018. He was also named Vice Chair of the Peabody Group Board on 1 June 2025. With a background firmly rooted in the community, Peter was originally a social housing tenant of Peabody and is now a shared owner. Peter is now an Executive Director of the Methodist South London Mission after working there as a Community Development Officer. He is also a school governor, where he acts as the link governor for disadvantaged pupils.



Karima Uba Amiri Mbarak

Board Member (from 18 November 2020)

Karima joined the PCF Board as a resident member in November 2020. In January 2025, she joined the Resident Experience Committee as she's passionate about helping make a true and real impact to residents' lives. Karima is a fully qualified Chartered Public Finance Accountant (CPFA) and currently works as a Finance Manager at London Borough of Brent in the Capital Treasury and Commercial Team. Karima is an advocate for strengthening youth engagement. In 2018, she set up an award-winning mental health community project called 'Keeptlking' to encourage young people from ethnic minority backgrounds to challenge taboos surrounding mental health.

Gossica Anichebe

Board Member (from 1 January 2025)

Gossica joined the Resident Experience Committee in May 2021 and has been a member of the G15 Resident Group since May 2023. She joined the PCF Board in January 2025 as a resident member, bringing extensive lived experience. With over 18 years in local government and previous retail experience, Gossica specialises in communications, engagement, policy, service improvement, change management, complaints handling, and customer services.

Helen Edwards

Chair (resigned 1 January 2025, remained a Board Member until July 2025)

Helen served as Deputy Permanent Secretary and Director General at The Ministry of Housing, Communities and Local Government (formerly the Department for Communities and Local Government). Her previous roles included Director General of Justice Policy at the Ministry of Justice and Chief Executive positions at the National Offender Management Service and Nacro, a national social justice charity. Helen is a non-executive Director at South London and the Maudsley NHS Trust.

Board members who resigned during the year

Catherine O'Kelly

Board Member (resigned 23 February 2025)

Catherine joined the PCF Board in November 2017 after being a member of the Family Mosaic Community Foundation Board since February 2016. Until July 2025 she held senior positions at Centrica, including most recently as Managing Director of British Gas Energy. In July she was named as Group Chief Executive of Calisen Group. Catherine's career has focused on the energy industry, including international energy strategy with consultancy Booz & Company, and low carbon energy policy design at the UK's Carbon Trust.

Shreya Hewett

Board Member (resigned 31 December 2024)

Shreya joined the PCF Board as resident Board member in January 2021. She is co-founder of GRASP, a children's health and hygiene brand launched in 2021. As a Hackney resident for the last eight years, and the mother of three young children, she is passionate about community engagement and early years development, particularly in crosscultural settings. Shreya has a BA in History and Economics from the University of Oxford, and a background in economic policy output and financial technology.

Katharina Winbeck

Board Member (resigned 31 December 2024)

Katharina joined the PCF Board as resident Board member in May 2021. Katharina is passionate about social fairness and specialises in social and environmental science. She's spent the past 20 years delivering place-based policies, projects, and programmes in London. She currently holds the position of strategic lead for transport and environment policy at London Councils and has previously held positions with Transport for London, the Audit Commission, the London Boroughs of Tower Hamlets & Lambeth and the NHS.

Helen Edwards and Catherine O'Kelly stepped down from the PCF Board on the dates shown having each completed their maximum tenure. As further set out on page 20, the Peabody Trust Board agreed a restructure and streamlining of the governance of boards and committees across the Group in 2024, and, as a consequence, Shreya Hewitt and Katharina Winbeck left the PCF Board at the end of December 2024. Nivene Powell, a new resident member of the Peabody Trust Board, joined the PCF Board with effect from 1 November 2025.

Financial review 2024-25

Financial performance
PCF reported a deficit of £110,000 for the year ending 31 March 2025 (2024: £17,000 surplus). This is better than the forecast deficit of £514,000. Most of PCF's funding still comes from Peabody as part of the Group's annual budgeting process and we're continuing to adapt our operations to deliver positive outcomes within a fully funded, balanced budget. For 2025, income was higher than expected, while the intra Group funding was in-line with the budget. As at 31 March 2025, PCF had reserves of £34.4m (2024: £34.5m).

Section 172 statement
The Trustees are aware of, and acknowledge, their responsibilities to promote the success of PCF for the benefit of its stakeholders as a whole, in accordance with s172 of the Companies Act 2006. When fulfilling responsibilities in accordance with s172, the Trustees must consider what is in the best interests of PCF and what is in the best interests of the Peabody Group (the "Group"), including the matters set out in section 172(1)(a) to (f).

PCF's key stakeholders are set out in the earlier sections of this report, including other charities, Local Authorities, community groups, volunteers, residents, and other beneficiaries of PCF's services and private sector partners. The Group Annual Report and Accounts (the "Group Accounts") provides further details of the Group's key stakeholders. The Trustees have engaged with beneficiaries and community partners as key stakeholders of PCF. This helps the Trustees to manage PCF's principal risks and has encouraged its Board of Trustees ("PCF Board") to move toward a place-based approach. This involves a greater focus on collaboration and co-creation for the greatest impact, instead of direct delivery, with an initial focus on Thamesmead, Waltham Forest, Hackney, Islington, Southwark and Lambeth.

The Trustees consider the long-term impact of every decision and align each one with the Group's strategic objectives and PCF's goals. These include building engaged and active communities, boosting incomes, developing skills and aspirations, and improving mental and physical health. The Trustees also follow the Group's approach to environmental, social and governance (ESG) matters. By adopting the Group's values and culture in their decision-making, the Trustees ensure that PCF engages positively with stakeholders, maintains high standards of business conduct, and commits to long-term, sustainable success. This approach supports the Trustees' compliance with s172.

Sustainability statement
As part of the Peabody Group, PCF aligns its activities and strategic priorities with those adopted by Peabody, including the Sustainability Strategy 2023-26.

The strategy's core objectives are:

- To be net-zero carbon in our day-to-day operations by 2030.
- To reach a minimum Energy Performance Certificate (EPC) rating of C for rented homes by 2030.
- To be net-zero carbon within our rented homes by 2050 (where practicable).
- To build green, healthy, and sustainable communities where residents and nature can thrive together
- To provide value-for-money for the organisation and residents.

All subsidiaries continue to work towards meeting energy efficiency targets. All of Peabody's new homes in the Greater London area meet Greater London Authority environmental standards and the London Plan guidelines, which are set above minimum planning and building regulation requirements.

By providing more new homes, Peabody is putting quality, safety, sustainability, and social purpose at the heart of everything it does. Future homes will need to be energy efficient, low carbon, innovative, and sustainable to meet the changing needs of its communities. During the year, Peabody invested £27m in sustainability programmes, including using the Social Housing Decarbonisation Fund (SHDF) grant and match funding. This allowed the Group to improve the energy efficiency of 604 homes to EPC C through measures such as insulation upgrades, window and door replacements, and improved ventilation and heating systems.

Peabody is committed to ESG practice, and has played an important role in developing a new robust ESG criteria for the sector, working with other leading housing associations and service providers.

In February, the Group added to its sustainability credentials, receiving the top ranking of 'frontrunner' status in all three categories of RITTERWALD's Certified Sustainable Housing Label. PCF will continue to play an important role in the development of appropriate reporting criteria to best demonstrate Peabody's positive impact on its communities.

On 14 November 2024 Peabody published its Sustainable Finance Framework (SFF). The objectives of the SFF are closely linked to the Sustainable Reporting Standard for Social Housing (SRS) and include:

- Renovating and retrofitting existing homes to improve EPC ratings to C by 2030 and then net zero by 2050.
- Improving energy efficiency and protecting as many people as possible from fuel poverty and high heating bills.
- Boosting access to electric charging points in Peabody neighbourhoods for both residents and

Financial review
2024-25 *continued*

employees. Peabody's aim is for all its vehicles to be electric by 2030.

- Placemaking and projects to improve green spaces and public realm, helping to make a positive difference for health and wellbeing.
- Continuing to build genuinely affordable homes for people in need.
- Supporting residents and community partners to deliver wide-ranging programmes aimed at children and young people.
- Providing dedicated personal support designed to prevent or alleviate unemployment and low pay amongst Peabody residents.
- Producing a detailed programme to reduce carbon emissions and supporting people living in Peabody neighbourhoods to follow it.

Further information about Peabody's sustainability practices can be found in the Group Annual Report and Accounts and in the ESG Report.

Principal risks and uncertainties
The risks specific to PCF are monitored regularly by the PCF Board and take into account the environment in which it operates, as well as the Group's risk appetite. They are not unexpected and are typical of the sector:

- Failure to maintain an effective health and safety environment to protect the people, processes and the buildings in which we operate.
- Non-compliance with regulations for protecting information and people.
- Not safeguarding vulnerable people using our services.
- Failure to ensure robust contract management and financial control procedures.
- Failure to invest in existing properties to meet legal and regulatory standards and sustainability goals.
- Mismanagement of organisational change, poor systems and data, or non-compliance with processes and policies.
- Failure to deliver a cultural shift and involve our beneficiaries and community partners in decision-making on service improvement and local plans.

If not managed effectively, these risks can result in negative financial, reputational, or operational performance, regulatory intervention, or significant harm to people. Risks are managed continually, and actions are identified and implemented to mitigate risks. The PCF Board provides regular oversight of the risks and mitigating actions. Key controls used this year include:

- Colleague training on Group procedures, specific training for services, and special reporting processes for safeguarding concerns. Training includes Health and Safety, Data Protection, and Safeguarding.
- DBS checks for staff, and Fire Risk Assessments and Health and Safety inspections of community centres.
- Reporting of incidents of non-compliance to the Health & Safety Committee and the Safeguarding Panel for corrective action.
- Local area plans designed to support local needs and partnerships.
- Monitoring of key financial information and a continued drive to achieve value for money.

PCF benefits from the Group's frameworks and processes for overall risk and safety of facilities.

The impact of the principal risks and uncertainties affecting PCF, as set out above, continue to be carefully monitored and considered. The Peabody and PCF Board are confident they can meet their responsibilities to residents, whilst also meeting the financial obligations of both Peabody and PCF.

The Trustees' Report provides further information on future plans at page 22.

The Group's arrangements in respect of the system of risk management cover PCF. The Group has 10 key risks outlined in its Group Risk Register which are periodically reviewed by the Peabody Trust Board. These risks are set out in the Risk Management section of the Peabody Group's 2025 Annual Report and Accounts.

Governance
The Trustees' Report, pages 20 to 22, and the Accounts provide details on compliance with applicable law and regulations and the National Housing Federation (NHF) Code of Governance (2020 edition).

By Order of the PCF Board

Peter Baffoe
Chair

Trustees' annual report 2024-25

The Directors of PCF are the Trustees of the charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2025.

In April 2024, Catalyst Housing Charitable Trust (CHTC) became part of PCF. Since then, all activity has been transfered to PCF. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (January 2022) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

Objectives and principal activities
PCF is a community development organisation operating in Greater London and its surrounding areas. It focuses on sector-leading community programmes which make a real difference to Peabody Group's (the "Group") residents and their communities.

Peabody is committed to continued investment in community programmes and its plans are included in the Group Strategy 2025-2028. This report outlines PCF's objectives and activities, and also covers its performance for the year ended 31 March 2025. In setting our objectives, planning our activities, and monitoring our services, PCF's Board of Trustees ("PCF Board") has given careful consideration to the Charity Commission's general guidance on public benefit and the Trustees can confirm that PCF has met this criterion.

Trustees
Particulars of the Trustees who served on the PCF Board during the year and subsequently are set out on page 17.

The Trustees are covered by the Group's directors' and officers' indemnity insurance policy.

Regulatory framework
The charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2025, Peabody and its principal subsidiaries (including the charity) applied the principles and provisions of the National Housing Federation ('NHF') Code of Governance for housing associations (2020 edition), (the 'NHF Code').

The PCF Board has been briefed on requirements and guidance from the Charity Commission and relevant charity law. The Peabody Board and the PCF Board take their responsibilities under regulation and relevant good practice guidance very seriously and have taken appropriate steps to help ensure compliance with the requirements set out in charity law. Peabody and its subsidiaries are committed to transparent and timely communication with regulatory authorities and other stakeholders.

On 5 November 2025, Fitch reaffirmed its A credit rating for Peabody Group, but lowered its outlook to negative. The other credit ratings remain unchanged, with an A3 (stable) rating from Moody's, and a BBB+ (stable outlook) from Standard & Poor's. The Group therefore remains an overall A grade investment proposition.

Roles of the Trustee Board and Committees
Following an independent Governance Review, carried out in 2023-24, the principal recommendation was that governance and corporate structures, and associated ways of working should be streamlined. The recommendations of the Governance Review were agreed by the Peabody Board in March 2024 and implemented over the course of that year. The streamlined governance structures implemented by the Peabody Board included changes to the remit and governance arrangements for the PCF Board. One of the outcomes of the Governance Review was that strategic oversight of community investment and community development activities within the Group, which had formerly been the responsibility of the Communities Committee, became the responsibility of the Resident Experience Committee. The Communities Committee was disbanded from 1 January 2025. It was agreed that the PCF Board, which had previously met at the same time as the Communities Committee, would be retained as a separate Board with the appropriate skills and oversight to discharge the responsibilities of PCF as a registered charity.

Peabody has demonstrated its commitment to good governance and robust arrangements proportionate to the Group's size and complexity together with a continued focus on improving compliance culture. Further information in relation to the governance framework for the Group is set out in the Group Accounts.

The Peabody Board is accountable for the system of risk management and the internal control framework in place for the Group and for reviewing their effectiveness. Risk is monitored, managed and mitigated to minimise, for example, the likelihood and impact of financial loss, compromised service delivery, damage to our reputation or noncompliance with law or regulation. The Group's approach is that risk can, and should, be taken to achieve our business objectives, provided that it is justified and actively managed. The Peabody Board keeps the corporate structure under review, while managing risk, delivering quality services to residents and others, and making sure the Group has both the capacity and capability to deliver its vision.

Board recruitment, induction and training
Helen Edwards completed her service as Chair of the PCF Board on 1 January 2025 and stepped down as a PCF Board member in July 2025. The PCF Board expressed its thanks to Helen for her leadership and guidance during her tenure. Peabody Board member, Peter Baffoe, was appointed as Chair of the PCF Board by Peabody Trust from 1 January 2025. Gossica Anichebe was appointed as a PCF Board Member in January 2025.

Trustees' annual report 2024-25 *continued*

During the financial year, Catherine O'Kelly, Shreya Hewett, and Katharina Winbeck stepped down as members of the Board. The Board would like to thank them for their valuable contributions and dedicated service during their tenure.

All members have access to the advice and services of the charity's secretary.

New members undergo an induction programme to ensure they have sufficient knowledge and understanding of the activities of PCF, Peabody, and the sector within which we operate. The programme forms part of the ongoing development of Board members' skills and learning, and includes:

- Briefing sessions on governance, strategy, finance and risk management, housing services, and community investment.
- Information relating to current issues within the sector and those specific to PCF and the Committee.
- Meeting individually with the PCF Chair.
- Meeting with key members of management, including Executive Directors, Heads of Services, and other key personnel.
- Training opportunities such as attending webinars and industry briefings.
- Provision of key governance documents as part of an induction pack comprising operating regulations, incorporation documents, Peabody's Code of Conduct, terms of reference, as well as Group strategies and policies relevant to the specific role.
- Visibility of, and an opportunity to comment on, committee packs and meeting minutes.

New members also participate in visits to build a deeper understanding of Peabody homes and services as well as community schemes and initiatives and meet Peabody colleagues and residents.

Board effectiveness

Following changes in the PCF Board membership, the next effectiveness review will be conducted during 2025-26.

Trustees'/Directors' interests

None of the Trustees held any beneficial interest in PCF, its parent undertaking, or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Peter Baffoe, Karima Uba Amiri Mbarak, and Gossica Anichebe in their capacity as residents of the parent undertaking. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage.

PCF Trustees are not entitled to pay by the charity. However, members of the PCF Board who fulfil other responsibilities in the Peabody Group, receive pay for those roles as set out in the table below. The remuneration each individual received is determined in accordance with the Peabody Board and Committee Member Pay and Expenses Policy (for more information see the Group Accounts). Full disclosure for each role as at 31 March 2025 is provided in the table below:

Remuneration of non-executive Communities	Peabody Board pay (£)	Committee only level pay (£)
Gossica Anichebe		7,500
Peter Baffoe (1)	18,500	
Helen Edwards (2)	17,625	
Shreya Hewett		7,500
Karima Uba Amiri Mbarak		7,500
Katharina Winbeck		7,500

1) Peter Baffoe serves as Vice Chair and is a member of the Peabody Board. He is also Chair, and a member, of the Resident Experience Committee. The remuneration shown in the table represents his role as Peabody Board member and Chair of Resident Experience Committee.

2) Helen Edwards also served as a member of the Peabody Board, the Audit and Risk Committee, and Chair of the Care and Support Committee. The table shows her remuneration from 1 January 2025 as a Peabody Board member, having stepped down from her role as Chair of Care and Support Committee and Communities Committee as part of the Governance review.

Not all PCF Trustees decided to accept pay for their other roles in the Peabody Group and non-executives mentioned in the table above were all paid by Peabody Trust and receive no remuneration from PCF for serving as Trustees. Catherine O'Kelly elected not to receive pay as a Communities Committee member.

Stakeholders, sustainability and transparency

The Group (including the charity) continues to exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers. These include representatives of local, regional and national government, Peabody's funders and regulators, and delivery partners from a number of sectors. This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF, and the Chartered Institute of Housing, to influence policy decisions in the sector.

Peabody is committed to being open and transparent in the way it conducts its business and interacts with the charity's beneficiaries. Peabody believes in being accountable for its actions, spending and performance, by demonstrating how it delivers value for money. The Group publishes information about its priorities, strategic goals and performance and how it utilises resources on its website. Specific information about PCF's work is available on request, except, for example, for legal reasons or on the grounds of data protection, personal confidentiality, commercial confidentiality or practicality.

Trustees' annual report
2024-25 *continued*

Future plans
Notwithstanding the principal risks and uncertainties set out on page 19, the charity will continue to invest in community programmes as mentioned on page 15.

Statement of going concern
The PCF Board has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months after the date on which the report and financial statements are signed. PCF therefore continues to adopt the going concern basis in preparing its financial statements.

Consideration of going concern is further documented in note 2.3 of these financial statements.

Reserves policy
The reserves policy is adopted by the PCF Board and sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve. The charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to two months (the equivalent of approximately £1.5m) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. PCF's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £5m at the year end, higher than the minimum level set by Trustees.

Internal controls and risk management
The PCF Board is accountable for its system of risk management and the internal control framework and for reviewing their effectiveness. The system of risk management and internal control is designed to monitor, manage and mitigate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute assurance against material misstatement or loss. The system of risk management and internal control also exists to give reasonable assurance about the reliability of financial and operational information and the safeguarding of the charity's assets, services and interests.

The Group Audit and Risk Committee provides oversight of the Group's system of risk management and internal control on behalf of the Peabody Board (as the parent company for the Peabody Group) and the PCF Board and regularly reviews its effectiveness. The Group's arrangements in respect of the system of risk management and internal control cover the Charity.

The risk review process
During the year, the Peabody Board and the Group Audit and Risk Committee focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the Group Audit and Risk Committee and reports at least twice yearly to the Peabody Board. The Group has 10 key risks outlined in its risk register which was approved by the Peabody Board on 8 May 2025. These risks are set out in the Risk section of the Strategic Report in the Group Accounts.

Statement on Internal Controls Assurance – Peabody Group
The Group's arrangements in respect of the system of risk management and internal control cover the charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the Audit and Risk Committee the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Audit and Risk Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2024 up to the date of approval of the Group Accounts, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

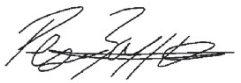
External auditor
KPMG LLP will, pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this annual report confirm that, in so far as each of the Trustees is aware:

- there is no relevant audit information of which the Charity's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

By Order of the PCF Board



Peter Baffoe
Chair

Statement of Trustees' responsibilities
in respect of the Trustees' annual report and the financial statements

The Trustees are responsible for preparing 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. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 Charitable Company and of the income and expenditure 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 estimates that are reasonable and prudent.
- Assess the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.
- Use the going concern basis of accounting unless they either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Charitable Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Trustees of Peabody Community Fund

Opinion
We have audited the financial statements of Peabody Community Foundation ("the Charitable Company") for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Statement of Financial Position and related notes, including the accounting policies in note 2.

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 2025 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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under and are independent of the Charitable Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the Charitable Company or to cease its operations, and as they have concluded that the Charitable Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the Charitable Company's business model and analysed how those risks might affect the Charitable Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the Trustees' assessment that there is not, a material uncertainty related 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 the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Charitable Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the trustees as to the parent, Peabody Trust's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management

Independent auditor's report to the Trustees of Peabody Community Fund *continued*

override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because income is primarily a cash donation received from the parent with other revenue streams being low multiples of materiality, hence there being minimal opportunity to commit a material fraud.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and performed procedures to identify journal entries and other adjustments based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts involving revenue and cash.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees (as required by auditing standards), and discussed with the trustee the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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 fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the Trustees of Peabody Community Fund *continued*

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the Charitable Company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 23, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Victoria Sewell (Senior Statutory Auditor)
for and on behalf of KPMG LLP,
Statutory Auditor
Chartered Accountants
66 Queen Square
Bristol
BS1 4BE

3 December 2025

Statement of financial activities

For the year ended 31 March 2025

	Note	2025 Unrestricted funds £'000	2025 Restricted funds £'000	2025 Total funds £'000	Combined 2024 Total funds £'000
Incoming resources					
Donations and legacies	3.1	6,113	277	6,390	7,505
Income from charitable activities	3.2	974	394	1,368	1,506
Total incoming resources		**7,087**	**671**	**7,758**	**9,011**
Resources expended					
Cost of charitable activities	4.1	(8,835)	(235)	(9,070)	(10,066)
Pension scheme exit	16	-	-	-	(720)
Total resources expended		**(8,835)**	**(235)**	**(9,070)**	**(10,786)**
Net income/(expenditure) for the year before interest and pension		**(1,748)**	**436**	**(1,312)**	**(1,775)**
Investment income	5	1,208	-	1,208	1,065
Interest payable	5	(6)	-	(6)	(10)
Net income/(loss) for the year	**6**	**(546)**	**436**	**(110)**	**(720)**
Actuarial gain/(loss) on defined benefit pension schemes	16	-	-	-	737
Net income/(expenditure) for the year		**(546)**	**436**	**(110)**	**17**
Total comprehensive income/ (expenditure)		**(546)**	**436**	**(110)**	**17**
Fund balances brought forward		34,020	512	34,532	34,515
Fund balances carried forward	**14**	**33,474**	**948**	**34,422**	**34,532**

The accompanying notes form part of these financial statements.

All amounts are derived from continuing activities.

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

No corporation tax was payable by the Charity for the year ended 31 March 2025 (2024: £nil).

Statement of financial position

As at 31 March 2025

	Note	2025 £'000	Combined 2024 £'000
Non-current assets			
Tangible fixed assets	9	14,101	14,104
Debtors due more than one year	10	24,350	21,014
		38,451	**35,118**
Current assets			
Debtors due in less than a year	11	935	957
Cash and cash equivalents		2,155	2,368
Total current assets		**3,090**	**3,325**
Creditors: amounts falling due within one year	12	(7,014)	(3,697)
Net current liabilities		**(3,924)**	**(372)**
Total assets less current liabilities		**34,527**	**34,746**
Creditors: amounts falling due after one year	13	-	(61)
Defined benefit pension scheme	16	(105)	(153)
Net assets		**34,422**	**34,532**
Funds			
Restricted funds	14	948	512
Unrestricted funds	14	33,474	34,020
Total funds		**34,422**	**34,532**

The accompanying notes form part of these financial statements.

These financial statements were approved by the PCF Board of Trustees on 19 November 2025 and were signed on its behalf by:

Peter Baffoe
Chair

Notes to the financial statements

1. Legal status

Peabody Community Foundation ("the Charity") is a registered charity and a company limited by guarantee. In the event of the Charity being wound up, liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation

On 02 April 2024, Catalyst Housing Charitable Trust ('CHCT') became part of Peabody Community Foundation. The transaction represents a group reconstruction under common control, accounted for under merger accounting. FRS 102 requires group reconstructions under merger accounting to be accounted for as if the entities had always been combined. This means the prior year comparatives in the financial statements and notes will be restated on a combined basis. These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice 'Accounting and Reporting by Charities' as revised in 2019 ('the SORP'), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Charity is a public benefit entity.

The financial statements are presented in sterling (£).

The Charity's ultimate parent undertaking, the Peabody Trust, includes the Charity in its consolidated financial statements. Financial statements of Peabody Trust are available from the Secretary at 45 Westminster Bridge Road, SE1 7JB.

In these financial statements, the Company is a qualifying entity and has applied the following exemptions available under FRS 102, that require:

- a statement of cash flows and related notes, and;
- key management personnel compensations disclosures.

The principal accounting policies adopted in the preparation of these financial statements are set out in the relevant notes to these financial statements. Accounting policies not specifically attributed to a note are set out below.

2.2 Judgements in applying accounting policies and key sources of estimation and uncertainty

In preparing these financial statements, the members of Peabody Community Foundation have made the following key judgements

- Tangible fixed assets are depreciated over their useful economic lives. The actual lives of assets and residual values are assessed periodically and may vary depending on a number of factors, such as technological innovation, product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life the asset and projected disposal values.
- The valuation of defined benefit pension schemes has been carried out by qualified actuaries based upon assumptions. While key assumptions used in the valuations are based upon published information, there is a degree of judgement involved in selecting the most appropriate financial valuables for each scheme.

2.3 Going concern

Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2024/25 and the Group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, such as inflation and interest rate rises and reducing stakeholder's household incomes, the Charity will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

2.4 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits and short-term investments and overdrafts with right of set off.

2.5 Value Added Tax (VAT)

The Charity is a member of the Peabody Trust's VAT Group. The Group is partially exempt in relation to VAT, and accordingly can recover from HM Revenue & Customs part of the VAT incurred on expenditure. The Statement of financial position includes VAT recoverable and payable at the year end. The Charity includes irrecoverable VAT in the Statement of financial activities.

2.6 Taxation

The Charity is exempt from income and corporation tax to the extent that its income and gains are applicable for charitable purposes only.

2.7 Winding up or dissolution of the charity

If upon winding up or dissolution of the Charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

3. Incoming resources

All incoming resources are accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income from charitable activities is accounted for on a receivable basis.

In accordance with the Charities SORP 2019, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accrual basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Revenue grant

Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance.

Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

Notes to the financial statements *continued*

3.1 Donations and legacies

	Unrestricted	Restricted	Total	Combined 2024
	£'000	£'000	£'000	£'000
Intra group donations – Peabody	5,842	-	5,842	7,223
Other Donations	271	277	548	282
	6,113	**277**	**6,390**	**7,505**

3.2 Income from charitable activities

	Unrestricted	Restricted	Total	Combined 2024
	£'000	£'000	£'000	£'000
Connecting Young Hackney	-	66	66	50
Maternity Champions	-	-	-	100
Shaping Healthier Thamesmead RBOG	-	13	13	126
Superzones	-	66	66	54
Open Havelock grant	-	159	159	-
Other grant income	30	90	120	185
	30	**394**	**424**	**515**
Trading Income	936	-	936	991
Other Charitable Income – Moorings Club	8	-	8	-
Total incoming resources from charitable	**974**	**394**	**1,368**	**1,506**

4. Resources expended

Expenditure is accounted for on an accrual basis and classified under headings in the accounts that aggregate all costs related to the category. Irrecoverable VAT is included in the expense item to which it relates.

Charitable activities – some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled. Provisions are only provided for on contractual liabilities which exist at the balance sheet date.

4.1 Cost of charitable activities

	Direct costs	Support costs	Total	Combined 2024
	£'000	£'000	£'000	£'000
Charitable activities				
Building capacity of group and individuals	1,425	115	1,540	1,743
Children, young people & families	1,402	147	1,549	1,275
Employment and employability	3,831	401	4,232	3,762
Improving sports	457	48	505	359
Community cohesion	756	79	835	526
Other charitable activities	351	37	388	2,351
	8,222	**827**	**9,049**	**10,016**
Governance				
Staff costs	-	10	10	27
External audit and legal fees	-	11	11	23
	-	**21**	**21**	**50**
Total resources expended	**8,222**	**848**	**9,070**	**10,066**
Total resources expended – 2024	8,732	1,335	10,066	

Notes to the financial statements *continued*

4.2 Support costs

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. These include back-office costs, finance personnel, payroll and governance costs which support programmes and activities.

Support costs are apportioned based on the staff time incurred on each charitable activity.

	2025	Combined 2024
	£'000	£'000
Administration costs	367	769
Staff costs	481	566
	848	**1,335**

5. Interest receivable and payable

Interest receivable is recognised as interest accrues, using the effective interest method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Interest accruing between entities within the Peabody Group are charged at commercial rates.

	2025	Combined 2024
	£'000	£'000
Other interest receivable and similar income	39	4
Interest from parent undertaking	1,169	1,061
	1,208	**1,065**
Interest cost on pension scheme	**6**	**10**

6. Net income for the year before gains and losses

Net income for the year before gains and losses is stated after charging:

	2025	Combined 2024
	£'000	£'000
Depreciation on tangible fixed assets	441	332
Auditor's remuneration	35	36
Pension costs	209	293

7. Employee information

Holiday pay accrual
A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

Defined contribution plans and other long term employee benefits
A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined Benefit Pension Scheme
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

Notes to the financial statements *continued*

7. Employee information continued

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the fund and allow for the periodic increase of pensions in payment. The current service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, cost of curtailments and settlements are charged against the operating surplus in the year. Actuarial gains and losses are recognised in the SOFA.

Termination benefits

Termination benefits are recognised as an expense when the Charity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Charity has made an offer of voluntary redundancy and the cost can be reliably estimated. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

The average number of people employed during the year was:

	2025 £'000	Combined 2024 £'000
Charitable activities	102	125
Management, administration and support services	5	5
	107	**130**

	2025 £'000	Combined 2024 £'000
Employee costs:		
Wages and salaries	4,035	4,956
Social security costs	429	530
Pension costs	209	293
Other employee costs	28	67
	4,701	**5,846**

The Charity's staff are employed under Peabody Group contracts and the salary costs are recharged under an intra group service level agreement.

Notes to the financial statements *continued*

7. Employee information continued

The numbers of employees who received remuneration (excluding pension contributions) in excess of £60,000 per annum are stated below in bandings of £10,000:

	2025	Combined 2024
	£'000	£'000
Emoluments of higher paid staff within the following scales were:		
£60,001 - £70,000	7	9
£70,001 - £80,000	4	6
£80,001 - £90,000	3	3
£90,001 - £100,000	-	1
£130,001-£140,000	-	-
£140,001-£150,000	1	-
£150,001 - £160,000	-	1
	15	20

The earnings for the Charity's key management personnel for the year were £598k (2024: £572k), with pension contributions of £18k (2024: £25k), and benefits in kind totalling £1k (2024: £4k).

8. Trustees' remuneration and expenses

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. The Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members) discloses information for the financial year 2024/25.

During the year there were no expenses claimed for travel, subsistence and incidental expenses by the Trustees in the year (2024: £34).

During the year the Charity paid £281 (2024: £281) for Trustees' indemnity insurance through Group Insurance policy.

9. Tangible fixed assets

Tangible fixed assets are included at cost less depreciation, which is provided on a straight-line basis over the expected useful economic lives of the assets as shown below.

IT equipment	3 - 5 years
Office equipment	5 – 10 years
Freehold land and buildings	50 years
Leasehold land and buildings	Over lease term

Depreciation is charged on the above assets from the month of purchase until the month of disposal.

Expected useful lives are reviewed periodically to ensure they are still appropriate, and benchmarking is carried out with other housing associations to ensure they are in line with sector good practice. Assets which are no longer economically viable are written down.

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to Trust Thamesmead from its subsidiary during 2009 at their net book value. The Trustees have adopted the policy of holding freehold buildings at cost less accumulated depreciation and any accumulated impairment losses under FRS 102.

Notes to the financial statements *continued*

9. Tangible fixed assets continued

	Freehold land and buildings	IT Office & equipment	Total 2025
	£'000	£'000	£'000
Cost:			
At 1 April 2024 Combined	16,224	1,427	17,651
Additions	180	447	627
Asset derecognition	(65)	(124)	(189)
At 31 March 2025	**16,339**	**1,750**	**18,089**
Depreciation:			
At 1 April 2024 Combined	3,390	157	3,547
Charge for the year	316	125	441
At 31 March 2025	**3,706**	**282**	**3,988**
Net book value			
At 31 March 2025	**12,633**	**1,468**	**14,101**
At 31 March 2024 Combined	**12,834**	**1,270**	**14,104**

All assets are held for charitable purposes.

The Big Lottery Fund holds a charge over Harrow Manor Way for £5m.

The Football Foundation has a charge for £1m over land at Thamesmead Football Club.

The asset derecognition line item relates to maintenance expenditure incurred for Open Havelock. This spend, and the corresponding grant received, have been released to the Statement of Financial Activities in the year.

10. Debtors due in more than one year

	2025	Combined 2024
	£'000	£'000
Deferred consideration	13,450	14,114
Loan to parent company	10,900	6,900
	24,350	**21,014**

The deferred consideration has arisen on the sale of the Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014. The deferred consideration is payable in quarterly instalments over 30 years.

The monies loaned to the parent company have been invested in an interest-bearing notice account on the Charity's behalf.

11. Debtors due in less than one year

Current debtors are measured at transaction price less any provision for impairment.

A provision for bad debt arises when the debtor balance is 90 days or greater. The initial provision is a charge against the statement of financial activities but is then carried forward to a subsequent period. The debtors figure in the statement of financial position is adjusted to be presented 'net of the provision'. Any increase or decrease in the provision in a subsequent period is debited or credited to the statement of financial activities. The write off of a specific bad debt is made in accordance with the Group Financial Regulations.

	2025	Combined 2024
	£'000	£'000
Amounts due within one year		
Trade debtors	87	133
Amounts owed by other Group members	42	189
Prepayments and accrued income	79	5
Other debtors	64	31
Deferred consideration	663	599
	935	**957**

Amounts owed from other group members are trading balances repayable on demand and non-interest bearing.

Deferred consideration relates to the sale of investments in Tilfen Land Limited to the Charity's parent company Peabody Trust on 1 April 2014. Sale proceeds are payable quarterly over 30 years. Peabody Trust has invested monies in an interest-bearing notice account on behalf of the Charity.

Notes to the financial statements *continued*

12. Creditors: amounts falling due within one year

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

	2025	Combined 2024
	£'000	£'000
Trade creditors	388	305
Amounts owed to other Group members	5,106	1,067
Other creditors	33	463
Accruals and deferred income	1,487	1,862
	7,014	**3,697**

Amounts owed to other group members are trading balances repayable on demand and non-interest bearing.

Movement in deferred income:

	2025	Combined 2024
	£'000	£'000
Deferred income at 1 April	439	411
Amounts released from previous years	(184)	(411)
Incoming resources deferred in the year	-	439
Deferred income at 31 March	**255**	**439**

13. Creditors: amounts falling due after more than one year

	2025	Combined 2024
	£'000	£'000
Grants	-	61

Notes to the financial statements *continued*

14. Funds

Restricted funds – these are funds that have restrictions imposed by donors and can only be applied for the purposes specified by donors.

The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

Designated funds – these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

General reserves – these are accumulated surpluses and deficits on unrestricted funds which can be used in furtherance of the general objectives of the Charity at the discretion of the trustees.

	1 April 2024	Incoming Resources	Outgoing Resources	31 March 2025
	£'000	£'000	£'000	£'000
Restricted funds	512	671	(235)	948
Unrestricted funds	34,020	8,295	(8,841)	33,474
Total funds	**34,532**	**8,966**	**(9,076)**	**34,422**
Unrestricted funds				
Designated funds				
Pitch resurfacing	235	20	-	255
Fixed assets	13,755	438	(440)	13,753
Thamesmead Community	14,713	1,169	(1,769)	14,113
Southall Day Centre Building & Repairs Fund	152	-	-	152
Property Fund	114	-	-	114
Catalyst Gateway Grant Committee	19	-	-	19
Total Designated funds	**28,988**	**1,627**	**(2,209)**	**28,406**
General funds	5,032	6,668	(6,632)	5,068
Total unrestricted funds	**34,020**	**8,295**	**(8,841)**	**33,474**

Notes to the financial statements *continued*

14. Funds continued

	1 April 2023	Incoming Resources	Outgoing Resources	Pension scheme exit	Transfers	Gains & (Losses)	Combined 31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Restricted funds	416	611	(515)	-	-	-	512
Unrestricted funds	34,099	9,466	(9,562)	(720)	-	737	34,020
Total funds	**34,515**	**10,077**	**(10,077)**	**(720)**	**-**	**737**	**34,532**
Unrestricted funds							
Designated funds							
Pitch resurfacing	235	223	(223)	-	-	-	235
Fixed assets	12,986	1,097	(328)	-	-	-	13,755
Thamesmead Community	15,252	1,061	(1,600)	-	-	-	14,713
Southall Day Centre Building & Repairs Fund	139	-	-	-	13	-	152
Property Fund	116	-	(2)	-	-	-	114
Catalyst Gateway Grant Committee	19	-	-	-	-	-	19
Total Designated funds	**28,747**	**2,381**	**(2,153)**	**-**	**13**	**-**	**28,988**
General funds	5,352	7,085	(7,409)	(720)	(13)	737	5,032
Total unrestricted funds	**34,099**	**9,466**	**(9,562)**	**(720)**	**-**	**737**	**34,020**

Designated funds
Pitch resurfacing - The Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the sporting club. The pitch was subsequently resurfaced in 2023.

Fixed assets fund represents funds tied up in fixed assets less any associated grants received.

Thamesmead community fund represents funds from the sale of investment in Tilfen Land Limited to Peabody Trust on 1 April 2014, for the support of projects at Thamesmead.

Notes to the financial statements *continued*

15. Analysis of net assets between funds at 31 March

	Unrestricted Funds	Designated Funds	Restricted Funds	2025 Funds	Combined 2024 Funds
	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	14,101	-	14,101	14,104
Debtors due more than one year	10,900	13,450	-	24,350	21,014
Current assets	1,296	-	1,794	3,090	3,325
Creditors <1year	(6,760)	-	(254)	(7,014)	(3,697)
Creditors >1year	-	-	-	-	(61)
Net pension liability	(105)	-	-	(105)	(153)
Total unrestricted funds	**5,331**	**27,551**	**1,540**	**34,422**	**34,532**

16. Pension commitments

The pensions of employees of the Charity are administered through two defined contribution schemes The Charity has an ongoing liability for pension commitments under the Career Average Revalued Earnings scheme (CARE) which was closed to new entrants on 30 June 2015. Another defined contribution Career Average Revalued Earnings scheme was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. A full triennial valuation was carried out at 30 September 2022. Deficit contributions to this scheme between 1 April 2024 to 31 March 2027 are £1,672,000 per annum.

Employees were also eligible to join a defined contribution retirement benefit scheme with Friends Life. The Charity participated in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time and was closed to future accrual from 31 March 2020. As of 1 September 2023, the Charity has exited the LPFA scheme.

In October 2018 the High Court published its judgement on the case of Lloyds Banking Group and the equalisation of Guaranteed Minimum Pensions ('GMP') between genders. This has consequently been assessed against the Group's defined benefit schemes. The impact of GMP Equalisation in respect of the CARE schemes was recognised in the 2019/20 year. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016.

The valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and no further adjustments to the value placed on the liabilities was required in 2021/22.

The latest news on the Lloyds Banking Group court case involved a ruling that, in cases where a member exercised their right to a transfer value out of the scheme, the trustee had the duty to make a transfer payment that reflects the member's right to equalised benefits and remains liable if an inadequate transfer payment had been paid. It is not yet known if, or how, this will affect our schemes and no allowances have currently been made.

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. The impact of the findings will only be known after this process has concluded and a final set of remedial Regulations are published While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2022, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. With a small proportion of active members and a salary increase assumption equal to (or less than) CPI, the impact of the McCloud judgement is likely to be negligible.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

Notes to the financial statements *continued*

16. Pension commitments continued

Career Average Revalued Earnings Pension Scheme

The Charity also participated in the CARE pension Scheme, which was a funded multi-employer defined benefit scheme. This scheme was closed to new entrants on 30 June 2015. All Charity staff were transferred to the Peabody Group Personal Pension scheme.

The main benefits provided by the Scheme are:

- A pension of one-eightieth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-out of the state scheme; or
- A pension of one-hundredth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-in to the state scheme.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The latest full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6m, liabilities of £57.1m and a deficit of £7.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2024 to 31 March 2027: £1,672,000 per annum

(Payable monthly and increasing by 3.0% each year on 1 April)

The Charity's share of the deficit funding contributions is £53,108 per annum payable in monthly instalments.

In addition to the deficit funding contribution, contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2025 the contribution required to the Scheme is £189,916 per annum (2024: £184,384 per annum) increasing on 1 July each year by 3% as required for Scheme administration expenses. The Charity's share of these Scheme expenses is £5,964 per annum (2024: £4,700) payable in monthly instalments.

Employer Debt on Withdrawal

The scheme is classified as a 'last man standing arrangement'. Therefore, the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The amount of employer debt on withdrawal was last calculated as £1,451,641 at 30 September 2018. The employer debt figures are calculated on the solvency - or buy out - funding basis.

Potential employer debt is treated as a contingent liability.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2025 £'000	2024 £'000
Provision at start of period	153	209
Unwinding of the discount factor (interest expense)	6	10
Deficit contribution paid	(54)	(49)
Remeasurement - impact of any changes in assumptions	-	-
Remeasurement - amendments to the contribution schedule	-	(17)
Provision at end of period	**105**	**153**

Notes to the financial statements *continued*

16. Pension commitments continued

Amounts recognised in the Statement of Financial Activities

	2025 £'000	2024 £'000
Interest expense	6	10
Remeasurement – impact of any change in assumptions	-	-
Remeasurement – amendments to the contribution schedule	-	(17)
Total unrestricted funds	**6**	**(7)**

	2025 % per annum	2024 % per annum
Rate of discount	4.88	4.95

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

17. Contingent liability

During 2021-22 the Charity received grants totalling £3.7m. £2.7m from the Peabody Trust and £1.0m from the Greater London Authority, for renovating Moorings Sociable Club. The Charity has a future obligation to return sums, to respective grantees on disposal of property. The timing of future disposal is uncertain, and the Charity has not included a provision for return of grants in these financial statements.

18. Ultimate parent undertaking

The Company's ultimate parent undertaking is Peabody Trust. This is the only entity in the Group that produces Consolidated Financial Statements. Peabody Trust is a charitable Community Benefit Society formed under the Co-operative and Community Benefit Societies Act 2014. Consolidated financial statements of Peabody Trust are available from the Company Secretary at 45 Westminster Bridge Road, London, SE1 7JB.

Notes to the financial statements *continued*

19. Group reconstruction

On 02 April 2024, Catalyst Housing Charitable Trust ('CHCT') became part of Peabody Community Foundation. The transaction represents a group reconstruction under common control, accounted for under merger accounting.

FRS 102 requires group reconstructions under merger accounting to be accounted for as if the entities had always been combined.

This means the prior year comparatives in the financial statements and notes will be restated on a combined basis.

The impact of this is as follows:

Statement of Comprehensive Income	PCF 2024	CHCT 2024	Cons. 2024	Combined Total 2024
	£'000	£'000	£'000	£'000
Donations and legacies	7,505	-	-	7,505
Income from charitable activities	1,484	22	-	1,506
Incoming resources	**8,989**	**22**	**-**	**9,011**
Cost of charitable activities	(10,037)	(29)	-	(10,066)
Pension scheme exit	(720)	-	-	(720)
Resources expended	**(10,757)**	**(29)**	**-**	**(10,786)**
Profit/(loss) on sale of fixed assets	-	-	-	-
Net expenditure for the year before interest and pension	**(1,768)**	**(7)**	**-**	**(1,775)**
Investment income	1,061	4	-	1065
Interest payable and similar charges	(10)	-	-	(10)
Net expenditure for the year before pension	**(717)**	**(3)**	**-**	**(720)**
Other comprehensive income				
Pension scheme actuarial gain	737	-	-	737
Total comprehensive income/(loss) for the year	**20**	**(3)**	**-**	**17**

Statement of Financial Position	PCF 2024	CHCT 2024	Cons. 2024	Combined Total 2024
	£'000	£'000	£'000	£'000
Non-current assets				
Other tangible fixed assets	13,990	114	-	14,104
Total fixed assets	**13,990**	**114**	**-**	**14,104**
Debtors due in more than one year	21,014	-	-	21,014
Total non current assets	**35,004**	**114**	**-**	**35,118**
Current assets				
Debtors due in less than one year	942	23	(8)	957
Cash and cash equivalents	2,200	168	-	2,368
Total current assets	**3,142**	**191**	**(8)**	**3,325**
Creditors: amounts falling due within one year	(3,687)	(18)	8	(3,697)
Net current assets/(liabilities)	**(545)**	**173**	**-**	**(371)**
Total assets less current liabilities	**34,459**	**287**	**-**	**34,746**
Creditors: amounts falling due after more than one year	(61)	-	-	(61)
Pension liabilities	(153)	-	-	(153)
Net assets	**34,245**	**287**	**-**	**34,532**
Restricted funds	512	-	-	512
Unrestricted funds	33,733	287	-	34,020
Funds	**34,245**	**287**	**-**	**34,532**

Notes to the financial statements *continued*

Alignment of accounting policies

Peabody Community Foundation and Catalyst Charitable Housing Trust both prepared financial statements in accordance with FRS102 and the Charities SORP. As members of the same Group, the accounting policies and estimation methodologies were aligned. No significant accounting adjustments are considered required.

Elimination of intercompany debtors and creditors between Peabody Community Foundation and Catalyst Charitable Housing Trust

Statement of financial position	Total adjustment 2024 £m
Debtors: due in less than one year	(8)
Creditors: amounts falling due within one year	8
Total adjustment to statement of financial positions	

20. Related party transactions

Related party transactions include the Charity's transactions with the Parent entity, with fellow subsidiaries, associates, joint ventures and compensation paid to key management personnel. Key management personnel are senior management team, board members and their close family.

Compensation includes all employee benefits in exchange for services and consideration paid on behalf of Peabody in respect of goods or services provided to the entity.

During the year the following transactions took place between the Charity and its parent company, the Peabody Trust and subsidiary entities within the Group:

- Peabody Trust provided support services, finance, governance, IT, HR totalling £340k (2024: £339k), and recharged £4,826k (2024: £5,836k) of salary costs relating to Peabody staff working directly for the Charity.

  At year-end £41k was owed to PCF from other Group members (2024: £174k) (note 11).

- Peabody paid the Charity £1,358k (2024: £1,325k) as the year 10 payment in respect of the sale of Tilfen Land Ltd.
  £600k (2024: £539k) was charged against the deferred consideration debtor (note 10) with £758k (2024: £786k) being recognised as interest (note 5).

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PEABODY COMMUNITY FOUNDATION

England & Wales - Charity number 271731

Accounts

Peabody

Peabody Community Foundation Annual Report and Accounts 2023-24

Helping people become healthier, wealthier and happier

Who we are

Peabody Community Foundation (PCF) was set up by Peabody in April 2016 to bring together the Group's community investment activities. Our team of more than 100 dedicated colleagues works in partnership with grassroots, local and national organisations to develop programmes and provide support that meet the needs of local people.

In line with the whole of the Peabody Group, our core focus is to help people flourish. We do this by taking a local approach so we can get closer to residents, listen to what they want, and deliver what they really need.

With wellbeing at the forefront of our minds, we support people to become healthier, wealthier and happier. We offer corporate partners the opportunity to build their economic, social and governance credentials by working with us to provide support or develop programmes that align with their purpose and match the needs of local communities.

The Peabody Group is one of the oldest not-for-profit housing associations in the UK. It's responsible for more than 108,000 homes, with around 220,000 residents across London and the Home Counties. It also has over 26,000 care and support customers.

Peabody

Highlights 2023–24

48,000 hours of free activities, such as health and wellbeing projects, English as a second language classes and tuition for primary school children.

2 new community spaces opened in Reading and St John's Hill, Clapham.

£10m invested in local communities.

£220,000 worth of small grants awarded to local voluntary and community groups.

£132,000 raised through events with partners to invest in community programmes.

£12.7m worth of social value created through our contractors and suppliers.

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Foreword by **Helen Edwards**

Chair of Peabody Community Foundation

"By listening, learning, and working collaboratively, we aim to empower communities to create meaningful change and inform our local approach."

This year has been another challenging one for residents. Every day, we see the profound impact the high cost of living is having on residents which underlines the importance of our investment, support and advice. As a Charity, we are committed to long-term investment in local communities. And we're passionate about providing the support and advice those living in them need to thrive.

Over the past year, we have continued to channel this passion into action. Our local approach allows us to tailor support to individual communities and our close connection with residents means we're well placed to find out what they really need. If we can provide this service ourselves, we do; otherwise we refer them to other specialist providers and partners to make sure they get the right kind of support.

During the year, we invested £10m in community programmes and initiatives, providing more than 48,000 hours of free activities, opening two vibrant new community spaces, and awarding over £220,000 in small grants to local voluntary groups. Through partnerships with suppliers and contractors, we generated £12.7m in social value.

We've always said that we can't do everything on our own, and the London Food Insecurity Network is a great example of partnership working. During the year, we worked with The Felix Project and HACT to set up the group, whose ultimate goal is to ensure no social housing resident in London goes to bed hungry. It's a broad coalition of housing associations, specialist food partners and providers who are working together to find new ways of addressing food inequality.

We've laid the foundations for our community investment activities for the next three years with our new Community Investment Strategy for 2024-27. It focuses on improving the health, wealth, and happiness of residents and those living in local communities. By listening, learning, and working collaboratively, we aim to create meaningful change and inform our local approach.

We know that the coming year will continue to bring its share of challenges. But I would like to take this opportunity to thank residents and communities, and reassure them that we'll continue to work tirelessly with them to create vibrant, sustainable places where people truly want to live.

Helen Edwards

Chair

Review by
Stephen Burns

Executive Director of Care, Inclusion and Communities

"We continue to support people to help themselves, providing access to funding and learning support so they can improve their skills and boost their income."

This review covers a period of significant change for the Peabody Community Foundation. Following the merger with Catalyst, we are a larger organisation but working to maintain a local focus. We're getting closer to residents and communities to understand what they genuinely need and we are working in partnership to provide support and advice that makes a real difference.

The challenges faced by residents and communities haven't changed, and neither has our aim. Our mission is to drive positive change, removing barriers to employment and improving health and wellbeing standards for residents and those living in local communities. We continue to support people to help themselves, providing access to funding and learning support so they can improve their skills and boost their income. It is vital that we respond to ongoing circumstances and proactively seek to support individuals to achieve their full potential. Our work centres on partnerships and we foster a collaborative environment where we listen, learn, and make decisions together. By tapping into the skills and passions of local people, we aim to create meaningful, lasting change.

While we maintain a strong focus on individual needs, we also understand the broader context. Peabody residents and their homes are not isolated from the wider communities they reside in. We use the context of a place-based approach to help us to think about the relationships within and between the local areas and communities we work in. This allows us to maximise our impact, making the most of our expertise, skills, and resources to deliver the best possible outcomes for everyone.

The successes highlighted in this report are a direct result of the dedication and hard work of my colleagues at the Peabody Community Foundation, for which I am both proud and deeply grateful. At the heart of our efforts is an unwavering commitment to building a resilient, inclusive, and thriving community. Thanks to the generosity of our donors and supporters, the dedication of our volunteers, and the collaboration of our partners, we've made significant strides in fostering positive, sustainable change.

In this report, we reflect on the milestones of the past year, share stories of the people we've had the honour to work with, and outline our vision for the future. I invite you to join us in celebrating our progress and looking ahead to the work that we still plan to do.

Stephen Burns

Executive Director of Care, Inclusion and Communities

Our vision and *key goals*

People are at the heart of everything we do. We provide support and advice to help residents and communities make a difference themselves. We do this by listening and learning, making decisions together, and helping residents to use their own skills and passion to shape and drive change.

Our work is focused on three priorities of helping residents become healthier, wealthier and happier. We maximise our impact by looking at communities as a whole and working with residents to deliver what they need. By addressing more than one issue at a time, we're able to make the best use of our resources and assets, ensure we deliver value for money, and learn from our own experiences.

Healthier
We support wellbeing, helping people to thrive physically, mentally and emotionally.

Wealthier
We tackle poverty and inequality, supporting people to become financially resilient.

Happier
We help people to feel connected to, and involved in, their communities through local activities and programmes.

Healthier

Helping local communities live well

Being healthy is not just about food and exercise. It's also about your wellbeing – how you feel emotionally, mentally and whether you feel socially connected. This can impact how you feel about yourself, your life, your surroundings and those around you. And because of this, the health and wellbeing of residents and those living in local communities is paramount.

During the year, we worked with a wide range of local and national partners to help improve the health and wellbeing of residents and communities. Here are some of the things we supported:

- **Sharing ideas:** As many as 90 residents, some of them children, came to our Green Spaces co-design event at Open Havelock in Ealing to share their ideas about what the new landscaped garden area could look like. This helped engage new community members and increase the profile of the community space.
- **Getting people moving:** A new Park Run on the Thames Path and cricket sessions in partnership with Platform Cricket helped get people moving in Thamesmead. While in West Reading, more than 6,400 people walked, cycled and wheeled nearly 80,000 miles over a six-week period as part of Beat the Street, a joint initiative with Intelligent Health UK, Reading Walking Tours and Sport in Mind.
- **Tackling loneliness:** The Connecting Thamesmead programme supported residents to set up their own groups, including an LGBTQ+ group and a chess group, aimed at helping people feel less lonely and isolated.
- **School holiday activities:** Primary school children from vulnerable families across Bexley and Greenwich took part in holiday activities at several Thamesmead community spaces, including the Moorings Sociable Club and the Nest. The children, from some of the boroughs' most vulnerable families, enjoyed a range of creative, sports and social activities, as well as getting a free hot meal.
- **Channelling skills:** People at the Southall Day Centre Sewing Club donated nearly 100 hand-made bags to cancer patients at Northwick Park hospital.
- **Better mental health:** Our PeerUp digital lifestyle website offers a range of health and wellbeing resources to help maintain good mental and physical health.
- **Sharing information:** Revive and Thrive North Kensington, a community event held in partnership with Morley College, Kensington and Chelsea Social Council, Volunteer Centre Kensington and Community Living Well, provided residents with wellbeing advice.

Case study

Community acupuncture helps manage pain

Imogen, an NHS worker and resident of Cygnet Square, Thamesmead, is offering free acupuncture sessions in the local community after seeking help from the Community Properties team.

In December 2023, Imogen, a recently qualified acupuncturist, was struggling to find local space to set up her alternative healing sessions. After hearing that Peabody's community spaces were available for hire, she enquired about the space at the Nest in Thamesmead.

Peabody offered her free space for six weeks. During this time, she worked with the Communities team to build her network in the alternative therapy community and get professional advice on how to make money to keep the project going.

Imogen's free community acupuncture sessions are a great hit with local people. Imogen runs these alongside regular paid sessions.

Case study

Counselling helps stop overwhelming feeling

Jon (name changed) felt he didn't know who he was any more. He couldn't trust people and was struggling to maintain healthy relationships. In the past, he'd had mechanisms to help him cope when he felt overwhelmed but over the past year they'd stopped working.

Over the course of 12 sessions with Bexley Counselling Matters, Jon was able to understand how the abuse he'd received from his primary caregiver had affected his relationships with others. The sessions helped him to build trust for the first time. Jon even brought personal items, such as paintings and journals, to the sessions – things he couldn't remember being comfortable sharing with anyone for a long time.

During the sessions, the counsellor worked with Jon to establish some coping mechanisms related to his interests of painting, music and journaling. This helped him feel safe. Now, whenever Jon feels overwhelmed or anxious, he uses these to stop him from "feeling like a wave is coming over him".

Access to counselling is very limited locally, so places like Bexley Counselling Matters provide a very valuable service. Positive Steps, the Thamesmead support and advice service, refers local people to the service. Of those referred, 95 percent say their overall wellbeing improved after attending the sessions.

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Wealthier

Supporting opportunities to connect and learn

Financial resilience is an important part of life. But it's something that's hard for many people. By giving people better access to education, training opportunities and business support, they are able to broaden their horizons and achieve their goals.

During the year, we worked with a wide range of local and national partners. We combined funding, skills, experience and resources to offer the widest possible range of services, support and opportunities to residents and those living in local communities. Here are some of the things we supported:

- **Gaining qualifications:** People of all ages in Hackney and Waltham Forest studied for a wide range of qualifications, including GCSEs, A Levels and first aid certificates, with partners such as Clean Slate, the Asante girls' project and Hackney Laces.
- **Supporting entrepreneurs:** Eight Lambeth-based entrepreneurs under the age of 30 attended a 12-week business support programme run by YEA!, the Young Entrepreneurs Alliance. They each received more than 70 hours of support made up of workshops, mentoring and networking sessions, as well as the chance to pitch to a panel of industry experts for £2,000 of seed funding.
- **Finding the root cause of issues:** Research carried out in partnership with Flourishing Futures found that young people living on Brent's three biggest social-housing estates were struggling to find a fulfilling career due to lack of awareness and career advice. Knowing this, we can now better support these young people.
- **Supporting future career paths:** Thirty young people on the YouthBuild programme received tips on how to write CVs and act in an interview. YouthBuild Ventures provides construction industry training for 14-to-25-year-olds who are at risk of being, or already are, socially excluded or young offenders. Thirteen participants from the most recent training programme have already found jobs or apprenticeships. A further four have secured labouring jobs on Peabody developments.
- **Providing support:** More than 100 local people received childcare qualifications after taking part in our Childcare Accreditation programme supported by BNP Paribas.
- **Helping businesses grow:** During the year, 237 local businesses received support, training and advice from our Business Forums. We helped 61 enterprises trade at the Thamesmead Festival and created opportunities for a further 56 businesses. The monthly Business Forum brings together partners, business owners, founders, entrepreneurs and business support experts to build connections and share business ideas and tips. There are also enterptise grants and the opportunity to use Peabody commercial space if needed.

Supporting community groups to make a difference

The Social Innovation Fellowship, supported by Wells Fargo, worked with nine grassroots organisations to help them find ways to make a difference in their communities. Of those nine, six received £10,000 each to test their approach and support long-term change.

- **Mafia Weekend (Make a film in a weekend)** – uses digital storytelling and film-making to build community and individual skills.
- **Parent Power** – works with diverse communities, particularly refugee families, to support child development and educational attainment in South East London.
- **People Arise Now** – supports youth and community programmes in West and South London.
- **Shadow to Shine** – offers work experience and mentoring opportunities to young people in Westminster.
- **Spark Charity** – provides work experience opportunities, both in school and in the community, for young people in West London.
- **Turn Your Light On (TYLO)** – works with schools in Wandsworth to celebrate diversity and inclusion, and to ensure that children from diverse backgrounds have access to role models and can celebrate their culture.

Case study

Apprenticeship gives timely insight into actual job

Less than a year into her apprenticeship in Construction Site Management, Sabrina Modest is working as Site Supervisor Apprentice at Holloway Park, Peabody's 985-home development on the site of the former Holloway Prison.

Sabrina loves the fact that every day is different and that she's getting on-the-job experience that she wouldn't get from going to university. "I decided to be an apprentice because it was a good route for me to get into construction management and learn new skills, with on-the-job training and not leaving university in debt," she says.

As well as providing new homes and new community and commercial space, the Holloway Park regeneration will provide 51 apprenticeships for local people, nearly a third of which specifically aimed at women. According to Sabrina, an apprenticeship is a great way to get a thorough insight into what a job entails rather than committing to a long and expensive university course and then finding out that maybe it's not for you.

Case study

Nature inspires young people's film content

Nature is important for a lot of different reasons. And community group Mafia Weekend believe that if you combine it with storytelling, it can help to reconnect communities. So, 13 young Londoners put the theory to the test. Working closely with Mafia Weekend, they created their own content inspired by their experience of the TUMP 53 Nature Reserve in Thamesmead. The film programme, which included creative writing workshops, physical warm-ups and discussion circles, was a pilot to test new approaches and processes.

It was run in partnership with Backyard Nature and Thames Water with support from the Social Innovation Fellowship with the aim of co-designing opportunities for young people to access nature and their imaginations.

Peabody Community Foundation Annual Report and Accounts 2023-24

Happier

Delivering what's right for each community

Happiness is about feeling content and connected in your own space. It makes us better people and in turn, affects the lives of everyone around us. We work with partners and other local organisations to empower residents to get involved in their communities. We help them access funding, so together we can deliver what's right for each community and encourage everyone to feel more connected and hopefully, happier.

During the year, we distributed grants worth more than £220,000 to grassroots community groups.

- **Thamesmead Community Fund:** Helped 22 local community groups and partners to deliver a range of cultural and community projects that benefited local residents. Eight local people helped decide how the grants were awarded.
- **Make it Happen Fund:** Administered by Islington Giving with our support, the fund awarded grants of up to £500 to local people to fund things that they felt benefited their community. One example is Urban Forest Tribe, which provides outdoor education sessions for children with special educational needs.
- **Black History Month (BHM) 365 Fund:** Working with A2Dominion Housing Group and Metropolitan Thames Valley Housing, the fund provides grants of up to £1,000 for events, activities and projects celebrating Black history.

We're also acutely aware of the important role community hubs have to play in building happy and healthy communities. During the year, Pembury Community Centre in Hackney held a wide range of regular activities, including:

- Sewing classes and an upcycling programme led by locals who attended previous sessions as students.
- The Changing Places Project, which aims to improve the wellbeing of people of African and Caribbean heritage diagnosed with Type 2 Diabetes at High risk.
- Educational classes run by local group Kumon.
- A wide range of new voluntary community groups and programmes (VCSEs), such as Tutors United, the Dao Lu programme, and a family games night.
- New Ages Programme, a series of exercise classes for women.

Case study

Bingo hits the spot again in West London

Long-time resident Barbara Claxton has reignited the beloved bingo tradition at the Old Oak Community Centre and shown how residents can shape local spaces.

The previously popular bingo sessions were forced to stop during Covid lockdowns. But with the support of the Community Investment team in North West London, Barbara, a regular visitor to the community centre, managed to get them running again.

She's now even working to set the group up as a self-sufficient, volunteer-run organisation. To do this, they're opening their own bank account and applying for funding from Hammersmith & Fulham Council.

The bingo revival is a great example of how, with the right support, a community's resilience and the power of residents can help shape local spaces.

Case study

Southall Day Centre provides much-needed lifeline to local residents

Mrs M, 77, is a regular at the Southall Day Centre and believes it has changed her life.

As someone who struggles to get around and suffers from several chronic conditions, she used to feel very isolated, lonely and sometimes, depressed. She now visits the centre most weeks, joining in with the women's social group, exercise classes, yoga and parties.

Mrs M says she feels happy, more positive and is living the life she wanted. She's made new friends, which has helped her wellbeing, and the exercise and yoga has improved her ability to walk, her flexibility and relieved the pain in her leg. She's even sleeping better, is less anxious, more confident and alert.

And she's not the only one who feels they've benefited from what the centre has to offer. Someone who joins in with the yoga class told one of the centre's coordinators: It's "only because of you we are alive".

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How we *work*

Local communities are built on their own skills and passions. We focus on community assets and strengths rather than problems, and we're experts at getting people involved.

A community-powered place

By focussing on the specific needs of individual areas, we are able to speak with residents and the people who live and work in local communities. We work with local authorities and other key stakeholders to identify shared priorities to maximise co-investment in joint programmes and services that benefit residents.

- In Westminster, we engaged with the council's plans around place-making for a fairer Westminster in Pimlico North and worked with community partners, housing associations and the council to develop a strategic plan in line with what residents had told us.
- In Ealing, we worked closely with the council and wider community to ensure our Open Havelock project can flourish. By aligning our work more closely with Ealing Council, we've been able to take a joined-up approach to reducing the impact of anti-social behaviour, such as rough sleeping, on the Havelock Estate.
- In Islington, we supported the borough's Fairer Together strategy and co-chair the South Locality Leadership group. We also support of the Make It Happen Fund, a residents' small grants scheme, and contributed to a coalition of housing associations supporting Help on Your Doorstep's Good Neighbours Scheme.
- In Tower Hamlets, we co-founded a consortium of five Housing Associations working in the borough who all co-invest in the Life Chances Fund. The fund improves residents' access to services in the borough.

Co-creation and making decisions with residents

We know that communities have different needs and priorities. So, we listen to local residents to ensure they're involved.

- We launched our Resident-Led Panel made up of nine residents chosen for their motivations, expertise, commitment and aspirations to support resident engagement at Peabody.
- In Lewisham, the Parkside Residents' Collective, a group of local people from the estate, are working with us and the wider community to design and deliver programmes and activities together.
- In Hackney, Pembury Talks, a steering group made up of 11 residents, is helping inform our programme of community development activities.
- At Open Havelock in Ealing, 65 adults and 25 children shared ideas about what the new landscaped garden area could look like at our Green Spaces co-design event. Through this event, we were able to engage new community members and raise the profile of the community space.

Partnerships and *social value*

We aim to develop productive sustainable relationships with organisations who have a deep understanding of communities, people and a shared common purpose. This means we can better target resources, increase our impact and amplify good practice.

Productive sustainable partnerships

During the year, we continued to develop local, regional and national partnerships which maximise the value of our assets and resources and bring skills, services and funding to our communities.

- In Southwark, we worked with Clarion on their Resilience Programme to develop and build local grassroots organisations or startups. We also worked with Southwark Council's COVID-19 Impact and Prevention Group to award grants to promote health and wellbeing within the community. Our partnerships include, Step Now, HACT's Ageing Better Network, United St Saviour's, Walworth Living Room, Hatch and TEDI – London.
- In Tower Hamlets where our homes are spread out, we've been improving residents' access to services jointly investing in specific geographies.
- In Lewisham, the local team has been working with Lewisham Local, other Housing Associations and Lewisham Council.
- We're a member of various anchor networks across our regions, mainly led by local authorities including Islington, Lambeth, Southwark, Greenwich, Bexley, Lewisham, Wandsworth, Hackney, and Ealing. We work collaboratively with other organisations in each area, including the Department of Work and Pensions (DWP), local colleges, universities and large employers.

Delivering more social value

During the year, we created £12.7m of social value through our new social value policy. Following a successful year-long pilot, in 2023 we introduced the policy, which requires all new procurement contracts over a certain threshold to contain a 20 percent social value weighting. As well as bringing more value to our communities through our spending decisions, it also helps ensure we're working with like-minded organisations.

Case study

Peabody Elves bring festive cheer

In December, Peabody colleagues helped distribute more than 500 food and toy vouchers to residents and community members to help make the festive period a little bit easier for some households. In addition, they delivered 61 hampers to Peabody care and support schemes, hostels and refuges.

The annual appeal is possible thanks to the generous support of many of our supply chain partners. Peabody colleagues use their Peabody Promise Volunteer days to help spread the joy.

Case study

A centre refresh

In March, colleagues from Wates, one of our repairs contractors, worked with some of their own suppliers and subcontractors, including Rope Access in London, Build Recruitment, and Skilled Careers, as well as Peabody colleagues, to repaint the main hall in Peabody's Unity Centre.

Across two days, over 30 volunteers filled cracks and holes, sanded and prepped walls for painting and gave the much-loved main hall a fresh face. Graphenstone Paints UK donated low-carbon paint and Travis Perkins provided other materials.

The centre supports a diverse community in Brent who regularly rent the hall space for events, parties and for community organisations to offer advice and other services. Support from partners like Wates is essential to make sure the centre is a valued resource for communities to come together and flourish.

Community properties

Spaces and places connecting people

During the year we worked with partners and residents to provide a broad range of free and low-cost activities in the heart of our communities.

We have just under 100 community centres, 16 of which are managed by resident-led committees and 15 leased to community partners. We also provide easy access to grants, as well as ongoing support, to make sure initiatives achieve their potential. The activities include:

- Health and mental wellbeing sessions.
- Children's activities, including youth clubs and play schemes.
- Food projects.
- Projects tackling social isolation.

More community space

We opened two new community spaces, Dee Space in Reading and Burridge Gardens, at St John's Hill Clapham. Both new facilities now host a range of free and low-cost activities for residents. In addition, Tachbrook Community Centre reopened after a two-year major repair programme and two centres in North London run by management committees, the Calcott Centre and Cumberland Market, have also reopened following much-needed refurbishments.

Safe spaces

During the year we've been trialling a new initiative to provide safe spaces for those who are suffering from domestic abuse and need a safe and secure space. By providing access to a safe room, with a phone and laptop, we can ensure they are able to contact whoever they need for confidential advice and support. Working closely with the Domestic Abuse team, we've been trialling the safe spaces in Pembury, Hackney and Unity Centre, Brent.

Case study

It's all self-defence and smiles thanks to Arch C

Question: What do you get if you have a local martial arts group with nowhere to train and an empty local facility with no one using it?

Answer: The perfect new home for a local martial arts group. And this is exactly what's happened in Bexley.

With no permanent home, training for members of the Rising Phoenix Academy was proving difficult and training sessions in the park were often thwarted by the great British weather. The lack of consistency and a sense of effectively being homeless, was particularly upsetting for some members with additional needs. So, when local members told them that Arch C at The Link community hub in Thamesmead had been empty since the pandemic, the group jumped at the chance to move in, believing it would give them the sense of belonging they needed.

And that's what's happened. All the members love the new space, and the coaches say the routine and consistency of classes has made a positive impact to all the sessions. Speaking about the first session in the new space, the coach said: "They were all literally smiling from ear to ear. They couldn't believe how light and spacious it was - this was a real proud moment for us as a club."

We're letting the academy use Arch C for free for a few months while the number of people attending their sessions increases. In return, children and young people can join some of the classes for free.

It's a win-win for all as martial arts is very popular amongst children and young people. As well as learning self-defence skills and gaining confidence, it also helps increase their fitness and practice their social skills.

Case study

Youth programme helps provide a sense of belonging

There's more than meets the eye to the activities run by the Pembury Youth Programme.

For 12-year-old Dana*, the programme is a constant in her life. When she's worried about school or exams, she can go to Pembury and forget her worries.

"I come here basically every day," she says. "It's like my second home. I enjoy being myself here."

Dana's been taking part in a range of activities run by the programme for the past six years, including creative school holiday programmes and the Asante Programme for girls and young women. The programme has helped her through her transition from primary to secondary school and been a vital pillar of stability and consistency in her life where she can escape pressures at school.

*Name changed

Influencing

Our ambition is to create more long-term sustainable solutions to the challenges we face, testing and developing new approaches to influence policy changes across the sector. Everything we do has our residents and customers front and centre.

Creating change

In partnership with The Felix Project and HACT we launched the London Food Insecurity Network (LFIN). It brings together G15 members, food providers and partners to explore a strategic and collaborative response to food inequality across London with an ambitious aim of ensuring that no social housing resident in London goes to bed hungry.

Its first major collaboration was the Winter Markets Project, which brought together communities across London. The markets offered a warm and welcoming environment where people could fill their baskets with fresh and store cupboard ingredients. The winter markets were welcomed by residents, with one saying it hadn't only helped them "massively financially", but also mentally, as "chatting to people in the queue really cheered me up too".

With the Network we are tackling the increasing trend of food inequality by supporting food waste reduction charity, the Felix Project. We've worked closely with other housing associations, Hyde and Clarion, and our supply chain partners to contribute £118,500 to help the Felix Project deliver free surplus food to our food projects and pantries across London.

Looking ahead, the LFIN is developing a blueprint for the role that housing providers can take in tackling food insecurity and creating sustainable community-led solutions. The Network's first collective impact report showcases its work and shares learnings across the sector and beyond.

Peabody Index

We use an evidence-based approach to develop knowledge and insight and deliver our strategy. This includes a focus on listening, understanding and responding to our residents and communities. Our Peabody Index gives us a detailed insight into the lives of our residents. It gives us hard figures and facts to help influence our decision making and calls for policy changes. For example, the most recent Index published in December 2023, found that 46 percent of the residents questioned described their finances as 'difficult'. It also showed that the proportion of residents describing their household finances as either 'healthy' or 'about ok' is the lowest since we started the Index in 2018.

This emphasises the importance of investing in our financial inclusion and support teams so they can provide residents with the right advice to help improve their finances.

Members of the LFIN held 76 Winter Markets across London:

- Distributing 35 tonnes of food (enough for 80,000 meals).
- Fruit and vegetables made up 55% of the deliveries.
- The financial value of the food and the saving to residents was £120,000.*

*Annual survey of redistribution organisations in the UK: 2022 update | WRAP

Looking ahead

As we look ahead to the coming year, our aim remains the same – to deliver the greatest possible value for communities and help people become healthier, wealthier and happier.

A place-based approach
We know that the high cost of living poses challenges for everyone and that more than anything, residents and community members want to feel listened to and that the issues they raise are addressed. Our local focus means we're well placed to find out what each neighbourhood really needs, and work together with partners, local authorities and other community stakeholders to have a positive impact.

Our Community Strategy
Our Community Strategy 2024-27 focuses on people. It sets out how we help residents and communities to help themselves by listening and learning, making decisions together, and giving them the support they need to shape and drive meaningful change. But it also looks at the bigger picture, and how we can maximise our impact and channel investment, skills and resources into local communities.

The strategy sets out how we'll help build strong communities where people have many ways to have a say about where they live and the services they receive. By combining our experience and resources with residents' skills and passion, we're confident we can help people flourish.

Impactful sustainable relationships
We know we can't achieve our goals alone, so we work together with local authorities, housing associations, government and other partners to build relationships and drive value for residents and local communities.

As a member of the G15 group of housing associations, of which Peabody's CEO, Ian McDermott, became vice chair in June 2023, we share ideas and learn from our peers. We're also able to speak with one voice and represent housing associations across London in key debates.
Our ongoing involvement with HACT's Centre of Excellence in Community Investment also enables us to promote the importance of community investment and bring together other organisations to share and develop ideas.

We partnered with New Local, an independent think tank focused on community power, for their annual conference. This brought together hundreds of organisations all focused on placed-based and resident-led approaches to improving services.

Here for everyone
We know the benefits diversity brings and are committed to creating an inclusive organisation where everyone feels valued, respected and empowered. Our ongoing culture programme, informed by feedback from stakeholders, is shaping priorities for the future and we're sharing these across both the organisation and in local communities to make sure we deliver what's right for everyone.

Partners

We would like to thank the following

for their valuable support in 2023-24

A2 Dominion
Addison Lee
Advanced Building Ltd
Amalgamated Lifts
Axis
BNP Paribas
Boostworks
Bow Arts
Catalyst
Charlton Athletic Community Foundation
City Hall Regeneration Fund City of Westminster
Clarion Housing Group
Clifford Chance
Cook for Good
Department of Work and Pensions Durkan
Dolly Parton Imagination Library
East London Business Alliance
EEM
Film Fixer
Greater London Authority
HACT
Harmony
Help on Your Doorstep
HS2
Hyde
ID Verde
Imperial College
Islington Giving
Jigsaw Conferences KBH Haus
Kinovo Group
Kundukala
L&Q
Lightside
Lloyd Park Children's Charity
LMAC Group Ltd
London Borough of Bexley
London Borough of Brent
London Borough of Ealing
London Borough of Hackney
London Borough of Hammersmith and Fulham
London Borough of Islington
London Borough of Lambeth
London Borough of Lewisham
London Borough of Southwark
London Borough of Tower Hamlets
London Borough of Waltham Forest
London Borough of Westmister
London Community Foundation
London Economic Action Partnership
London Funders
London South East Colleges
Mama Haven
Mary Minute Trust
Mayors Fund for London
Mulalley
National Lottery Community Fund
New Economics Foundation
New Local
Purdy Contracts Ltd
Ravensbourne University
Reading Borough Council
Renaisi
Royal Borough of Greenwich
Royal Borough of Kensington and Chelsea
Royal College of Music
Saltash Enterprises Ltd
Seville Development Ltd
Skyway
Smart Works
Society Links
Southall Alliance
Spark Charity
Sport England
Sureserve Fire and Electrical
Sustrans
Systems Link 2000
TBrown Group
Tectonic
The Aspen Institute
The Chandran Foundation
The Felix Project
The Housing Forum
The Leys CDI
The South East London Chamber of Commerce
The University of Manchester
Think Events London
TSG Building Services
Tutors United
Trees UK of Bromley
Topcoat United Charities in Hammersmith and Fulham
United Living
VINCI Facilities
Voluntary Action Islington
Waterways Children's Centre
Wates
Wells Fargo
Westminster Bangladeshi Association
Winckworth Sherwood
Youthbuild Ventures UK
Young Ealing Foundation
Young Brent Foundation
Your Local Pantry

Trustees, Directors and Advisors

(The Trustees are also the Directors of the Company)

Helen Edwards, Chair
Peter Baffoe
Shreya Hewett
Karima Uba Amiri Mbarak
Catherine O'Kelly
Katharina Winbeck
Deidre Moss (resigned 18 September 2023)

Executive Director Care, Supported Housing and Inclusion
Stephen Burns

Director of Community Strategy, Fundraising and Partnerships
Sahil Khan

Secretary
Sarah Cameron

Company No
01267728 (Registered in England and Wales)

Charity No
271731 (Registered in England and Wales)

Registered Office
45 Westminster Bridge Road, London, SE1 7JB

Banker
Coutts & Co., St Martins Office, 440 Strand, London, WC2R 0QS.

Auditor
KPMG LLP
Suite 23, BLOCK
Royal William Yard
Plymouth
PL1 3RP

Solicitor
Trowers & Hamlins, 3 Bunhill Row, London, EC1Y 8YZ

Meet our Trustees

Helen Edwards
Chair (from Sep 2023)

Peabody Board member since July 2016 and a PCF Board member since September 2016. Helen served as Deputy Permanent Secretary and Director General at The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government). Previous roles included Director General of Justice Policy at the Ministry of Justice and Chief Executive positions at the National Offender Management Service and Nacro, a national social justice charity. Helen is a non-executive Director at South London and the Maudsley NHS Trust.

Peter Baffoe
Board Member

Peter joined the Peabody Board as a resident Board member in May 2018 and the PCF Board in September 2018. He is currently the Executive Director of the South London Mission, a charity based in Bermondsey, South London. He is a Trustee of Southwark and Deptford Methodist Church. He is also a Trustee of the Maudsley Charity, a charity that supports work around mental health across 4 London boroughs. He is a School Governor at a Peckham primary school acting as the Link Governor for equalities and curriculum. Having been born and raised in Southwark, London.

Shreya Hewett
Board Member

Shreya joined the PCF Board as resident Board member in January 2021. Shreya Hewett is co-founder of GRASP, a children's health and hygiene brand launched in 2021. As a Hackney resident for the last eight years and the mother of three young children, she is passionate about community engagement and early years development, particularly in crosscultural settings. Shreya has a BA in History and Economics from the University of Oxford, and a background in economic policy output and financial technology.

Karima Uba Amiri Mbarak
Board Member

Karima joined the PCF Board as resident Board member in November 2020. Karima is Senior Public Finance Accountant at Richmond and Wandsworth Councils. She has a wide range of accounting experience including treasury, statement of accounts and managing audit relationships. Karima is an advocate for strengthening youth engagement. She established an award-winning mental health community project called 'Keeptlking' in 2018 to encourage young people from an ethnic minority background to challenge taboos surrounding mental health.

Catherine O'Kelly
Board Member

Catherine became a Family Mosaic Community Foundation Board member in February 2016 and she joined the PCF Board in November 2017. She is the Managing Director of British GasEnergy. Catherine has held senior positions at Centrica plc including Managing Director of Centrica's Irish subsidiary, Bord Gáis Energy. Catherine's career has focused on the energy industry, including international energy strategy with consultancy Booz & Company, and low carbon energy policy design at the UK's Carbon Trust.

Katharina Winbeck
Board Member

Katharina joined the PCF Board as resident Board member in May 2021. Katharina is passionate about social fairness, specialises in social and environmental science and has delivered policies, projects and programmes in London with a place based and whole system approach over the past 20 years. She currently holds the position of strategic lead for transport and environment policy at London Councils and has previously held positions with Transport for London, the Audit Commission, the London Boroughs of Tower Hamlets & Lambeth and the NHS.

Financial review 2023-24

Financial performance
The Charity has reported an overall surplus of £20k for the year ending 31 March 2024 (2023: £250k surplus). The majority of the Charity's funding is receivable from Peabody, with the level agreed during the Group annual budgeting process. The Charity adapts its operations to ensure that outcomes can be maintained within a fully funded balanced budget. For 2024, the level of expenditure was lower than originally planned in the budget, whilst the intra Group funding remained, this is due to the timing of community projects and staff vacancies. As at 31 March 2024, the Charity had reserves of £34.2m (2023: £34.2m).

Section 172 Statement
The Trustees are aware of and acknowledge their responsibilities to promote the success of the Charity for the benefit of its stakeholders as a whole, in accordance with s172 of the Companies Act 2006. When fulfilling responsibilities in accordance with s172 the Trustees have regard to what is in the best interests of the Charity and what is in the best interests of the Peabody Group (the "Group") including the matters set out in section 172(1)(a) to (f).

The Charity's key stakeholders are set out in the earlier sections of this report, including other charities, Local Authorities, community groups, volunteers, residents and other beneficiaries of the Charity's services and private sector partners. The Group Annual Report and Accounts (the "Group Accounts") provides further details of the Group's key stakeholders. The Trustees have engaged with beneficiaries and community partners, as key stakeholders of the Charity. Engaging with these stakeholders helps the Trustees to manage the Charity's principal risks and has encouraged the Charity's Board of Trustees (the "PCF Board") to move toward a place-based approach. This involves a greater focus on collaboration and co-creation for the greatest impact, instead of direct delivery, with an initial focus on Thamesmead, Waltham Forest, Hackney, Islington, Southwark and Lambeth.

The Trustees consider the likely consequence of any decision in the long term in accordance with the strategic objectives of the Group as set out in the Group Accounts and in line with the Charity's goals to build engaged and active communities, boost incomes, develop skills and aspirations, and improve mental and physical health, within the budget and risk capacity agreed by the PCF Board. The Trustees also adopt the Group's approach to environmental, social and governance ("ESG") matters. By adopting the values and culture of the Group in the decision-making process the Trustees are confident that the Charity demonstrates positive engagement with stakeholders, a reputation for high standards of business conduct and its commitment to long term, sustainable success and accordingly to Trustees' compliance with s172.

Sustainability statement
The Charity, as a wholly owned subsidiary of the Group, aligns its activities and strategic priorities with those adopted by Peabody, including the Sustainability Strategy 2023-26.

Relevant objectives in our sustainability strategy include:

- Net zero carbon in our day-to-day operations by 2030
- Build green, healthy, and sustainable communities where residents and nature can thrive together
- Provide value-for-money for the organisation and residents

Peabody is committed to ESG practice, and had an integral part in instigating the Sustainable Reporting Standard for Social Housing (SRS) and will continue to play a role in developing the SRS.

In 2022 Peabody undertook its first materiality assessment, and full carbon footprint (Scopes 1,2 and 3) which has helped inform our group business plan and sustainability strategy. In April 2024 Peabody published further detailed emissions data resulting from our operations.

For the third consecutive year Peabody has been accredited with the certified sustainability housing label (by Rittenwald), Frontrunner status was achieved in social and governance sections, with ambassador status for the environmental dimension.

The Charity will continue to play a role in the development of appropriate reporting criteria to best demonstrate Peabody's positive impact on its communities.

On 8 February 2022 Peabody published its Sustainable Finance Framework (SFF) which we are looking to update in 2024-25. The objectives of the SFF are closely linked to the SRS and include:

- Placemaking and projects to improve green spaces and public realm, helping to make a positive difference for health and wellbeing.
- Projects to support residents and community partners delivering wide-ranging programmes aimed at children and young people.
- Providing dedicated personal support designed to prevent or alleviate unemployment and low pay amongst Peabody residents.

Further information about Peabody's sustainability practices can be found in the Group Annual Report and Accounts, available online at the Group's website (www.peabodygroup.org.uk) and will shortly be published in Peabody's fourth SRS document.

Principal risks and uncertainties
The risks specific to the Charity are monitored regularly by the PCF Board and take into account the environment in which the Charity operates as well as the Group's risk appetite. They are not unexpected and are typical of the sector:

- Failure to maintain an effective health and safety environment to protect the people, processes and the buildings in which we operate.
- Non-compliance with regulations for protecting information and people.
- Not safeguarding vulnerable people using our services.
- Failure to ensure robust contract management and financial control procedures.
- Failure to invest in existing properties to meet legal and regulatory standards and sustainability goals
- Mismanagement of organisational change, poor systems and data, or non-compliance with processes and policies.
- Failure to deliver a cultural shift with more involvement of our beneficiaries and community partners in decision-making on service improvement and local plans.

If not managed effectively these risks can result in negative financial, reputational, or operational performance impacts, regulatory intervention, or significantly harm people. Risks are managed continually, and actions are identified and implemented to mitigate risks. The PCF Board provides regular oversight of the risks and mitigating actions. Key controls in operation this year include:

- Colleague training on Group procedures and specific training for services and having safeguarding reporting processes in place. Training includes Health & Safety, Data Protection and Safeguarding.
- DBS checks for staff and Fire Risk Assessments and Health & Safety inspections of community centres.
- Reporting of incidents of non-compliance to the Health & Safety Committee and the Safeguarding Panel for corrective action.
- Local area plans to cater to local needs and support local partnerships, with an engagement model in place.
- Monitoring of key financial information and a continued drive to achieve value for money.

The Charity benefits from the Group's frameworks and processes for overall risk and safety of facilities.

The impact of the principal risks and uncertainties affecting the Company, as set out above, continue to be carefully monitored and considered. The Peabody Board and the PCF Board are confident they can meet their responsibilities to residents whilst also meeting Peabody's and the Charity's financial obligations.

The Trustees Report provides further information on future plans at page 41.

Further analysis of the key strategic risks faced by Peabody and its subsidiaries and associated risk mitigation are provided in the Group Accounts which can be found at www.peabodygroup.org.uk.

Governance
The Trustees' Report, pages 38 to 41 and the Accounts provide details on compliance with applicable law and regulations and the National Housing Federation (NHF) Code of Governance (2020 edition).

By Order of the PCF Board

Helen Edwards.

Chair

Peabody Community Foundation Annual Report and Accounts 2023-24

Trustee's annual report 2023-24

The Directors of Peabody Community Foundation are the Trustees of the Charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (September 2015) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

Objectives and principal activities
The Charity is a community development organisation operating in Greater London and its surrounding areas. It focuses on sector-leading community programmes which make a real difference to Peabody Trust's (Peabody) residents and their communities. Peabody is committed to continued investment in community programmes. Plans are included within the Peabody Group (the "Group") Strategy 2023-2026. The Strategic Report pages 2 to 41, which forms part of the Annual Report, outlines the Charity's objectives, activities and also covers performance for the year ended 31 March 2024. In setting our objectives, planning our activities and monitoring our services, the Charity's Board of Trustees (the "PCF Board") has given careful consideration to the Charity Commission's general guidance on public benefit and the Trustees can confirm that the Charity has met this criterion.

Trustees
Particulars of the Trustees who served on the PCF Board during the year and subsequently are set out on pages 33 and 34.

The Trustees are covered by the Group's directors' and officers' indemnity insurance policy.

Regulatory framework
The Charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2024, Peabody and its principal subsidiaries (including the Charity) applied the principles and provisions of the National Housing Federation ('NHF') Code of Governance for housing associations (2020 edition), (the 'NHF Code').

The PCF Board has been briefed on requirements and guidance from the Charity Commission and relevant charity law. The Peabody Board and the PCF Board take their responsibilities under regulation and relevant good practice guidance very seriously and have taken appropriate steps to help ensure compliance with the requirements set out in charity law. Peabody and its subsidiaries are committed to transparent and timely communication with regulatory authorities and other stakeholders. Peabody is rated as A3 (stable) by Moody's and A- (negative) by Standard & Poor's (Global Rating).

Roles of the Trustee Board and Committees
The Peabody Board has overall responsibility for Group strategy and management. During the financial year ended 31 March 2024, there were nine Group committees: Audit and Risk Committee, Communities Committee (which has overlapping membership with the PCF Board), Resident Experience Committee (previously Customer Experience Committee), Development Committee, Finance and Treasury Committee, Nominations and Remuneration Committee, Thamesmead Committee, Care and Support Committee and Asset Management Committee.

The PCF Board has adopted the Group Governance Framework including delegations to Group Committees. These Committees support and are accountable to and report to the Peabody Board and the PCF Board. The Communities Committee meets at the same time as the PCF Board and has delegated authority from Peabody Board to provide strategic oversight of community investment and community development activities within the Group. Descriptions of the work of this and other Committees can be found in the Group Accounts.

Peabody has demonstrated its commitment to good governance and robust arrangements proportionate to the Group's size and complexity together with a continued focus on improving compliance culture. Further information in relation to the governance framework for the Group is set out in the Group Accounts.

The Peabody Board is accountable for the system of risk management and the internal control framework in place for the Group and for reviewing their effectiveness. Risk is monitored, managed and mitigated in order to minimise, for example, the likelihood and impact of financial loss, compromised service delivery, damage to our reputation or noncompliance with law or regulation. The Group's approach is that risk can and should be taken to achieve our business objectives, provided that it is justified and actively managed. The Peabody Board keeps the corporate structure under review, while managing risk, delivering quality services to residents and others, and making sure the Group has both the capacity and capability to deliver its vision.

PCF Board members sit on the Communities Committee (the "Committee"), which meets alongside the PCF Board. The Committee exercises delegated authority as defined in the Group Governance Framework in relation to the following:

- Provision of strategic oversight of community investment and community development activities within the Group whilst supporting Peabody's strategic objective of helping people flourish by making a positive difference to the communities we serve.
- Designing and developing the Communities and Peabody Community Foundation's Strategy in partnership with the Peabody Executive, prior to recommendation to the Peabody Board.
- Scrutinise and oversee the delivery of the Community Investment Strategy Monitoring the performance of the Group's community activities, including partnerships, direct impact on beneficiaries and on wider communities.
- Making recommendations to the Peabody Board in relation to major proposals.
- Monitoring internal controls and matters with significant implications for the beneficiaries of the Group's community work.

Board recruitment, induction and training
Deirdre Moss completed her service as Chair of the PCF Board and PCF Board Member in September 2023. The PCF Board expressed its thanks to Deirdre for her leadership and guidance during her tenure. Peabody Board member, Helen Edwards, was appointed as Chair of the PCF Board and Communities Committee by Peabody Trust from September 2023.

All members have access to the advice and services of the Charity's Secretary.

New members undergo an induction programme to ensure they have sufficient knowledge and understanding of the activities of the Charity, Peabody and the sector within which we operate. The programme forms part of the ongoing development of board members skills and learning and includes:

- Briefing sessions on governance, strategy, finance and risk management, housing services and community investment.
- Information relating to current issues within the sector and those specific to the Charity and the Committee.
- Meeting individually with the Chair of the Charity
- Meeting with key members of management, including Executive Directors and Heads of Services, and other key personnel.
- Training opportunities such as attending webinars and industry briefings.
- Provision of key governance documents as part of an induction pack comprising operating regulations, incorporation documents, Peabody's Code of Conduct, terms of reference as well as Group strategies and policies relevant to the specific role.
- Visibility of, and an opportunity to comment on, Committee packs and meeting minutes.

New members also participate in visits to build a deeper understanding of Peabody homes and services as well as community schemes and initiatives and meet Peabody colleagues and residents.

Board effectiveness
In 2023 the Peabody Board commissioned an independent Governance review to consider the Group Governance arrangements after the merger of Peabody Trust and Catalyst Housing Limited. The review made a number of recommendations related to simplifying governance and corporate structures, strengthening resident insight and accountability and enhancing oversight of Peabody's culture.

The Peabody Board endorsed the findings of the independent Review and agreed to move forward with the proposals to simplify governance, corporate structures and ways of working which is due to come into effect from the end of December 2024. The Governance arrangements for the PCF Board have been considered as part of this review. The work of the Communities Committee will be undertaken by other committees in the Peabody's governance structure as of January 2025. Due to the work taking place to implement the Governance review an assessment of Board Effectiveness will be undertaken in 2024/25.

Trustees'/Directors' interests
None of the Trustees held any beneficial interest in the Charity, its parent undertaking or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Peter Baffoe, Shreya Hewett, Karima Uba Amiri Mbarak and Katharina Winbeck in their capacity as residents of the parent undertaking. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage. In October 2023 the Nomination and Remuneration Committee agreed Katharina Winbeck would continue her role as an independent member of the PCF Board and Communities Committee as she is no longer a Peabody resident. Some Trustees sit on other boards and committees in the Group, as disclosed on page 40.

Peabody Community Foundation Annual Report and Accounts 2023-24

Trustee's annual report **continued**

PCF Trustees are not entitled to pay by the Charity. However, members of the PCF Board who fulfil other responsibilities in the Peabody Group, receive pay for those roles as set out in the table below. The remuneration each individual received is determined in accordance with the Peabody Board and Committee Member Pay and Expenses Policy (for more information see the Group Accounts). Full disclosure for each role as at 31 March 2024 is provided in the table below:

Remuneration of non-executive Communities Committee members	Peabody board level of pay	Committee only level of pay
Peter Baffoe (1)	18,500	
Helen Edwards (2)	18,500	
Shreya Hewett		7,500
Deirdre Moss (3)	14,124	
Katharina Winbeck		7,500

1) Peter Baffoe serves as a member of the Peabody Board, the Chair of the Resident Experience Committee and member of the Communities Committee. The remuneration shown in the table represents his role as Peabody Board member and Chair of Resident Experience Committee.

2) Helen Edwards also serves as a member of the Peabody Board, the Audit and Risk Committee, the Chair of Care and Support Committee and the Committee. The remuneration shown in the table represents her role as Peabody Board member and Chair of Care and Support Committee and Communities Committee.

3) Deirdre Moss stepped down from her role as Chair of Town and Country Housing and Chair of the Communities Committee and the PCF Board on 18 September 2023. Deirdre was extended as a member of the Peabody Board, the Thamesmead Committee and the Nominations and Remuneration Committee until 30 June 2024. The remuneration shown in the table represents her role as Peabody Board member.

Not all PCF trustees decided to accept pay for their other roles in the Peabody Group and non-executives mentioned in the table above were all paid by Peabody Trust and receive no remuneration from the Charity for serving as trustees. Catherine O'Kelly elected not to receive pay as a Communities Committee member.

Stakeholders, sustainability and transparency
The Group (including the Charity) continues to exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers. These include representatives of local, regional and national government; Peabody's funders and regulators; and delivery partners from a number of sectors. This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF and the Chartered Institute of Housing, to influence policy decisions in the sector.

This approach has helped Peabody to deliver on its strategic goals and achieve the social purpose expressed through its mission statement. An example of this is in Thamesmead, where the strength of Peabody's relationships with stakeholders and its partnerships with the London Borough of Bexley, the Royal Borough of Greenwich, the Greater London Authority and Transport for London among others will underpin the success of the Thamesmead regeneration programme over the years to come.

Peabody is committed to being open and transparent in the way we conduct our business and interact with the Charity's beneficiaries. Peabody believes in being accountable for its actions, spending and performance, by demonstrating how it delivers value for money. The Group publishes information about its priorities, strategic goals and performance and how it utilises resources on its website. Specific information about the Charity's work is available on request, except, for example, for legal reasons or on the grounds of data protection, personal confidentiality, commercial confidentiality or practicality.

Future plans
Notwithstanding the principal risks and uncertainties set out on page 37, the Charity will continue to invest in community programmes as outlined in the Looking ahead section on page 31.

Statement of going concern
The PCF Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Consideration of going concern is further documented in note 2.3 of these financial statements.

Reserves policy
The reserves policy is adopted by the PCF Board and sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve. The Charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to 2 months (the equivalent of approximately £1.5 million) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. The Charity's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £5 million at the year end, higher than the minimum level set by Trustees.

Internal controls and risk management
The Peabody Board is accountable for its system of risk management and the internal control framework and for reviewing their effectiveness. The system of risk management and internal control is designed to monitor, manage and mitigate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute assurance against material misstatement or loss. The system of risk management and internal control also exists to give reasonable assurance about the reliability of financial and operational information and the safeguarding of Peabody's assets, services and interests.

The Group Audit and Risk Committee provides oversight of the Group's system of risk management and internal control on behalf of the Peabody Board (as the parent company for the Peabody Group) and the PCF Board and regularly reviews its effectiveness. The Group's arrangements in respect of the system of risk management and internal control cover the Charity.

The risk review process
During the year, the Peabody Board and the Group Audit and Risk Committee focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the Group Audit and Risk Committee and reports at least twice yearly to the Peabody Board. The Group has 11 key risks outlined in its risk register which was approved by the Peabody Board on 25 May 2024. These risks are set out in the Risk section of the Strategic Report in the Group Accounts.

Statement on Internal Controls Assurance – Peabody Group
The Group's arrangements in respect of the system of risk management and internal control cover the Charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the Audit and Risk Committee the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Audit and Risk Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2023 up to the date of approval of the Group Accounts, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

External auditor
KPMG LLP will pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

Disclosure of Information to Auditor
The Trustees who held office at the date of approval of this annual report confirm that, in so far as each of the Trustees is aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

By Order of the PCF Board

Helen Edwards.

Helen Edwards
Chair

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The trustees are required to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Independent auditor's report to the Trustees of Peabody Community Foundation

Opinion
We have audited the financial statements of Peabody Community Foundation ("the charitable company") for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Statement of Financial Position and related notes, including the accounting policies in note 2.
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 2024 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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related 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 the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect
Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the trustees as to the parent, Peabody Trust's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

Independent auditor's report **continued**

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because turnover is primarily a cash donation received from the parent with other revenue streams being low multiples of materiality, hence there being minimal opportunity to commit a material fraud.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and performed procedures to identify journal entries and other adjustments based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts involving revenue and cash.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees (as required by auditing standards), and discussed with the trustee the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation
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 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 fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information
The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.
Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Based solely on that work:
- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report to you if, in our opinion:
- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities
As explained more fully in their statement set out on pages 38-41, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities
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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities
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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Victoria Sewell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Suite 23, BLOCK
Royal William Yard
Plymouth
PL1 3RP
18 November 2024

Statement of financial activities

For the year ended 31 March 2024

	Note	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds	2023 Total funds
		£'000	£'000	£'000	£'000
Incoming resources					
Donations and legacies	3.1	7,408	97	7,505	6,509
Income from charitable activities	3.2	969	515	1,484	1,081
Total incoming resources		**8,377**	**612**	**8,989**	**7,590**
Resources expended					
Cost of charitable activities	4.1	(9,521)	(516)	(10,037)	(8,215)
Pension scheme exit	16	(720)	-	(720)	-
Total resources expended		**(10,241)**	**(516)**	**(10,757)**	**(8,215)**
Investment income	5	1,061	-	1,061	879
Interest payable	5	(10)	-	(10)	(6)
Other income		-	-	-	9
Net income for the year	**6**	**(813)**	**96**	**(717)**	**257**
Actuarial gain/(loss) on defined benefit pension schemes	16	737	-	737	(7)
Net income/(expenditure) for the year		**(76)**	**96**	**20**	**250**
Total comprehensive income		**(76)**	**96**	**20**	**250**
Fund balances brought forward		33,809	416	34,225	33,975
Fund balances carried forward	**15**	**33,733**	**512**	**34,245**	**34,225**

The accompanying notes form part of these financial statements.

All amounts are derived from continuing activities.

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

No corporation tax was payable by the Charity for the year ended 31 March 2024 (2023: £nil).

Statement of financial position

As at year ended 31 March 2024

	Note	2024	2023
		£'000	£'000
Non-current assets			
Tangible fixed assets	9	13,990	13,221
Debtors due more than one year	10	21,014	18,213
		35,004	**31,434**
Current assets			
Debtors	11	942	2,218
Cash and cash equivalents		2,200	2,462
		3,142	**4,680**
Creditors: amounts falling due within one year	12	(3,687)	(1,680)
Net current (liabilities)/assets		**(545)**	**3,000**
Total assets less current liabilities		**34,459**	**34,434**
Creditors: amounts falling due after one year	13	(61)	-
Defined benefit pension scheme	16	(153)	(209)
Net assets		**34,245**	**34,225**
Funds			
Restricted funds	14	512	416
Unrestricted funds	14	33,733	33,809
Total funds		**34,245**	**34,225**

The accompanying notes form part of these financial statements.

These financial statements were approved by the PCF Board of Trustees on 11 November 2024 and were signed on its behalf by:

Helen Edwards.

Helen Edwards
Chair

Notes to the financial statements

1. Legal status
Peabody Community Foundation ("the Charity") is a registered charity and a company limited by guarantee. In the event of the Charity being wound up, liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1. Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice 'Accounting and Reporting by Charities' as revised in 2019 ('the SORP'), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Charity is a public benefit entity.

The financial statements are presented in sterling (£).

The Charity's ultimate parent undertaking, the Peabody Trust, includes the Charity in its consolidated financial statements. Financial statements of Peabody Trust are available from the Secretary at 45 Westminster Bridge Road, SE1 7JB.

In these financial statements, the Company is a qualifying entity and has applied the following exemptions available under FRS 102, that require:

- a statement of cash flows and related notes, and;
- key management personnel compensations disclosures.

The principal accounting policies adopted in the preparation of these financial statements are set out in the relevant notes to these financial statements. Accounting policies not specifically attributed to a note are set out below.

2.2. Judgements in applying accounting policies and key sources of estimation and uncertainty

In preparing these financial statements, the members of Peabody Community Foundation have made the following key judgements

- Tangible fixed assets are depreciated over their useful economic lives. The actual lives of assets and residual values are assessed periodically and may vary depending on a number of factors, such as technological innovation, product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life the asset and projected disposal values.

- The valuation of defined benefit pension schemes has been carried out by qualified actuaries based upon assumptions. While key assumptions used in the valuations are based upon published information, there is a degree of judgement involved in selecting the most appropriate financial valuables for each scheme.

2.3. Going concern

The Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2024/25 and the Group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, such as inflation and interest rate rises and reducing stakeholder's household incomes, the Charity will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements.

The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

2.4. Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits and short-term investments and overdrafts with right of set off.

2.5. Value Added Tax (VAT)

The Charity is a member of the Peabody Trust's VAT Group. The Group is partially exempt in relation to VAT, and accordingly can recover from HM Revenue & Customs part of the VAT incurred on expenditure. The Statement of financial position includes VAT recoverable and payable at the year end. The Charity includes irrecoverable VAT in the Statement of financial activities.

2.6. Taxation

The Charity is exempt from income and corporation tax to the extent that its income and gains are applicable for charitable purposes only.

2.7. Winding up or dissolution of the charity

If upon winding up or dissolution of the Charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

3. Incoming resources
All incoming resources are accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income from charitable activities is accounted for on a receivable basis.

In accordance with the Charities SORP 2019, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accrual basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

3.1. Donations and legacies

	Unrestricted funds	Restricted funds	Total	2023
	£'000	£'000	£'000	£'000
Intra group donations – Peabody	7,223	-	7,223	6,293
Other Donations	185	97	282	216
	7,408	**97**	**7,505**	**6,509**

Revenue grant
Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance.

Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

Peabody Community Foundation Annual Report and Accounts 2023-24

Notes to the financial statements - continued

3.2. Income from charitable activities

	Unrestricted £'000	Restricted £'000	Total £'000	2023 £'000
Connecting Young Hackney	-	50	50	50
Community Champions	-	-	-	40
Community Fund (iWill)	-	-	-	29
Maternity Champions	-	100	100	60
Public Health Southwark Council	-	-	-	51
Shaping Healthier Thamesmead RBOG	-	126	126	9
Contribution to the VCS Research (Bexley)	-	-	-	7
LBWF Public Health Unit	-	-	-	6
Superzones	-	54	54	-
Other grant income	-	185	185	157
	-	**515**	**515**	**409**
Trading Income	969	-	969	643
Other Charitable Income – Moorings Club	-	-	-	29
Total incoming resources from charitable activities - 2024	**969**	**515**	**1,484**	**1081**
Total incoming resources from charitable activities - 2023	677	404	1081	

4. Resources expended

Expenditure is accounted for on an accrual basis and classified under headings in the accounts that aggregate all costs related to the category. Irrecoverable VAT is included in the expense item to which it relates.

Charitable activities – some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled. Provisions are only provided for on contractual liabilities which exist at the balance sheet date.

4.1. Cost of charitable activities

	Direct costs £'000	Support costs £'000	Total £'000	2023 £'000
Charitable activities				
Building capacity of group and individuals	1,519	224	1,743	3,251
Children, young people & families	1,111	164	1,275	1,779
Employment and employability	3,280	482	3,762	769
Improving sports	313	46	359	497
Community cohesion	459	67	526	1,615
Other charitable activities	2,050	302	2,352	285
	8,732	1,285	10,017	8,196
Governance				
Staff costs	-	9	9	9
External audit and legal fees	-	11	11	10
	-	20	20	19
Total resources expended	**8,732**	**1,305**	**10,037**	**8,215**
Total resources expended – 2023	7,025	1,190	8,215	

4.2. Support costs

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. These include back-office costs, finance personnel, payroll and governance costs which support programmes and activities.

Support costs are apportioned based on the staff time incurred on each charitable activity.

	2024 £'000	2023 £'000
Administration costs	757	610
Staff costs	548	580
	1,305	**1,190**

Notes to the financial statements - continued

5. Interest receivable and payable

Interest receivable is recognised as interest accrues, using the effective interest method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Interest accruing between entities within the Peabody Group are charged at commercial rates.

	2024	2023
	£'000	£'000
Interest from parent undertaking	**1,061**	879
Interest cost on pension scheme	**10**	6

6. Net income for the year before gains and losses

Net income for the year before gains and losses is stated after charging:

	2024	2023
	£'000	£'000
Depreciation on tangible fixed assets	**328**	311
Auditor's remuneration	**27**	23
Pension costs	**292**	154

7. Employee information

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined Benefit Pension Scheme

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the fund and allow for the periodic increase of pensions in payment. The current service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, cost of curtailments and settlements are charged against the operating surplus in the year. Actuarial gains and losses are recognised in the SOFA.

Termination benefits

Termination benefits are recognised as an expense when the Charity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Charity has made an offer of voluntary redundancy and the cost can be reliably estimated. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

	2024	2023
	No.	No.
The average number of people employed during the year was:		
Charitable activities	125	99
Management, administration and support services	4	4
	129	**103**

The increase in headcount in 2024 is in relation to the Advice and Wellbeing team that transferred into Charity as part of Catalyst Housing joining the Peabody Group.

	2024	2023
	£'000	£'000
Employee costs:		
Wages and salaries	4,941	3,706
Social security costs	528	394
Pension costs	292	154
Other employee costs	70	14
	5,831	**4,268**

The Charity's staff are employed under Peabody Group contracts and the salary costs are recharged under an intra group service level agreement.

Notes to the financial statements - continued

The numbers of employees who received remuneration (excluding pension contributions) in excess of £60,000 per annum are stated below in bandings of £10,000:

	2024	2023
	£'000	£'000
Emoluments of higher paid staff within the following scales were:		
£60,001 - £70,000	9	2
£70,001 - £80,000	6	1
£80,001 - £90,000	3	1
£90,001 - £100,000	1	-
£130,001-£140,000	-	-
£150,001 - £160,000	1	-
	20	**4**

The earnings for the Charity's key management personnel for the year were £572k (2023: £385k), with pension contributions of £25k (2023: £14k), and benefits in kind totalling £4k (2023: £2k).

8. Trustees' remuneration and expenses

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. The Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members) discloses information for the financial year 2023/24.

During the year Trustees claimed expenses £34 for travel, subsistence and incidental expenses in the year (2023: £40). During the year the Charity paid £281 (2023: £281) for Trustees' indemnity insurance through Group Insurance policy.

9. Tangible fixed assets

Tangible fixed assets are included at cost less depreciation, which is provided on a straight-line basis over the expected useful economic lives of the assets as shown below.

IT equipment	3 - 4 years
Office equipment	5 - 10 years
Freehold land and buildings	50 years
Leasehold land and buildings	Over lease term

Depreciation is charged on the above assets from the month of purchase until the month of disposal.

Expected useful lives are reviewed periodically to ensure they are still appropriate, and benchmarking is carried out with other housing associations to ensure they are in line with sector good practice. Assets which are no longer economically viable are written down.

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to Trust Thamesmead from its subsidiary during 2009 at their net book value. The Trustees have adopted the policy of holding freehold buildings at cost less accumulated depreciation and any accumulated impairment losses under FRS 102.

	Freehold land and buildings	IT Office & equipment	Total
	£'000	£'000	£'000
Cost			
At 1 April 2023	15,698	681	16,379
Additions	352	745	1,097
At 31 March 2024	16,050	1,426	17,476
Depreciation:			
At 1 April 2023	3,017	141	3,158
Charge for the year	313	15	328
At 31 March 2024	3,330	156	3,486
Net book value			
At 31 March 2024	**12,720**	**1,270**	**13,990**
At 31 March 2023	12,681	540	13,221

All assets are held for charitable purposes. The Big Lottery Fund holds a charge over Harrow Manor Way for £5 million. The Football Foundation has a charge for £1m over land at Thamesmead Football Club.

10. Debtors due in more than one year

	2024	2023
	£'000	£'000
Deferred consideration	14,114	14,713
Loan to parent company	6,900	3,500
	21,014	**18,213**

The deferred consideration has arisen on the sale of the Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014. The deferred consideration is payable in quarterly instalments over 30 years.

The monies loaned to the parent company have been invested in an interest-bearing notice account on the Charity's behalf.

Notes to the financial statements - continued

11. Debtors due in less than one year

Current debtors are measured at transaction price less any provision for impairment.

A provision for bad debt arises when the debtor balance is 90 days or greater. The initial provision is a charge against the statement of financial activities but is then carried forward to a subsequent period. The debtors figure in the statement of financial position is adjusted to be presented 'net of the provision'. Any increase or decrease in the provision in a subsequent period is debited or credited to the statement of financial activities. The write off of a specific bad debt is made in accordance with the Group Financial Regulations.

	2024	2023
	£'000	£'000
Amounts due within one year		
Trade debtors	133	115
Amounts owed by other Group members	174	1,559
Prepayments and accrued income	5	-
Other debtors	31	5
Deferred consideration	599	539
	942	**2,218**

Amounts owed from other group members are trading balances repayable on demand and non-interest bearing.

Deferred consideration relates to the sale of investments in Tilfen Land Limited to the Charity's parent company Peabody Trust on 1 April 2014. Sale proceeds are payable quarterly over 30 years. Peabody Trust has invested monies in an interest-bearing notice account on behalf of the Charity.

12. Creditors: amounts falling due within one year

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

	2024	2023
	£'000	£'000
Trade creditors	305	139
Amounts owed to other Group members	1,067	-
Other creditors	464	424
Accruals and deferred income	1,851	1,117
	3,687	**1,680**

Amounts owed to other group members are trading balances repayable on demand and non-interest bearing.

Movement in deferred income:	**2024**	2023
	£'000	£'000
Deferred income at 1 April	411	462
Amounts released from previous years	(411)	(462)
Incoming resources deferred in the year	439	411
Deferred income at 31 March	**439**	**411**

13. Creditors: amounts falling due after more than one year

	2024	2023
	£'000	£'000
Grants	61	-

Notes to the financial statements - continued

14. Funds

Restricted funds – these are funds that have restrictions imposed by donors and can only be applied for the purposes specified by donors.

The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

Designated funds – these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

General reserves – these are accumulated surpluses and deficits on unrestricted funds which can be used in furtherance of the general objectives of the Charity at the discretion of the trustees.

	1 April 2023	Incoming Resources	Outgoing Resources	Pension scheme exit	Gains & (Losses)	31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted funds	416	612	(516)	-	-	512
Unrestricted funds	33,809	9,438	(9,531)	(720)	737	33,733
Total funds	**34,225**	**10,050**	**(10,047)**	**(720)**	**737**	**34,245**
Unrestricted funds						
Designated funds						
Pitch resurfacing	235	223	(223)	-	-	235
Fixed assets	12,986	1,097	(328)	-	-	13,755
Thamesmead Community	15,252	1,061	(1,600)	-	-	14,713
Total Designated funds	**28,473**	**2,381**	**(2,151)**	**-**	**-**	**28,703**
General funds	5,336	7,057	(7,380)	(720)	737	5,030
Total unrestricted funds	**33,809**	**9,438**	**(9,531)**	**(720)**	**737**	**33,733**

	1 April 2022	Incoming Resources	Outgoing Resources	Transfers	Gains & (Losses)	31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted funds	910	441	(927)	(8)	-	416
Unrestricted funds	33,065	8,031	(7,288)	8	(7)	33,809
Total funds	**33,975**	**8,472**	**(8,215)**	**-**	**(7)**	**34,225**
Unrestricted funds						
Designated funds						
Pitch resurfacing	235	-	-	-	-	235
Fixed assets	12,844	453	(311)	-	-	12,986
Thamesmead Community	15,734	879	(1,361)	-	-	15,252
Total Designated funds	**28,813**	**1,332**	**(1,672)**	**-**	**-**	**28,473**
General funds	4,252	6,699	(5,616)	8	(7)	5,336
Total unrestricted funds	**33,065**	**8,031**	**(7,288)**	**8**	**(7)**	**33,809**

Designated Fund

Pitch resurfacing During 2017 the Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the Sporting Club. During the year the fund was used for the pitch resurfacing (£223k), the fund was then re-designated back to the agreed level of £235k.

Fixed assets fund represents funds tied up in fixed assets less any associated grants received.

Thamesmead community fund represents funds from the sale of investment in Tilfen Land Limited to Peabody Trust on 1 April 2014, for the support of projects at Thamesmead.

15. Analysis of net assets between funds at 31 March

	Unrestricted Funds	Designated Funds	Restricted Funds	2024 Funds	2023 Funds
	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	13,990	-	13,990	13,221
Debtors due more than one year	6,900	14,114	-	21,014	18,213
Current assets	1,592	599	951	3,142	4,680
Creditors <1 year	(3,248)	-	(439)	(3,687)	(1,680)
Creditors >1 year	(61)	-	-	(61)	-
Net pension liability	(153)	-	-	(153)	(209)
	5,030	**28,703**	**512**	**34,245**	**34,225**

Notes to the financial statements - continued

16. Pension commitments

The pensions of employees of the Charity are administered through four schemes, two of which are defined benefit scheme and two defined contribution schemes.

The Charity participated in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time and was closed to future accrual from 31 March 2020. As of 1 September 2023, The Charity has exited the LPFA scheme.

The Charity also has an ongoing liability for pension commitments under the Career Average Revalued Earnings scheme (CARE) which was closed to new entrants on 30 June 2015. Another defined contribution Career Average Revalued Earnings scheme was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. A full triennial valuation was carried out at 30 September 2022. Deficit contributions to this scheme between 1 April 2024 to 31 March 2027 are £1,672,000 per annum.

Employees were also eligible to join a defined contribution retirement benefit scheme with Friends Life.

In October 2018 the High Court published its judgement on the case of Lloyds Banking Group and the equalisation of Guaranteed Minimum Pensions ('GMP') between genders. This has consequently been assessed against the Group's defined benefit schemes. The impact of GMP Equalisation in respect of the LPFA and CARE schemes was recognised in the 2019/20 year. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016.

The valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and no further adjustments to the value placed on the liabilities was required in 2021/22.

The latest news on the Lloyds Banking Group court case involved a ruling that, in cases where a member exercised their right to a transfer value out of the scheme, the trustee had the duty to make a transfer payment that reflects the member's right to equalised benefits and remains liable if an inadequate transfer payment had been paid. It is not yet known if, or how, this will affect our schemes and no allowances have currently been made.

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). This applies to each of the Local Government Pension Schemes, including LPFA. The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. The impact of the findings will only be known after this process has concluded and a final set of remedial Regulations are published While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2022, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. With a small proportion of active members and a salary increase assumption equal to (or less than) CPI, the impact of the McCloud judgement is likely to be negligible.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

Reconciliation of LPFA

	2024
	£'000
As at 1 April 2023	-
Reversal of asset ceiling	720
Movement in present value of the defined benefit obligation	-
Movement in fair value of fund assets	-
As at 31 December 2023	720

LPFA Defined Benefit Scheme

On scheme exit, the plan asset value was £720k, as there will be no further reduced contributions or plan refunds, and our exit settlement was nil. PCF has recognised the following transactions on exit from the scheme:

Amounts recognised in the Statement of Financial Activities in relation to LPFA scheme exit are:	**2024**
	£'000
Pension scheme exit	(720)
Actuarial gain on defined benefit pension schemes	720
Net impact on the Statement of Comprehensive Income	-

The pension cost has been treated as an extraordinary item in line with FRS 102 5.10B. In our judgement, this is a transaction that falls outside the ordinary activities of the Trust and pension exits are not common occurrences that happen annually. Therefore, we have chosen to disclose this as a separate line item on the Statement of Comprehensive Income.

Peabody Trust continues to meet its contractual obligations for unfunded benefits in the LPFA scheme, the amount paid in 2024 is £184,000 (2023: £172,000).

In 2023, Peabody Trust recognised the following in relation to LFPA.

The estimated asset allocation for the LPFA scheme as at 31 March is as follows:	**2024**	2023
	£'000	£'000
Equities	-	1,123
Target return portfolio	-	355
Infrastructure	-	242
Property	-	188
Cash	-	2
	-	**1,910**

There are no comparatives to show as we have exited the LPFA scheme in the year.

Notes to the financial statements - continued

The demographic assumptions are consistent with those used for the formal funding valuation as at 31 March 2023. The post-retirement mortality tables adopted were based on the Club Vita mortality analysis.

The assumed life expectations are	**2023**
Retiring today – male	87.3
Retiring today – female	89.3
Retiring in 20 years – male	86.4
Retiring in 20 years – female	88.5

The major assumptions used by the actuary to value the liabilities of the scheme at 31 March under FRS 102 are:	**2023 % per annum**
CPI increases	2.90
Salary increases	3.90
Pension increases	2.90
Discount rate	4.80

The estimated duration of the Employer as at the accounting date, using the assumptions set out above is 14 years. The significant financial assumptions used are the discount rate, CPI and pension increases.

The demographic assumptions are consistent with those used for the most recent fund valuation, which was carried out as at 31 September 2022. The post-retirement mortality tables adopted are the S3NxA tables. These base tables are then projected using the CMI 2019 model, allowing for a long-term rate of improvement of 1.25% per annum, standard smoothing parameter of 7.0 and an initial addition parameter of 0.0% per annum.

Statement of Financial Position as at 31 March: Net LPFA pension position as at 31 March	**2024 £'000**	2023 £'000
Present value of the defined benefit obligations	-	1.190
Fair value of Fund assets (bid value)	-	(1.910)
Restriction to reflect extent of surplus recoverable	-	720
Net LPFA defined benefit pension asset/obligation	**-**	**-**

Career Average Revalued Earnings Pension Scheme
The Charity also participated in the CARE pension Scheme, which was a funded multi-employer defined benefit scheme. This scheme was closed to new entrants on 30 June 2015. All Charity staff were transferred to the Peabody Group Personal Pension scheme.

The main benefits provided by the Scheme are:

- A pension of one-eightieth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-out of the state scheme; or
- A pension of one-hundredth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-in to the state scheme.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The latest full actuarial valuation for the scheme was carried out at 30 September 2022. This valuation showed assets of £49.6m, liabilities of £57.1m and a deficit of £7.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions
From 1 April 2024 to 31 March 2027: £1,672,000 per annum

(Payable monthly and increasing by 3.0% each year on 1st April)

The Charity's share of the deficit funding contributions is £49,302 per annum payable in monthly instalments.

In addition to the deficit funding contribution, contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2024 the contribution required to the Scheme is £184,384 per annum (2023: £179,000 per annum) increasing on 1 July each year by 3% as required for Scheme administration expenses. The Charity's share of these Scheme expenses is £4,700 per annum (2023: £4,560) payable in monthly instalments.

Employer Debt on Withdrawal
The scheme is classified as a 'last man standing arrangement'. Therefore, the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The amount of employer debt on withdrawal was last calculated as £1,451,641 at 30 September 2018. The employer debt figures are calculated on the solvency - or buy out - funding basis.

Potential employer debt is treated as a contingent liability.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

	2024 £'000	2023 £'000
Provision at start of period	209	263
Unwinding of the discount factor (interest expense)	10	6
Deficit contribution paid	(49)	(48)
Remeasurement - impact of any changes in assumptions	-	(12)
Remeasurement - amendments to the contribution schedule	(17)	-
Provision at end of period	**153**	**209**

Notes to the financial statements - continued

Amounts recognised in the Statement of Financial Activities

	2024 £'000	2023 £'000
Interest expense	10	6
Remeasurement – impact of any change in assumptions	-	(12)
Remeasurement – amendments to the contribution schedule	(17)	-
Total profit	**(7)**	**(6)**

Assumptions

	2024 % per annum	2023 % per annum
Rate of discount	4.95	5.18

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

17. Contingent liability
During 2021-22 the Charity received grants totalling £3.7m. £2.7m from the Peabody Trust and £1.0m from the Greater London Authority, for renovating Moorings Sociable Club. The Charity has a future obligation to return sums, to respective grantees on disposal of property. The timing of future disposal is uncertain, and the Charity has not included a provision for return of grants in these financial statements.

18. Ultimate parent undertaking
The Company's ultimate parent undertaking is Peabody Trust. This is the only entity in the Group that produces Consolidated Financial Statements. Peabody Trust is a charitable Community Benefit Society formed under the Co-operative and Community Benefit Societies Act 2014. Consolidated financial statements of Peabody Trust are available from the Company Secretary at 45 Westminster Bridge Road, London, SE1 7JB.

19. Related party transactions
Related party transactions include the Charity's transactions with the Parent entity, with fellow subsidiaries, associates, joint ventures and compensation paid to key management personnel. Key management personnel are senior management team, board members and their close family.

Compensation includes all employee benefits in exchange for services and consideration paid on behalf of Peabody in respect of goods or services provided to the entity.

During the year the following transactions took place between the Charity and its parent company, the Peabody Trust and subsidiary entities within the Group:

- Peabody Trust provided support services, finance, governance, IT, HR totalling £339k (2023: £339k), and recharged £5,836k (2023: £4,269k) of salary costs relating to Peabody staff working directly for the Charity.

- At year-end £174k was owed to PCF from other Group members (2023: £1,599k) (note 11).

- Peabody paid the Charity £1,325k (2023: £1,361k) as the year 10 payment in respect of the sale of Tilfen Land Ltd. £539k (2023: £539k) was charged against the deferred consideration debtor (note 10) with £786k (2023: £879k) being recognised as interest (note 5).

20. Post balance sheet events
On 2 April 2024, Peabody Charitable Foundation acquired the assets, liabilities, and operations of Catalyst Housing Charitable Trust in a property and business transfer agreement. This is a Group reconstruction and has been accounted for in line with merger accounting under business combinations FRS 102 PBE34.75.

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PEABODY COMMUNITY FOUNDATION

England & Wales - Charity number 271731

Accounts

Company number 01267728

PEABODY COMMUNITY FOUNDATION

Annual report and financial statements

31 March 2023

THURSDAY

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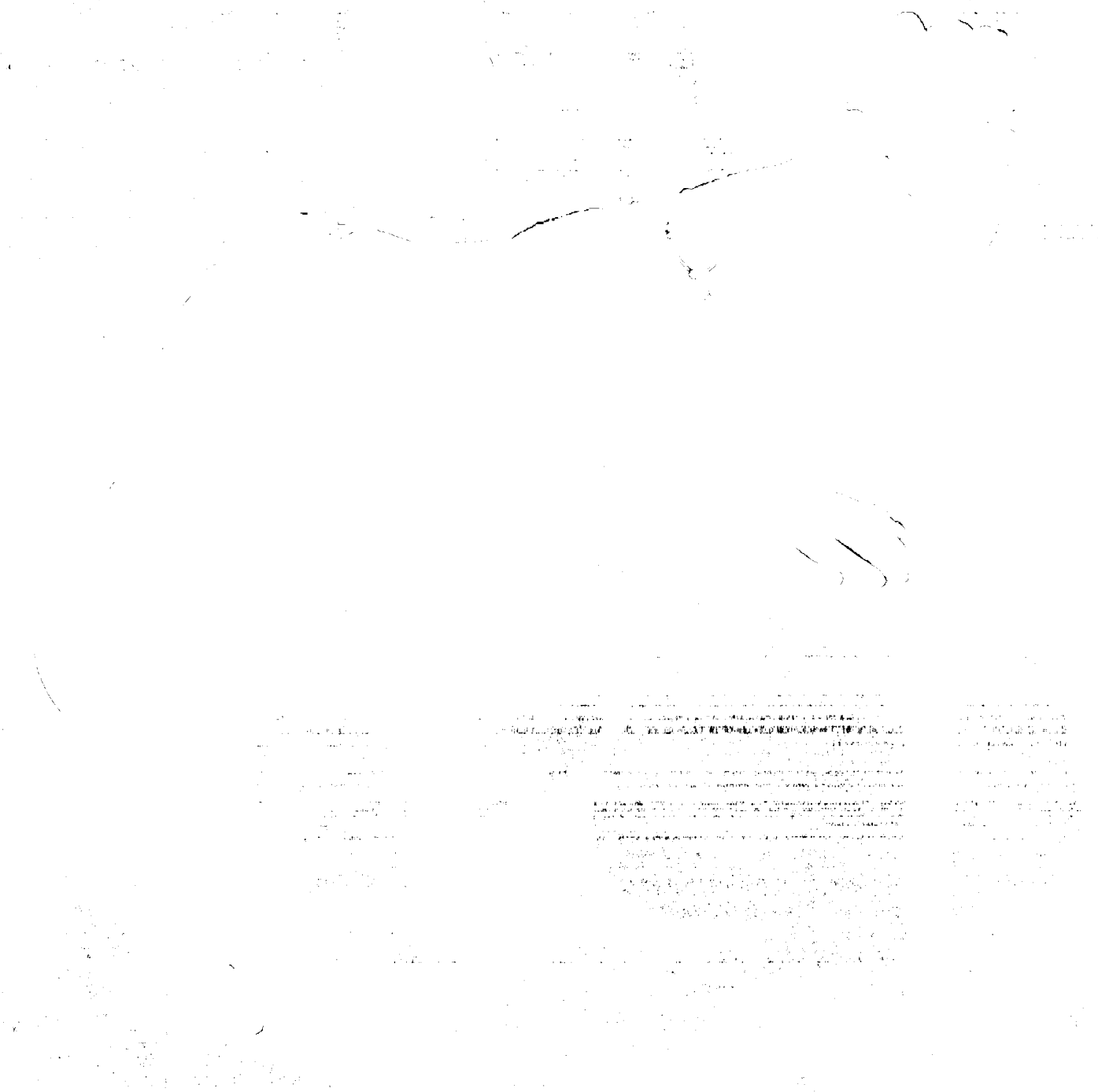
COMPANIES HOUSE

Peabody

PCF Annual Report and Accounts 2022-23

Making a positive *impact*



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Making a positive *impact*

Our purpose is to help people flourish. We want to make a positive impact in communities and help our residents and customers become healthier, wealthier and happier.

We do this by working with residents and partners to combine our funding, skills and experience so we can offer the widest possible range of services, support and opportunities.

As one of the UK's oldest not-for-profit housing associations with a long history but a focus on the future, our community foundation plays a central role in how we invest in our communities. It helps put people and their needs at the centre of everything we do.

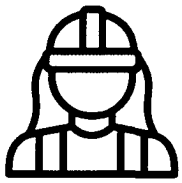
This year has been an important one for Peabody. After joining together with Catalyst, we're now a bigger organisation with a wider reach and an even greater potential to make a positive difference. Here we look back on the foundation's achievements and progress in the 12 months to 31 March 2023. It was a year where we invested £8.2m in our communities, and helped residents and customers take control and play a part in creating the community and future they want.

Looking ahead as a combined organisation, we have a new community strategy that continues to focus on what our residents and customers want and need. But our aim will always be the same – to deliver the greatest possible value for our communities so that people can flourish.

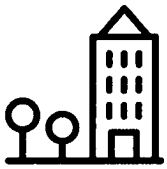
Henna Tattoo Release Form
Henna Tattoo Release Form

2022–23

in numbers



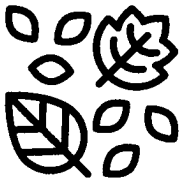
237
started jobs



206
started apprenticeships

689
achieved qualifications

837
volunteers helped make a difference in their community



£1.1m
local grants for community projects

416
local community groups provided free or low cost activities in our community centres

476
local social enterprises received support

223
people secured childcare qualifications

20%
social value weighting introduced for large contract tenders

"All figures relate to the 12 months to 31 March 2023. In this report we refer to the period as last year."

micro

About *Peabody*

Peabody is one of the UK's oldest and largest housing associations. We have 107,000 homes and 220,000 residents across London and the Home Counties. We provide care and support services for around 17,500 customers. We have an extensive network of just under 100 community centres. Many of these are led by management committees and partners delivering a broad range of free or low cost activities in the heart of the community.

The Peabody Community Foundation has around 103 skilled permanent employees and supports over 800 volunteers. They all work together to make a difference in their community.

Our strengths

Working in partnership: We partner with local authorities, the voluntary sector and other local stakeholders to bring more services to our communities.

We are ambitious: We develop national and pan-regional partnerships to bring skills and funding to local areas. Our colleagues in the communities understand the principles of productive partnerships and develop strong relationships to deliver value together.

Sharing power: We understand our communities and listen to our residents, so our work is driven by their needs. We work together to produce services and take opportunities to transfer power and control to residents and community groups.

We're big but local: Our local approach is supported by our presence, connections and knowledge, maximising the impact of our local plans.

Our relationships: We have strong relationships with a wide range of stakeholders and are trusted to deliver our promises. This helps us increase our impact, ensuring that our resources, people and money go further so we can create more sustainable solutions.

Chair's *letter*

Deirdre Moss, Peabody Community Foundation

The year has been a challenging one for our residents and communities. And as the cost-of-living crisis continues, our community investment activities are more important than ever. Reflecting on the highlights set out in this report, it's clear to me that every day we're turning our purpose of helping people flourish into action and continuing to make a positive difference to thousands of lives.

As a foundation, our aim has always been to listen to our residents and communities and deliver the programmes and activities they need. Last year was no different. During the year we invested £8.2m in our community programmes and initiatives and partnered with other organisations to channel investment, skills and resources into our communities.

We've made significant progress towards meeting the goals of our Community Strategy - to make our residents and communities healthier, wealthier and happier. We helped 443 people into work and apprenticeships. Our programmes helped 689 customers gain qualifications and gave 476 businesses access to enterprise support and resources. We awarded £1.1m in grants to community organisations, 416 local community groups provided free or low cost activities in our community centres and 837 volunteers gave their time to make a difference in our communities. We also introduced a new social value approach. By adding a 20 percent weighting to large contract tenders, we're helping to ensure that residents have greater access to high quality employment and skills opportunities and a broader range of socio-economic support.

We're now entering a new era for the Foundation after joining together with Catalyst on 1 April 2023. We're becoming a more locally focused organisation, but our aim remains the same – to stay strongly connected to our residents and customers and keep them at the front and centre of everything we do.

I would like to thank my Foundation colleagues and partners for the work they're doing to support our residents and communities. But most of all, I would like to thank our residents and assure them that we will continue to work hard to be the best we can be for them.

Deirdre Moss

Chair

Looking ahead with Helen Edwards, incoming Chair

We know the challenges facing our residents and communities aren't going away. And we know that our foundation has a clear role to play in helping residents deal with these challenges. So as we look forward to the coming year, our focus remains very much on people. We'll work alongside our residents, communities, stakeholders and partners to provide the right support to those in need. And we'll use our experience and expertise to make a positive difference in local communities so those living in them can flourish.

Executive Director's *review*

Stephen Burns, Executive Director, Care, Inclusion and Communities, looks back on the year and the progress made by the foundation:

Q: Many of our residents and communities are feeling the impact of the cost-of-living crisis. How can the foundation provide support?

A. We have a wide range of services to help residents. Our dedicated team offers practical and emotional help and can connect residents with specialised services if they're worried about money or unable to find work. We also provide emergency grants to people who are finding things particularly tough. We help people to find support if they're feeling socially isolated or experiencing physical or mental health issues.

We help residents find employment and develop new skills, supporting people to access better opportunities, apprenticeships, training courses, qualifications and business support.

We want to help our residents to help themselves and those around them. So we offer grants to local community groups, the voluntary sector and individuals to provide a service in their community which responds to local needs and priorities. We deliver a wide range of community initiatives through our network of community centres, including food pantries and other low-cost food initiatives.

We know it's critical that we continue to recognise and respond to what people need to thrive.

Q: What were the year's highlights for you?

A: The past year has been pivotal for us as we successfully brought together two community investment teams as part of Peabody and Catalyst joining together. I'm pleased to say that we've continued to meet all our targets and key performance measures and provide the support our communities want and need despite the challenges posed by the ongoing cost-of-living crisis.

During the year we also adopted our new approach to social value. Adding social value is a key part of who we are and something we're passionate about. By embedding this in our large-scale contracts, we're making sure that everything we do provides a benefit to our communities.

Q: What does the year ahead look like now we've joined with Catalyst?

A: The coming year is about getting closer to our residents and customers. Our focus is on listening to what they need. We'll continue to work side-by-side with our residents, communities, stakeholders and partners to unlock opportunities, co-create services and deliver programmes and activities that really make a difference.

We've achieved a lot in the past 12 months but are now firmly focused on the future. I'd like to thank Deirdre Moss for her hard work chairing our foundation and championing our work to support our residents and communities. I am pleased to welcome Helen Edwards, a long standing member of the foundation, who took on the Chair role in September.

I'd also like to take a moment to remember Lord Bob Kerslake, Chair of Peabody, who sadly passed away in July. He was a remarkable man, well known for his kindness to everyone he met. He worked tirelessly to improve people's lives and was passionate about making sure we put our residents and communities at the heart of our organisation.

Stephen Burns

Executive Director, Care, Inclusion and Communities

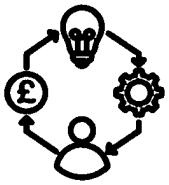
Our vision and how we're working towards

our key goals

Our vision is to help our help our residents and customers become healthier, wealthier and happier. To do this, we put the needs of our communities at the centre of everything we do. We use years of experience and expertise to work with partners and residents to make a positive difference. We do this by:

1
Building engaged and active communities

2
Boosting income



3
Developing skills and aspirations

4
Improving mental and physical health

1 | Building engaged and active communities

People are at the heart of everything we do. We provide support and advice to help them make a difference themselves. Whether it's managing one of our community buildings or designing and delivering their own projects, we're here to help them and their community flourish.

Helping people to help themselves

A quarter of our community buildings across London and the Home Counties are run by management committees and community partners. They provide services for their own communities, such as food pantries, health and wellbeing sessions, employment support and children's activities.

We've given our residents a place on the decision-making panel for the Thamesmead Community Fund and the Youth People's Fund. And we've supported 123 social action projects through our Community Leaders Programme, which offers grants of up to £500 to local people to deliver activities that benefit their community.

We're also working with grassroot community groups to help them make a difference in their own commuities.

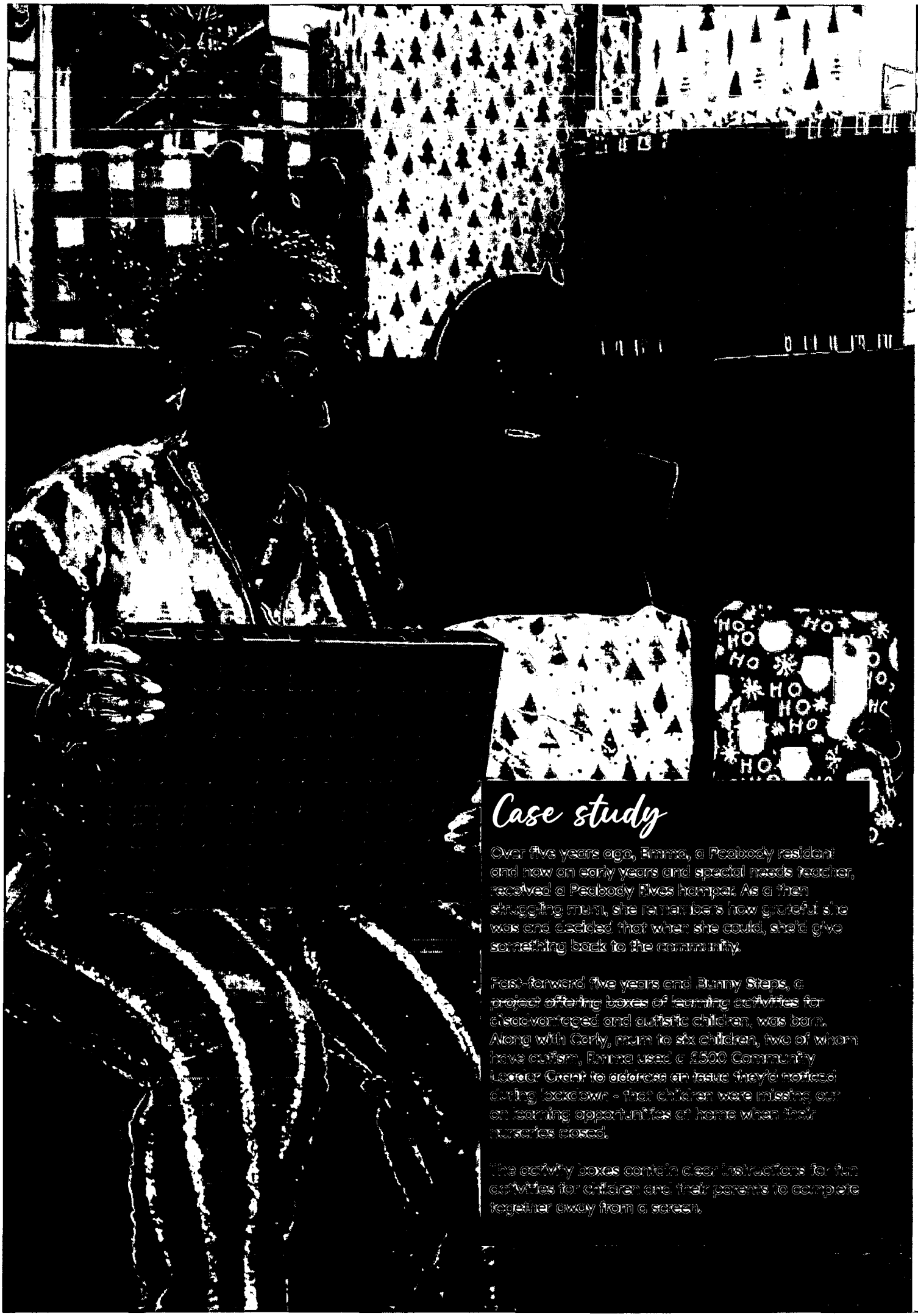
Supporting young people to lead

We have a range of programmes aimed at young people, encouraging them to lead as well as participate. Our Young Ambassadors programme works with 16-25-year-olds to help them identify and solve an issue in their local community. Some are even awarded grants of £1,000 to test their ideas. Another programme, Peabody Advisors, gives 18-25-year-olds the chance to address a live business challenge for Peabody.

During the year, we worked with 119 young people on our Young Leaders Programme, 53 of whom who went on to become Young Ambassadors. Seven then took part in our Peabody Advisors Programme.

New approaches to social change

We provided training, support (and in six cases a grant of £10,000) to seven community organisations through our Social Innovation Fellowship to help them deliver social change. The approach, known as human-centred design and systems thinking, is supported by Wells Fargo.



Case study

Over five years ago, Emma, a Peabody resident and now an early years and special needs teacher, received a Peabody Elves hamper. As a then struggling mum, she remembers how grateful she was and decided that when she could, she'd give something back to the community.

Fast-forward five years and Bunny Steps, a project offering boxes of learning activities for disadvantaged and autistic children, was born. Along with Carly, mum to six children, two of whom have autism, Emma used a £500 Community Leader Grant to address an issue they'd noticed during lockdown - that children were missing out on learning opportunities at home when their nurseries closed.

The activity boxes contain clear instructions for fun activities for children and their parents to complete together away from a screen.

2 | Boosting *income*

We help people to get better-paid, higher-quality jobs and reduce their debts. We also make it easier for people to find affordable childcare, which increases their chances of finding work.

A career that will last

Last year our Economic Inclusion Team helped over 1,100 people find a job, start an apprenticeship or access training and achieve qualifications. They provided one-to-one career advice and help writing CVs, job applications and preparing for interviews. Our fortnightly Jobs, Training and Opportunities Bulletin helps people find an opportunity that's right for them.

More than 1,600 people joined our Peabody Jobs Fair in November 2022. We hosted over 60 employers and organisations and provided a dedicated Peabody zone offering our customers a wide range of services and support. We also held online webinars focused on CVs, applications and interview preparation for employment opportunities in growth sectors.

We know that for many of our residents the lack of affordable, local and high-quality childcare is stopping them working. Last year our partnership with BNP Paribas helped 223 people get childcare qualifications so they can not only work themselves, but also enable others to work.

Helping tackle financial worries

Across Peabody we have a variety of teams offering specialist advice and support to help people maximise their income whatever their circumstances, needs and challenges. Peabody's welfare and benefit advisors make sure people are claiming the right benefits and discuss options for tackling debt.

We also work closely with our partners to teach people how to manage their money better and show them where to go for advice and financial help. We even have our own website, PeerUp Perks, which helps customers save money on their bills for food, leisure and shopping with deals from big brands.

During the year we launched Support Finder, our online tool that gives residents a quick and easy way to find help. With the click of a button, users can access a host of organisations and online resources providing help with energy bills and food costs, as well as debt advice. Customers can also access information on government funding and assistance, training and education and mental, physical and emotional wellbeing support.

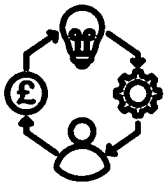
Case study

Janine* now runs her own childminding business after doing a level 3 childminding course at Parkside Community Centre. As a busy mum to an eight-month-old, Janine found juggling the course and family life was made easier as she could leave her little girl in the free creche while she attended classes.

"The course really opened up my eyes on what expectations there are when practising as a childminder," said Janine. "

I'm so happy to say that I have now started my business as a childminder. I'm still learning and would love to expand the business as my daughter gets older. I made lots of friends on the course and the childcare team always gave me support where needed and helped me prepare for OFSTED."

*Name changed for privacy



3 | Developing skills *and aspirations*

By giving people of all ages better access to education, training opportunities and business support, we help them broaden their horizons and achieve their goals.

Kickstarting a career

Starting out on the career path isn't always easy so we use opportunities within our own organisation to help. Through the Department of Work and Pensions' Kickstart Scheme we helped 12 young people get on the career ladder with Kickstart placements at Peabody.

We're also creating learning and employment opportunities for young people with every new home we build. Last year we helped 206 people interested in a career in construction get an apprenticeship through our supply chain. And we delivered information sessions and traineeships with contractor partners, including Durkan, Berkeley Homes, Ardmore, and Mulalley to make sure all apprentices had the best chance of success.

Supporting enterprise

We offer a range of tailored support through our specialist enterprise programme. This includes everything from helping people who want to set up their own business, to training for early-stage start-ups and businesses who want to grow.

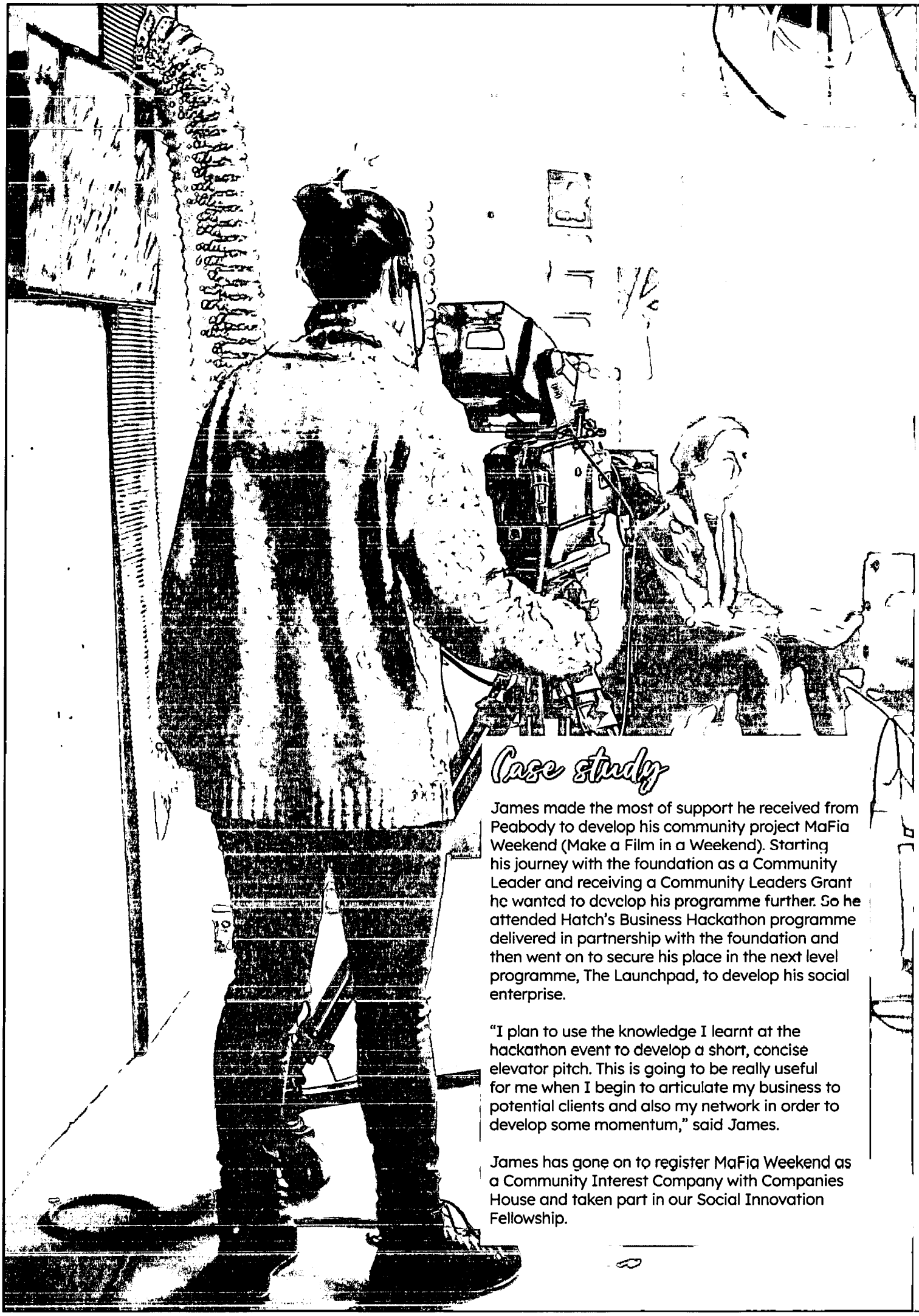
We provide:

- Training and advice, including the monthly Peabody Business Forum.
- Help identifying internal and external funding opportunities.
- Access to our community centres, co-working spaces and commercial premises.
- Support with tendering and procurement.
- Opportunities to network and trade through Peabody and our partners.

Last year, we helped 476 local social enterprises access support and resources. We also provided 81 businesses with opportunities to trade locally.

Building business links

The Peabody Business Forum helps build better links between businesses, local authorities, developers, our supply chain and local communities. The interactive monthly sessions are free and open to businesses and aspiring entrepreneurs to help encourage business-to-business communication and networking.



Case study

James made the most of support he received from Peabody to develop his community project MaFia Weekend (Make a Film in a Weekend). Starting his journey with the foundation as a Community Leader and receiving a Community Leaders Grant he wanted to develop his programme further. So he attended Hatch's Business Hackathon programme delivered in partnership with the foundation and then went on to secure his place in the next level programme, The Launchpad, to develop his social enterprise.

"I plan to use the knowledge I learnt at the hackathon event to develop a short, concise elevator pitch. This is going to be really useful for me when I begin to articulate my business to potential clients and also my network in order to develop some momentum," said James.

James has gone on to register MaFia Weekend as a Community Interest Company with Companies House and taken part in our Social Innovation Fellowship.

4 | Improving mental and physical *health*

We all know the benefits of positive mental, emotional and physical health so we have a range of initiatives aimed at improving the mental and physical health of the people in our communities. We also have programmes to support them to become more active, resilient and confident.

Tackling food insecurity

With the increased challenges posed by the rising cost of living, many people in our communities are forced on a daily basis to make difficult choices between heating, eating and paying for essential living costs. So last year we worked with our partners to set up 24 food insecurity projects to help households save on their weekly shop.

One of those, Bubble and Squeak, is a social enterprise focused on stopping food waste and promoting healthy eating. Run by a group of entrepreneurial children from Old Oak Primary School and our Old Oak Community Centre, it takes edible surplus food from local businesses, markets and supermarkets and redistributes it to the local community on a 'pay as you feel' basis. It supports over 150 people each week.

We also successfully partnered with The Felix Project on their annual food redistribution event. We were able to connect resident volunteers from food banks, pantries and community kitchens and help distribute over 10 tons of surplus food to over 1,000 households over the festive period.

Championing well communities

We help communities get and stay active. And we work with partners to bring positive health and wellbeing to our communities.

Our Active Well Programme in Thamesmead helped 913 people get active through a range of sporting activities. We were also able to bring together Integrated Care Systems (ICSs), Local Authority Public Health teams and local NHS services to improve health and wellbeing.

Better mental health

We take a holistic approach to improving mental health and wellbeing. Our Wellbeing Café at Chingford Hall offers sessions and activities with partners, including the NHS, the London Borough of Waltham Forest, MTC Learning and Hornbeam. Together, we provide activities to boost wellbeing and combat isolation. We've also partnered with the Care Commissioning Group (CGC) to bring mental health professionals to our Crisis Café at the Pembury Community Centre. They help support young people and reduce emergency mental health admissions.

Our PeerUp digital lifestyle website also offers a range of health and wellbeing resources to help maintain good mental and physical health.

Case study

In partnership with HACT and The Felix Project, we started The London Food Insecurity Network. This exciting new partnership explores long-term sustainable community-led solutions to food poverty. The idea is to bring together housing associations from across the capital with the collective aim of ensuring that no Londoner goes to bed hungry.

"Across the capital, housing associations are funding and delivering a range of food-related projects to support residents and communities," said Sahil Khan, Director of Community Strategy, Partnerships and Funding at Peabody. "However, the scale of the challenge cannot be addressed by us and our partners alone. So we're pleased to launch this important initiative with HACT and The Felix Project to provide a joined-up response to tackle the growing food crisis in our communities."

Empowering people with *grants*

We want to help our residents to help themselves and those around them. So we offer grants to local community groups, the voluntary sector and individuals to provide a service in their community which responds to local needs and priorities.

For the past 10 years, we've delivered the Peabody Community Fund with the London Community Foundation. Together we work with grassroots organisations across the capital and award grants to deliver projects in the heart of our communities. Last year we awarded £1.1m.

Our Young People's Fund supports community groups working with young people aged 11-25 to tackle youth violence. We make sure their voices are heard by giving them a place on the panel that decides where the funding goes.

Bringing people together

Last year, our Community Celebration Fund supported people to organise events and activities. It was a special year to reconnect with friends, families and communities after Covid restrictions, as well as time to celebrate Peabody's 160th anniversary and the Platinum Jubilee. The fund aims to bring joy and unity to people's lives during these significant occasions.

Supporting social action

Through our Community Leaders Grants we help to bring to life projects or activities that support our vision of supporting healthier, wealthier and happier communities. This includes activities that:

- Bring the community together.
- Improve health and wellbeing.
- Help people to improve their financial wellbeing.

Building up local groups

Our Thamesmead Community Fund provided £60,000 to 35 local community groups and partners last year to deliver a range of cultural and community projects that benefited local residents. Eight local people help us decide how our community grants are awarded. They also act as champions for the wider community and, are ambassadors for the fund.

Case study

Young people in Chingford successfully completed a Young Decision Makers' Thru Life Mentoring Programme. They were awarded £2,000 to organise an activity that would benefit people in their local community. With support from our youth team, they organised a weekend residential trip to Gilwell Park for local young people aged 13-16. The main theme for the weekend was team building, making friends and having fun.

Juvaurne tried out the zip wire during the weekend: "Sometimes in life you have to do things and not think about it and whatever happens, happens," said Juvaurne. "That's just how I see it sometimes. The fact that I'm scared of heights, I did it and overcame my fear I feel good about myself."

Peabody
Ask me about
Peabody.

Local *Peabody*

As an organisation we're big but we're local and well-established but forward-thinking. Our size means we have the experience and connections to drive positive change and address challenging issues such as homelessness, underemployment or violence affecting young people. But our local approach means we know that one size doesn't fit all.

By listening to our residents and the people in our communities, we're able to develop local area plans that address the issues affecting individual areas. Through these we can focus investment where it's needed and make plans to improve particular services or offer **targeted programmes in some areas**.

In all the areas we work, our aim is to co-create projects and unlock opportunities that help people flourish and facilitate change that lasts a lifetime.

What we're doing in *Thamesmead*

We want local people to benefit from the opportunities created through Thamesmead's regeneration. So we've developed a local strategy that focuses on making sure the people and the communities that call Thamesmead home are able to flourish.

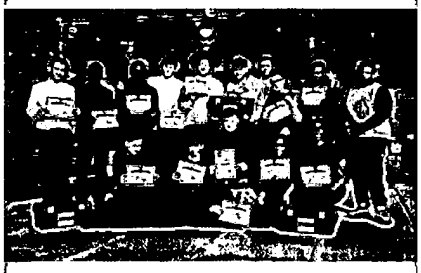
533,444
Population of Greenwich and Bexley as of 2018 (ONS UK)

8,715
Number of Peabody homes in Greenwich and Bexley

How we're doing this

Supporting people to achieve their potential: we're improving access to training and helping residents and customers into sustainable employment. We're also providing opportunities to start, grow and scale businesses.

Our partnership with YouthBuild Ventures UK has helped many students find work after graduating with qualifications in areas such as plastering and health and safety. Some students have also obtained a Construction Skills Certification Scheme (CSCS) card.



Increasing social value: working with our supply chain we've donated materials and equipment and provided employment and skills training. We've also created procurement opportunities for local businesses, promoted construction careers and arranged site visits for young people.

Supporting children and young people: we partner with local organisations to organise activities to help keep children and young people active and engaged. We also work with local partners to make sure local organisations and groups have a say in how to improve the outcomes for children, young people and families in Thamesmead.

A total of 328 local children took part in our Active Summer programme last year, which included a wide range of holiday activities. A further 162 young people participated in a range of programmes throughout the year related to mental and physical health, education and skills building. More than 70 young people completed paid and unpaid work experience placements at Peabody and with local partners.

We partnered with the national charity, Access Sport and Waterways Children Centre, to deliver a free inclusive summer holiday programme for children with special educational needs (SEND) and their families. More than 40 children took part in a wide range of activities delivered by local partners, including multi sports, yoga, dance and cycling.

For the past four years the Local Area Plan Team in Thamesmead has coordinated the Moorings Children Community Steering Group. It's made up of representatives from local schools, the public health sector, local voluntary, community and social enterprises (VCSEs) and local authority members from Greenwich and Bexley. The partnership's aim

Case study

YouthBuild Learners visited a local secondary school and worked with a group of students on their barriers to learning. One of the YouthBuild learners came with an empowering story of getting his life on track having previously been excluded from the school and led to two students receiving a conditional offer to study a vocational course in construction at Shooters Hill College. Gordon Davis, Deputy Head of St Pauls said: "This emphasises the power of the intervention put in place by Peabody and underpins how through a personalised approach to disengaged students there can be a positive and life-changing outcome."

Case study

Our work with Parent Power and Power Mobile Gym provided much needed physical and mental health support for young people at the Moorings Sociable Club with our Thrive boxing and mental health sessions. 12 young people participated in two days of boxing and mental health activities and sessions will be provided as a regular activity during school holidays.

"I feel more confident about myself because the blank pages {in the journal} on each day help me create a space for me to let go of the stuff that have upset me". - Eb 13 years.

is to improve outcomes for children, young people, and families in Thamesmead.

Championing health and wellbeing: we recognise the importance of keeping fit and healthy. And as part of the Healthier Thamesmead Partnership, we're delivering two key programmes. Connecting Thamesmead, is a three-year programme focused on tackling isolation and loneliness. And School Superzones delivers activities focused on active travel, air quality, physical activity, growing food and community safety.

To promote men's health, we held an interactive event at the Moorings Sociable Club in partnership with Parent Power. The session included interactive talks and activities led by local men. We were also joined by the Feel-Good Co-op, NHS and Charlton Athletic Community Trust who helped raise awareness of men's health issues. Going forward we're developing a Men's Health Forum with activities planned across the year.

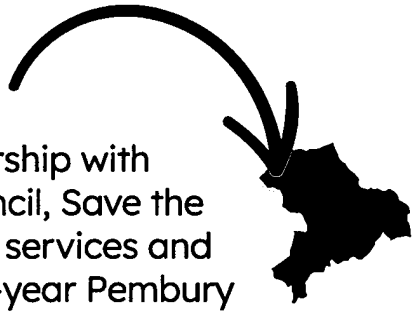
Our Positive Steps Thamesmead programme helps local people who have health issues connected with socio-economic problems. Its aim is to connect with people who are struggling, understand their needs and put them in touch with relevant support services.

Supporting the community: The Nest, our new state-of-the-art community centre, is now up and running and is home to many community groups and local organisations, including our own communities team. It also houses a new library managed by the London Borough of Bexley. We're working with local partners to provide a range of support services, including employment support, benefits and housing advice, as well as health and wellbeing opportunities.

Creating inclusive social space: we opened the Camouflage Café in the Moorings Sociable Club in partnership with the Royal Borough of Greenwich and the charity, Brighter Futures. Run by adults with learning disabilities, the café provides an inclusive space for people to come together and socialise.

Sharing skills and experience: we've been working with a group from the Birchmere Changing Rooms and other local partners to co-design and develop their space. Representatives from the Moorings Neighbourhood Forum, The Birchmere Footballers, The Birchmere Angling Club and local school children from St Margaret Clitherow Primary School have all contributed ideas for what they'd like the space to be in the future. We've also engaged with other residents to gather insight and aspiration for the space.

What we're doing in *Hackney*



We're working in partnership with residents, Hackney Council, Save the Children, schools, health services and local charities on our 10-year Pembury Children's Community programme. It aims to improve the lives of almost 1,000 children, young people and families living at Pembury.

279,665
Population of Hackney as of 2018 (ONS UK)

6,843
Number of Peabody homes

How we're doing this

Giving residents a say: the Resident Steering Group is made up of eight local residents and helps to shape the strategic direction of the Pembury Children's Community Board. The group gives advice on local priorities, as well as actively contributing to local activities. During the year, 827 people attended resident-led events and we gave £2,500 microgrants to a range of local community groups.

Helping parents: through our Parent Champions programme parents meet other parents to share information about family services, activities and their own experiences.

Improving gaps in education: the Families Connect programme delivers bespoke help and activities to local families, while Tutors United last year supported 26 children who needed extra help with their English and maths.

Focusing on young people: we held a special event for young people organised with Hackney Council, the Mayor and local Councillors, to look at how to improve safety by reducing crime and antisocial behaviour, youth violence and improving the quality of life.

Supporting local initiatives: Loanhood is a place where parents can get a whole set of school uniform for free by swapping uniform from the previous year. Pembury Treasures lets local people set up stalls to sell things like cakes, knitted clothes, plants and bric-a-brac.

Boosting health and wellbeing: we host and support physical activities, such as weekly walking sessions for those not used to structured exercise, school holiday camps and special sports sessions for otherwise disengaged older teenagers.

Securing funding: we got £10,000 to resurface our multi-use games area and improve the lighting so activities can be held all year round.

Inspiring residents: we partnered with Saddlers Wells to bring world-renowned choreographers to Pembury, including free shows and activities at the theatre for our customers.

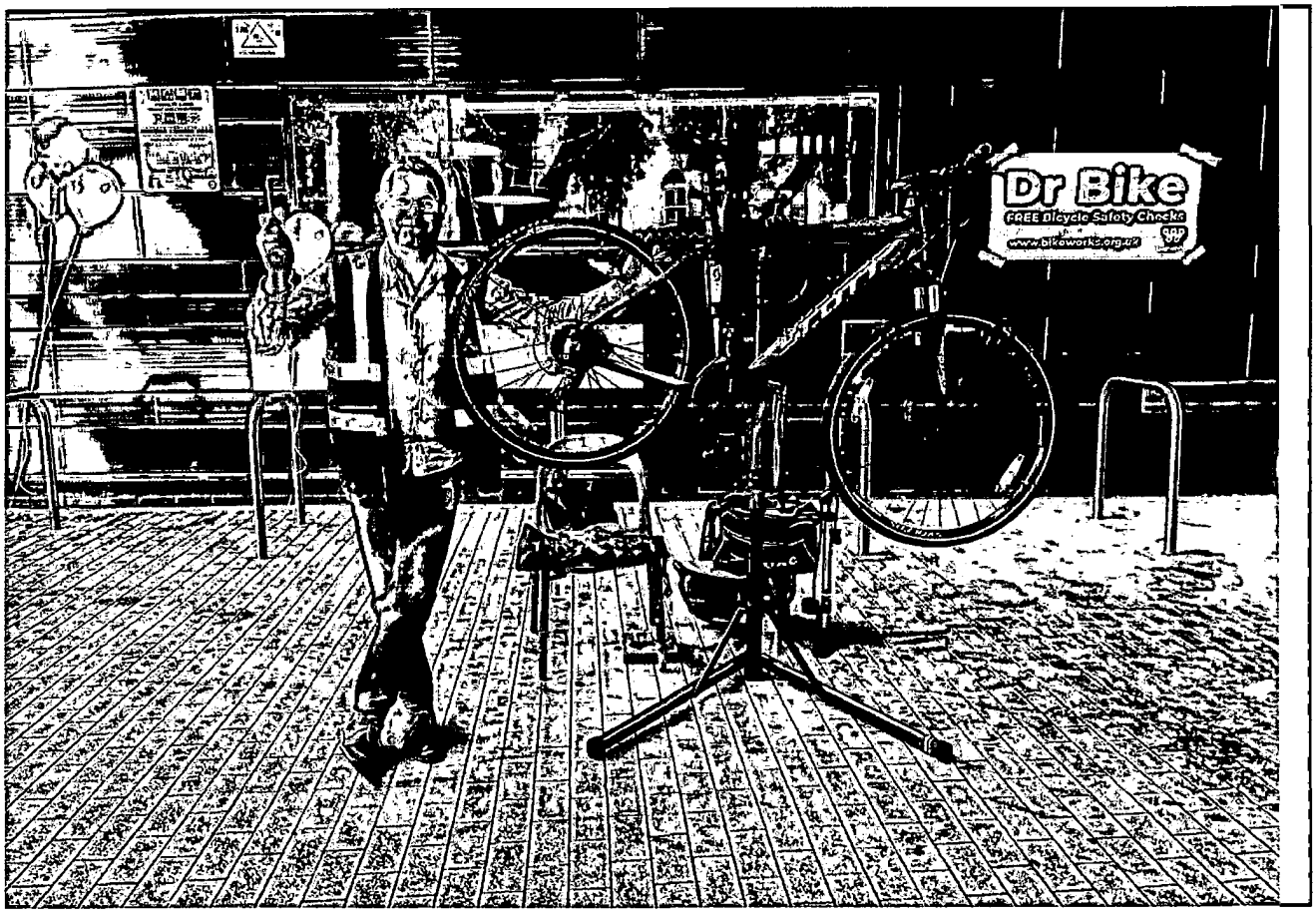
Case study

Our Pembury Children's Community has been held up as a great example of how to use the local community to encourage wider change. The Centre for Evidence and Implementation used our project in their study of place-based approaches to reducing youth violence for the Youth Endowment Fund. They praised our model for the way it mobilises and involves the local community to help understand how to stimulate wider systems change.

Case study

In November we hosted the launch of what's known as a bleed kit at the Pembury Community Centre. Developed by the Daniel Baird Foundation, the publicly available kits aim to prevent death from catastrophic bleeding prior to the arrival of emergency services.

Cllr Susan Fajana-Thomas (Cabinet Member for Community Safety), representatives from Hackney Council and The Daniel Baird Foundation joined us. As did two mothers, who having tragically lost children to knife crime, now commit their lives to preventing young people from turning to violent crime.



What we're doing in *Waltham Forest*

We're working with local stakeholders to engage members of the community in the things that they need.

276,700
Population Waltham Forest as of 2018 (ONS UK)

2,797
Number of Peabody homes

How we're doing this

Supporting learning: we have a range of programmes to encourage learning, such as Reading from the Start, funded by VINCI Facilities, which encourages children and families to read together. Ready for School is another programme, supported by Purdy, which funds a community-based teacher to help children who need extra help with their learning as they start primary school.

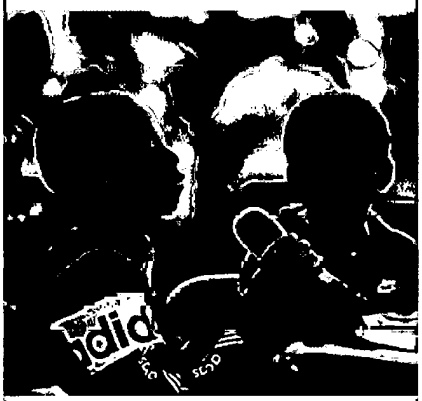
Tackling food poverty: our Chingford Hall Pantry supports more than 100 families a week to save money on their weekly shop, socialise and access local services.

Supporting children: we have a broad range of activities for children and young people supported by the Holiday Activities and Food Programme.

Supporting local initiatives: two community programmes, the Together Project and Lloyd Park Children's Charity's Baby Bank, have taken on leases for two of our small community properties in the borough.

Providing funding: we awarded £3,000 in microgrants to 347 local people to deliver their own projects.

Supporting residents: during the winter we hosted three open access events attended by over 140 local residents. The first was a Winter Wellbeing Day in partnership with Eden Project Communities and OrganicLea. The second was a health festival in partnership with ELATT. And the third was the annual Christmas Fair led by two long-standing volunteers.



Boosting health and wellbeing: Our Wellbeing café offers weekly face-to-face sessions for residents who experience low mood, anxiety, loneliness, or social isolation.

Case study

Daniel blossomed from shy to confident, gaining friends, football opportunities, and new experiences, thanks to a transformative youth club.

"I used to spend a lot of time hanging around the park with friends, one of the workers approached me and told me about the youth club in the area and invited me to come along, so I came with a few friends.

Before I joined the youth club, I would say that I was a bit anti-social, only sticking to people I knew. I felt nervous having to meet and socialize with other people. But in time through attending the youth club and chatting with the youth workers I started to feel less nervous and more confident to communicate with new people.

Now I get to play more football as they run activities in the cage. I talk to more people and meet people that live local to me and can chill with and I get the chance to try new foods I have never had before."

Daniel from Leytonstone
*name changed for privacy

What we're doing in *Islington*

We're working with the local council and voluntary sector partners to co-produce localised, joined up and effective services that build individual and community resilience.

239,142
Population of Islington as of 2018 (ONS UK)

5,855
Number of Peabody homes

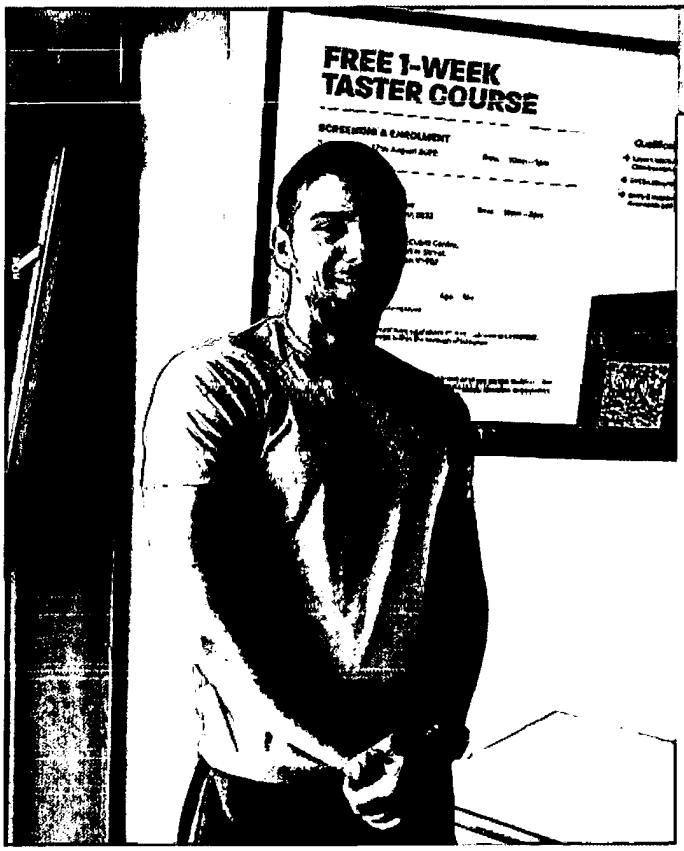
How we're doing this

Creating partnerships: as a founding member of Islington's Anchor Institutions, we're helping to shape the borough's future through partnership and collaboration.

Providing funding: through the Make it Happen Fund we awarded more than £10,000 in grants to small organisations, groups and customers to support projects that promote engaged and active communities. The fund is a partnership between Islington Giving, Newlon Housing Trust, Southern Housing Group, Hyde Housing, Islington Council and Peabody.

Supporting enterprise: we worked with Help on Your Doorstep to offer workspaces at our community centres in Archway and Bunhill. Their Good Neighbour Scheme helps vulnerable customers and addresses poverty and inequality through early intervention and preventative initiatives.

Supporting local initiatives: Cook for Good is a community kitchen that's working to tackle food poverty, social isolation and community disconnection. Based in our Hugh Cubitt Centre, local residents can take part in cooking classes, use the food pantry or join neighbours for a community meal. Cook for Good also offers corporate teambuilding cooking events where all meals are shared with local residents and the profits support wider community programmes. The partnership was awarded Most Innovative Partnership at the Housing Digital Awards 2023.



Case study

Thomas, who lives on a Peabody Estate in Islington, is one of 11 local residents who recently completed our Green Skills taster course run by developer, London Square, and the Skills Centre. As well as getting a CSCS Labourers Card, Thomas learnt about new technologies, modern ways to build and achieved qualifications in health and safety and environmental awareness.

Thomas hopes that finishing the course will be the first step toward changing his life by getting a job in our supply chain. He's working toward getting his HGV licence and finishing a scaffolding course.

Our goal is to provide a pool of talented local people who can work on the site of the former Holloway Prison. Peabody has committed to build a new neighbourhood with 985 new homes - 60% of them affordable, a 1.4-acre public park and facilities for everyone to enjoy.

What we're doing in

Southwark and Lambeth

As part of Southwark's Anchor Institution Network, we're working together with partners to deliver better economic and social outcomes for local people.

645,500
Population of Southwark and Lambeth as of 2018 (ONS UK)

7,676
Number of Peabody homes

How we're doing this

Improving access to support and opportunities: we're making sure our residents have opportunities to develop their careers and become more financially stable. We also created a Southwark Guide to Support to help residents meet some of the challenges they're facing because of the ongoing cost-of-living crisis.

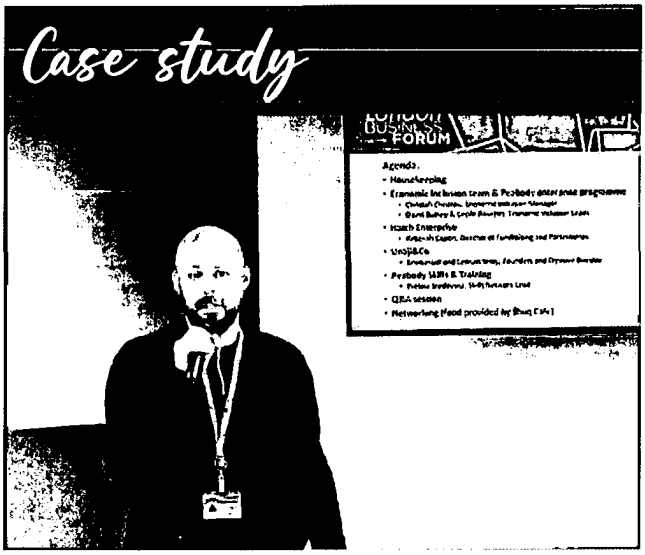
Providing funding: we were awarded £42,500 of level-up Covid funding to distribute to grassroots organisations in the area.

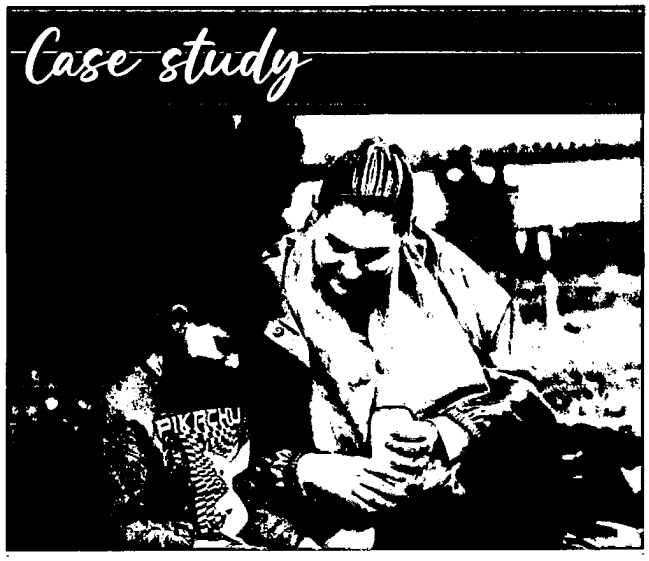
Providing business support: we provide free enterprise support to all Southwark customers in partnership with HATCH Enterprise. In Lambeth, we delivered a business start-up support YEA! Programme (Young Entrepreneurs Alliance) where 10 local businesses donated their time to help young entrepreneurs pitch their business ideas.

Improving access to education: we increased the number of training courses for English for Speakers of Other Languages (ESOL) and maths working with RIPE Enterprise to ensure customers have access to essential opportunities on their doorstep.

Tackling violence: we're working with the local authority and a range of partners to develop and deliver Lambeth's strategy for tackling violence against young people. We're also supporting the Housing Association Youth Network to deliver programmes aimed at reducing place-centric violence around housing estates.

Boosting health and wellbeing for young people: we hosted a Mental Health Matters workshop for young people where they could explore issues relating to their mental health through creative means, including lyric writing and talking. And we launched a mentoring service with a targeted marketing campaign to local schools in partnership with the Chandran Foundation UK.





In partnership with HATCH Enterprise, based in East Street Market in Southwark, we've delivered dynamic opportunities for our communities to develop their ideas and launch their own businesses. HATCH delivered three Hackathons which were promoted by our Peabody Economic

Inclusion team. Individuals attending these masterclass style opportunities were offered one-to-one business support by a HATCH Programme Manager to take their ideas further. Through our partnership we've supported eight entrepreneurs into 12-week programmes to further develop their business or business ideas. Seven people accessed the Launchpad programme, and one joined the Incubator programme after attending the three-hour HATCH Hackathon Masterclasses – all progressing to the next level programme.

Nicole who joined one of the sessions said: "I really enjoyed this workshop - it made the whole process of business planning a lot less daunting."

Our Community Celebration Fund supported people across Peabody communities to organise events and activities to help residents reconnect with friends, families and communities after Covid restrictions. It also coincided with celebrations to mark Peabody's 160th anniversary and the late Queen's Platinum Jubilee.

Susan from Rosendale helped organise a Platinum Jubilee party for her local community, where the dancing competition became quite competitive. "There was some amazing dancing with different dance styles," she said, adding that the children's competition had to have two winners as it was too difficult to choose. She also said it was a very diverse event with lots of people joining in.

"The whole community took part, which made for a very enjoyable day, particularly after the last two years. The weather held off for the whole afternoon which meant the event could be outside so that we could accommodate everyone."

Looking *ahead*

As mentioned at the start of this report, after joining together with Catalyst in April 2023, we're now a bigger organisation with even bigger plans. We have a new Community Strategy that focuses on four priorities based on what our residents and customers want and need. But our aim remains the same – to deliver the greatest possible value for our communities and help people flourish.

We'll continue with the valuable work we're already doing and invest where we can to further improve our communities and the lives of those that call them home. We'll focus on the following areas:

Tackling inequality and poverty:
We'll continue to collaborate with our partners to maximise the value we bring to our communities. We'll deliver support to those who need it and use data to understand what's needed. We'll help provide affordable childcare, allowing more of our customers to gain employment and increase their skills.

Embedding wellbeing:
We'll look at the bigger picture and give people the skills they need to help themselves and those around them. This is the only way to make sure the changes we're making are sustainable.

Customer co-creation and sharing power:
We'll use the combined expertise and skills of our residents, colleagues and partners to help deliver what each community needs most.

Community activities and programmes:
We'll use our increased size and influence to develop national and pan-regional partnerships which bring much-needed skills and funding to local areas.

We've also changed our overall approach to give us a more local focus and help us better understand what works for our communities. By working more closely with partners in Islington, Lambeth, Southwark, Hackney, Waltham Forest and Thamesmead we've already seen a difference in how our investments are being used. And most importantly of all, we know we're providing services that are truly needed.

Our residents have told us they want to be more involved with our community investment work. So we're making it as easy as possible for them to play a part in designing services and making decisions. By doing this, we'll be helping to build the engaged, supportive and entrepreneurial community that's central to Peabody.

Social Value
Adding social value remains a key part of who we are. We're doing what we can to gain more social value from our spending decisions so we can address more of the key issues faced by our residents and communities. We've embedded social value targets in our large-scale contracts to ensure that our communities benefit from employment opportunities, funding for grassroots events and projects, volunteering opportunities and much more.

Our new approach to social value sets out how we'll monitor and maximise social value and support the United Nation's Sustainable Development Goals (SDG's). These are outlined in the 2030 Agenda for Sustainable Development and aim to create a better, fairer world by 2030 – ending poverty and inequality and urgently addressing climate change.

Case study - Wates

Wates is a long-term partner of Peabody, providing responsive repairs services to our customers across Greater London and Essex. They've delivered a range of initiatives over the past year that show their commitment to social value. These include sending volunteer staff members to careers days for young people, supporting CV writing and holding interview skills workshops, arranging pro-bono repairs days on our estates and improving communal areas. They've also donated books to Peabody and partner organisation community centres through Wates' own partnership with the Children's Book Project.

"Social Value sits at the heart of Wates, as a long-term, ongoing commitment to supporting individuals and local small businesses, the communities where we work and the environment. It's important now more than ever, due to the social and economic pressures our communities are facing, that we push for meaningful social value that benefits Peabody residents." Jamie Earl, Social Value Manager, Wates.

Partners

We would like to thank the following for their valuable support in 2022-23:

Addison Lee
Advanced Building Ltd
Amalgamated Lifts
Axis
Bayanix
BNP Paribas
Bow Arts
Catalyst
Charlton Athletic Community Foundation
City Hall Regeneration Fund
City of Westminster
Clarion Housing Group
Clifford Chance
Department of Work and Pensions
Durkan
East London Business Alliance
EEM
Effectable
Engie
Film Fixer
Ginkgo Gardens
Greater London Authority
HACT
Harmony
Help on Your Doorstep
HS2
ID Verde
Imperial College
Jigsaw Conferences
KBH Builders
Kinovo Group
L&Q
Lightside
Lloyd Park Children's Charity
LMAC Group Ltd
London Borough of Bexley
London Borough of Hackney
London Borough of Hammersmith and Fulham
London Borough of Islington
London Borough of Lambeth
London Borough of Lewisham
London Borough of Southwark
London Borough of Tower Hamlets
London Borough of Waltham Forest
London Borough of Wandsworth
London Community Foundation
London Economic Action Partnership
London Food Alliance
London Funders
London South East Colleges
London Wildlife Trust
LSEC London South East Colleges
Manchester University
Mary Minute Trust
Mayors Fund for London
National Lottery Community Fund
New Economics Foundation
Orbit
PeopleValue
Pilton
Plentific
Purdy Contracts Ltd
Ravensbourne University
Royal Borough of Greenwich
Royal Borough of Kensington and Chelsea
Saltash Enterprises Ltd
Save the Children
Seville
Smart Works
Social Value Portal
Sport England
Sureserve Fire and Electrical
Sustrans
Systems Link 2000
Tectonic
The Aspen Institute
The Felix Project
The Housing Forum
The South East London Chamber of Commerce
Think Events London
TSG Building Services
Trees UK of Bromley
Topcoat
United Charities in Hammersmith and Fulham
University of Manchester
VINCI Facilities
Waterways Children's Centre
Wates
Wells Fargo
Youthbuild Ventures UK

Salisbury Manor Primary School

Trustees / Directors / Advisors

Peabody Community Foundation
Trustees / Directors / Advisors
(The Trustees are also the Directors of the Company)

Deirdre Moss, Chair (until Sep 2023)

Helen Edwards, Chair (from Sep 2023)

Thelma Stober, Vice Chair

Peter Baffoe

Christine Turner

Katharina Winbeck

Shreya Hewett

Matthew Martin

Karima Mbarak

Catherine O'Kelly

Executive Director of Care, Inclusion and Communities
Stephen Burns

Director of Community Strategy, Fundraising and Partnerships
Sahil Khan

Secretary
Sarah Cameron

Company No
01267728 (Registered in England and Wales)

Charity No
271731 (Registered in England and Wales)

Registered Office
45 Westminster Bridge Road, London, SE1 7JB

Bankers
Coutts & Co., St Martins Office, 440 Strand, London, WC2R 0QS.

Auditors
KPMG LLP, 15 Canada Square, Canary Wharf, London E14 5GL

Solicitors
Trowers & Hamlins, 3 Bunhill Row, London, EC1Y 8YZ

Deirdre Moss
Chair (until Sep 2023)

Deirdre joined the Peabody Community Foundation ("PCF" or the "Charity") Board in November 2017 having been appointed to the Peabody Trust Board in June 2017 following the Peabody and Family Mosaic merger in 2017, where she was on the Board from September 2014. Deirdre has worked in the insurance industry for over 25 years with FTSE 100 companies. Specialising in HR, she has led major changes involving large, diverse workforces. She has her own HR consultancy company, and also sits on the advisory group of a London-based training company. Deirdre has championed diversity issues throughout her career and continues to work in a voluntary capacity in this area.

Katharina Winbeck
Board Member

Katharina joined the PCF Board as resident Board member in May 2021. Katharina is passionate about social fairness, specialises in social and environmental science and has delivered policies, projects and programmes in London with a place based and whole system approach over the past 20 years. She currently holds the position of strategic lead for transport and environment policy at London Councils and has previously held positions with Transport for London, the Audit Commission, the London Boroughs of Tower Hamlets & Lambeth and the NHS.

Helen Edwards
Chair (from Sep 2023)

Peabody Trust Board member since July 2016 and a PCF Board member since September 2016. Helen served as Deputy Permanent Secretary and Director General at The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government). Previous roles included Director General of Justice Policy at the Ministry of Justice and Chief Executive positions at the National Offender Management Service and Nacro, a national social justice charity. Helen is a non-executive Director at South London and the Maudsley

Thelma Stober
Vice Chair

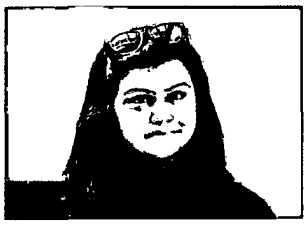
Thelma Stober is Head of Legal and Company Secretary at the Local Government Association and survivor of the London terror attacks. She sits on the Government's Victims' Panel advising on improving the criminal justice system for victims of crime and is also a trustee for the London Emergencies Trust. She is Chair of the Grenfell Tower Memorial Commission and was previously a board member for Sanctuary Housing Association. Thelma brings additional skills in customer services, housing sector expertise and government policy, legislation and regulation.

Peter Baffoe
Board Member

Peter joined the Peabody Trust Board as a resident Board member in May 2018 and the PCF Board in September 2018. He is currently the Executive Director of the South London Mission, a charity based in Bermondsey, South London. He is a Trustee of Southwark and Deptford Methodist Church. He is also a Trustee of the Maudsley Charity, a charity that supports work around mental health across 4 London boroughs. He is a School Governor at a Peckham primary school acting as the Link Governor for equalities and curriculum. Having been born and raised in Southwark,

Christine Turner
Board Member

With over 35 years' experience in social housing as a senior executive, board member and regulator, Christine's expertise encompasses governance, development, low-cost home ownership, regeneration, and customer involvement. She is particularly interested in the provision of housing to meet a wide range of needs, and which support social regeneration. She has championed customer involvement and standards of service delivery.



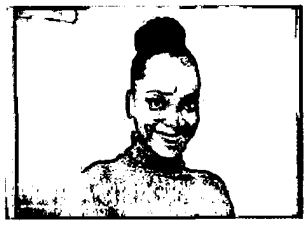
Shreya Hewett
Board member

Shreya joined the PCF Board as resident Board member in January 2021. Shreya Hewett is co-founder of GRASP, a children's health and hygiene brand launched in 2021. As a Hackney resident for the last eight years and the mother of three young children, she is

passionate about community engagement and early years development, particularly in cross-cultural settings. Shreya has a BA in History and Economics from the University of Oxford, and a background in economic policy output and financial technology.

Matthew Martin
Board member

Matthew joined the Peabody Board as a resident member in December 2022. He previously served on Catalyst's Customer Experience Committee before the merger with Peabody. With over 10 years' professional experience in learning, development and customer experience, Matthew brings a unique perspective to the board. As a shared owner, he's also passionate about putting the voice of residents at the heart of Peabody's decision making.



Karima Mbarak
Board member

Karima joined the PCF Board as resident Board member in November 2020. Karima is Senior Public Finance Accountant at Richmond and Wandsworth Councils. She has a wide range of accounting experience including treasury, statement of accounts and managing audit relationships. Karima is an advocate for strengthening youth engagement. She established an award-winning mental health community project called 'Keeptlking' in 2018 to encourage young people from an ethnic minority background to challenge taboos surrounding mental health.

Catherine O'Kelly
Board Member

Catherine became a Family Mosaic Community Foundation Board member in February 2016 and she joined the PCF Board in November 2017. She is the Managing Director of British GasEnergy. Catherine has held senior positions at Centrica plc including Managing Director of Centrica's Irish subsidiary, Bord Gáis Energy. Catherine's career has focused on the energy industry, including international energy strategy with consultancy Booz & Company, and low carbon energy policy design at the UK's Carbon Trust.

Afternoon Tea Menu
CARIBBEAN
Bún and Cheese
Saltfish Fritters
Vegetable Fritters
Chicken Wings
Meat & Veg Patties
WEST AFRICA
Chin Chin
Puff Puff
Meat Pies
EAST AFRICA
Halwa
Somali Tea
ASIAN
Samosas
Chai Tea
A taste of some delicious cultural dishes from the BAME community to celebrate Black History Month.
Peabody

Financial review

Financial performance

The Charity has reported an overall surplus of £250k for the year ending 31 March 2023 (2022: £5,127k surplus). The majority of the Foundation's funding is receivable from Peabody, with the level agreed during the Group annual budgeting process. The Charity adapts its operations to ensure that outcomes can be maintained within a fully funded balanced budget. For 2023, the level of expenditure was lower than originally planned in the budget, whilst the intra Group funding remained. This is due to the timing of community projects and staff vacancies. As at 31 March 2023, the Charity had reserves of £34.2m (2022: £34.0m).

Section 172 Statement

The Trustees are aware of and acknowledge their responsibilities to promote the success of the Charity for the benefit of its stakeholders as a whole, in accordance with s172 of the Companies Act 2006. When fulfilling responsibilities in accordance with s172 the Trustees have regard to what is in the best interests of the Charity and what is in the best interests of the Peabody Group (the "Group") including the matters set out in section 172(1)(a) to (f).

The Charity's key stakeholders are set out in the earlier sections of this report, including other charities, Local Authorities, community groups, volunteers, residents and other beneficiaries of the Charity's services and private sector partners. The Group Annual Report and Accounts (the "Group Accounts") provides further details of the Group's key stakeholders. The Trustees have engaged with beneficiaries and community partners, as key stakeholders of the Charity. Engaging with these stakeholders helps the Trustees to manage the Charity's principal risks and has encouraged the Charity's Board of Trustees (the "Board") to move toward a place-based approach. This involves a greater focus on collaboration and co-creation for the greatest impact, instead of direct delivery, with an initial focus on Thamesmead, Waltham Forest, Hackney, Islington, Southwark and Lambeth.

The Trustees consider the likely consequence of any decision in the long term in accordance with the strategic objectives of the Group as set out in the Group Accounts and in line with the Charity's goals to build engaged and active communities, boost incomes, develop skills and aspirations, and improve mental and physical health, within the budget and risk capacity agreed by the Board. The Trustees also adopt the Group's approach to environmental, social and governance ("ESG") matters.

By adopting the values and culture of the Group in the decision making process the Trustees are confident that the Charity demonstrates positive engagement with stakeholders, a reputation for high standards of business conduct and its commitment to long term, sustainable success and accordingly to Trustees' compliance with s172.

Sustainability Statement

The Charity, as a wholly owned subsidiary of Peabody, aligns its activities and strategic priorities with those adopted by Peabody, including the Sustainability Strategy 2023-2026. All subsidiaries continue to work towards meeting energy efficiency targets. All of Peabody's new homes in the Greater London area meet GLA environmental standards and meet the London Plan guidelines, which are set above minimum planning and building regulation requirements.

Peabody is committed to environmental, social and governance ("ESG") practice. We have released our new ESG report this year and received third party accreditation from the Certified Sustainable Housing label.

On 7 June 2023 Peabody published its Sustainable Finance Framework ("SFF"). The objectives of the SFF are closely linked to the Sustainable Reporting Standard for Social Housing ("SRS") and include:

- Renovating and retrofitting existing homes to improve EPC ratings and energy efficiency, and projects to protect as many people as possible from fuel poverty and high heating bills.
- Boosting access to electric charging points in Peabody neighbourhoods for both residents and employees. Peabody's aim is for all its vehicles to be electric by 2030.
- Placemaking and projects to improve green spaces and public realm, helping to make a positive difference for health and wellbeing.
- Continuing to build genuinely affordable homes for people in need.
- Projects to support residents and community partners delivering wide-ranging programmes aimed at children and young people.
- Providing dedicated personal support designed to prevent or alleviate unemployment and low pay amongst Peabody residents.
- A detailed programme to reduce carbon emissions and provide support for people living in Peabody neighbourhoods to do so.

Financial review continued

Further information about Peabody's sustainability practices can be found in the Group Accounts, available online at the Group's website (www.peabody.org.uk).

Principal risks and uncertainties

The risks specific to the Charity are monitored regularly by the Board and take into account the environment in which the Charity operates as well as the Group's risk appetite. They are not unexpected and are typical of the sector:

- Failure to maintain an effective health and safety environment to protect the people, processes and the buildings in which we operate.
- Non-compliance with regulations for protecting information and people.
- Not safeguarding vulnerable people using our services.
- Failure to ensure robust contract management and financial control procedures.
- Mismanagement of organisational change, poor systems and data, or non-compliance with processes and policies.
- Failure to involve our beneficiaries and community partners in decision-making on service improvement and local plans.

If not managed effectively these risks can result in negative financial, reputational, or operational performance impacts, regulatory intervention, or significantly harm people. Risks are managed continually, and actions are identified and implemented to mitigate risks. The Board provides regular oversight of the risks and mitigating actions. Key controls in operation this year include:

- Colleague training on Group procedures and specific training for services, and having safeguarding reporting processes in place. Training includes Health & Safety, Data Protection and Safeguarding.
- Quarterly DBS checks, ongoing monitoring and oversight of Fire Risk Assessments, gas safety checks, and Health & Safety inspections.
- Reporting of incidents of non-compliance to the Health & Safety Committee and the Safeguarding Panel for corrective action.
- Local area plans to cater to local needs and support local partnerships, with an engagement model in place.

The Charity benefits from the Group's frameworks and processes for overall risk and safety of facilities.

The impact of the principal risks and uncertainties affecting the Company, as set out above, continue to be carefully monitored and considered. The Peabody Board and the Board are confident they can meet their responsibilities to residents whilst also meeting Peabody's and the Charity's financial obligations.

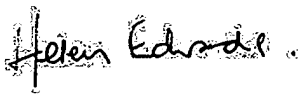
The Trustees Report provides further information on Future Plans at page 38.

Further analysis of the key strategic risks faced by Peabody and its subsidiaries and associated risk mitigation are provided in the Group Accounts which can be found at www.peabody.org.uk.

Governance

The Trustees' Report pages 47 to 51 and the Group Accounts provide details on compliance with applicable law and regulations and the National Housing Federation ('NHF') Code of Governance (2020 edition).

By Order of the Board



Helen Edwards
Chair
6 December 2023

Trustees' annual report

The Directors of Peabody Community Foundation are the Trustees of the Charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard Applicable in the UK and Republic of Ireland (September 2015) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

Objectives and principal activities

The Charity is a community development organisation operating in Greater London and its surrounding areas. It focuses on sector-leading community programmes which make a real difference to Peabody Trust's ("Peabody") residents and their communities. Peabody is committed to continued investment in community programmes. Plans are included within the Peabody Group (the "Group") Strategy 2023-2026. The Strategic Report pages 2 to 41, which forms part of the Annual Report, outlines the Charity's objectives, activities and also covers performance for the year ended 31 March 2023. In setting our objectives, planning our activities and monitoring our services, the Charity's Board of Trustees (the "Board") has given careful consideration to the Charity Commission's general guidance on public benefit and the Trustees can confirm that the Charity has met this criterion.

Trustees

Particulars of the Trustees who served on the Board during the year and subsequently are set out on pages 42 & 43.

The Trustees are covered by the Group's directors' and officers' indemnity insurance policy.

Regulatory Framework

The Charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2023, Peabody and its principal subsidiaries (including the Charity) applied the principles and provisions of the National Housing Federation ('NHF') Code of Governance for housing associations (2020 edition), (the 'NHF Code'). Peabody has substantially complied with the requirements underlying the principles based NHF Code. Peabody has also met the principles of the NHF Code of Conduct (2022 edition) through adhering to the Peabody Code of Conduct, which is based on the NHF Code of Conduct.

In fulfilling its obligations under both codes, the Group follows good practice drawn from supporting guidance. The next independent assessment of compliance will be undertaken later in the current financial year.

During the year, the Peabody Board on behalf of the Group was kept updated on, and provided oversight and challenge in relation to, the Group's compliance with the Regulator of Social Housing ('RSH' or 'the Regulator') Regulatory Framework ('the Regulatory Framework'), including the Governance and Financial Viability Standard.

The Board has been briefed on requirements and guidance from the Charity Commission and relevant charity law. The Peabody Board and the Board take their responsibilities under regulation and relevant good practice guidance very seriously and have taken appropriate steps to help ensure compliance with the requirements set out in the Regulatory Framework and charity law. Peabody and its subsidiaries are committed to transparent and timely communication with the RSH. Peabody is rated as A3 (stable outlook) by Moody's and A- (negative outlook) by Standard & Poor's (Global Rating).

Roles of the Trustee Board and Committees

The Peabody Board has overall responsibility for Group strategy and management. During the financial year ended 31 March 2023, there were nine Group committees: Audit and Risk Committee, Communities Committee, Customer Experience Committee, Development Committee, Finance and Treasury Committee, Nominations and Remuneration Committee, Thamesmead Committee, Care and Support Committee and Asset Management Committee (established November 2022).

These Committees support the Peabody Board and are accountable to and report to the Peabody Board.

Descriptions of the work of these Committees can be found in the Group Accounts.

Peabody has demonstrated its commitment to good governance and robust arrangements proportionate to the Group's size and complexity together with a continued focus on improving compliance culture. Further information in relation to the governance framework for the Group is set out in the Group Accounts.

The Peabody Board is accountable for the system of risk management and the internal control framework in place for the Group and for reviewing their effectiveness. Risk is monitored, managed and mitigated in order to minimise, for example, the likelihood and impact of financial loss, compromised service delivery, damage to our reputation or noncompliance with law or regulation. The Group's approach is that risk can and should be taken to achieve our business objectives, provided that it is justified and actively managed. The Peabody Board keeps the corporate structure under review and will consider further changes to streamline the enlarged Group, while managing risk, delivering quality services to residents and others, and making sure the Group has both the capacity and capability to deliver its vision.

Board members sit on the Communities Committee (the "Committee"), which meets alongside the Board. The Committee exercises delegated authority as defined in the Group Governance Framework in relation to the following:

- Provision of strategic oversight of community investment and community development activities within the Group whilst supporting Peabody's strategic objective of helping people flourish by making a positive difference to the communities we serve.
- Designing and developing the Communities and Peabody Community Foundation Strategy in partnership with the Peabody Executive, prior to recommendation to the Peabody Board.
- Scrutinise and oversee the delivery of the Community Investment Strategy Monitoring the performance of the Group's community activities, including partnerships, direct impact on beneficiaries and on wider communities.
- Making recommendations to the Peabody Board in relation to major proposals.
- Monitoring internal controls and matters with significant implications for the beneficiaries of the Group's community work.

Board Recruitment, Induction & Training

The Chair, Deirdre Moss, completed her service with the Board in September 2023. The Board expressed its thanks to Deirdre for her leadership and guidance during her tenure. Board member, Helen Edwards, was appointed as Chair of the Board and Communities Committee by the Peabody Trust Board from September 2023.

As part of the merger with Catalyst Housing Limited, the Communities Committee welcomed additional members Thelma Stober and Christine Turner from the Catalyst Housing Limited Board, and resident member Matthew Martin from the Catalyst Customer Experience Committee. Matthew Martin subsequently left the Communities Committee (on 24 November 2023) to join the Group Customer Experience Committee.

All members have access to the advice and services of the Charity's Secretary.

New members undergo an induction programme to ensure they have sufficient knowledge and understanding of the activities of the Charity, Peabody and the sector within which we operate. The programme forms part of the ongoing development of board members skills and learning and includes:

- Briefing sessions on governance, strategy, finance and risk management, housing services and community investment.
- Information relating to current issues within the sector and those specific to the Charity and the Committee.
- Meeting individually with the Chair of the Charity
- Meeting with key members of management, including Executive Directors and Heads of Services, and other key personnel.
- Training opportunities such as attending NHF webinars and industry briefings.
- A subscription to Inside Housing magazine.
- Provision of key governance documents as part of an induction pack comprising operating regulations, incorporation documents, Peabody's Code of Conduct, terms of reference as well as Group strategies and policies relevant to the specific role.
- Visibility of, and an opportunity to comment on, Committee packs and meeting minutes.

New members also participate in visits to build a deeper understanding of Peabody homes and services as well as community schemes and initiatives and meet Peabody colleagues and residents.

Trustees' annual report continued

Board Effectiveness - Self Assessment

The Board undertakes regular formal evaluation of its own performance and completed a skills review at the end of 2022/23. Due to the merger between Peabody and Catalyst and the completion of the Peabody Board external governance review, the Board's 2022/23 self-assessment was deferred, and a full assessment will be completed in 2023/24.

Trustees'/Directors' Interests

None of the Trustees held any beneficial interest in the Charity, its parent undertaking or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Shreya Hewett, Karima Mbarak and Katharina Winbeck in their capacity as residents of the parent undertaking. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage. In October 2023 the Nomination and Remuneration Committee agreed Katharina Winbeck would continue her role as an independent member of the Board and Communities Committee as she is no longer a Peabody resident. Some Trustees sit on other boards and committees in the Group, as disclosed on pages 42 and 43.

Remuneration of non-executive Communities Committee Members

The non-executive members of the Committee received remuneration in accordance with the Peabody Board and Committee Member Pay and Expenses Policy. Full disclosure for each role as at 31 March 2023 is provided in the table below:

	Peabody board level of pay	Committee only level of pay
Peter Baffoe (1)	15,000	
Helen Edwards (2)	18,500	
Shreya Hewett		7,500
Matthew Martin	15,000	
Karima Mbarak		7,500
Deirdre Moss (3)	18,500	
Thelma Stober (4)		10,500
Christine Turner (5)		14,000
Katharina Winbeck		7,500

(1) Peter Baffoe also served as a member of the Peabody Board; the Customer Experience Committee; and the Committee. The remuneration shown in the table represents his Peabody Trust Board membership.

(2) Helen Edwards also served as a member of the Peabody Board; the Audit and Risk Committee; the Chair of Care and Support Committee and the Committee. The remuneration shown in the table represents her role as Peabody Trust Board member and Chair of Care and Support Committee.

(3) Deirdre Moss also served as a member of the Peabody Board member; Chair of Town and Country Country Housing; the Thamesmead Committee; the Nominations and Remuneration Committee and the Committee. The remuneration shown in the table represents her role as Peabody Trust Board member and Chair of Town and Country Housing.

(4) Thelma Stober served as a member on the Catalyst Housing Limited Board; the Thamesmead Committee and the Committee. The remuneration shown in the table represents her Catalyst Housing Limited Board membership.

(5) Christine Turner served as the Chair of Rosebery Housing Association; a member of the Catalyst Housing Limited; the Customer Experience Committee and the Committee. The remuneration shown in the table represents her role as Catalyst Housing Limited Board member and Chair of Rosebery Housing Association.

Not all Committee members decided to accept pay and non-executives mentioned in the table above were all paid by Peabody Trust and receive no remuneration from the Charity for serving as trustees. Catherine O'Kelly elected not to receive pay as a Committee member.

The levels of payment per annum that the Committee members named above are legally entitled to under the Rules of Peabody Trust and the Board and Committee Pay and Expenses Policy adopted by the Peabody Board in May 2022, with effect from 1 April 2022, are (per annum) as follows:

For Committee Chair / Principal Peabody Subsidiary Chair	£18,500
For a Peabody Board Member	£15,000
For a Committee Member	£7,500

Trustees' annual report continued

Stakeholders, sustainability and transparency

The Group (including the Charity) continues to exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers. These include representatives of local, regional and national government; Peabody's funders and regulators; and delivery partners from a number of sectors. This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF and the Chartered Institute of Housing, to influence policy decisions in the sector. This approach has helped Peabody to deliver on its strategic goals and achieve the social purpose expressed through its mission statement. An example of this is in Thamesmead, where the strength of Peabody's relationships with stakeholders and its partnerships with the London Borough of Bexley, the Royal Borough of Greenwich, the Greater London Authority and Transport for London among others will underpin the success of the Thamesmead regeneration programme over the years to come.

Peabody is committed to being open and transparent in the way we conduct our business and interact with the Charity's beneficiaries. Peabody believes in being accountable for its actions, spending and performance, by demonstrating how it delivers value for money. The Group publishes information about its priorities, strategic goals and performance and how it utilises resources on its website. Specific information about the Charity's work is available on request, except, for example, for legal reasons or on the grounds of data protection, personal confidentiality, commercial confidentiality or practicality.

Future Plans

Notwithstanding the principal risks and uncertainties set out on page 46, the Charity will continue to invest in community programmes in accordance with Our Future Priorities as set out on page 38.

Statement of going concern

The Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Consideration of going concern is further documented in note 1.2 of these financial statements.

Reserves policy

The reserves policy is adopted by the Board and sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve. The Charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to 2 months (the equivalent of approximately £1.5 million) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. The Charity's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £5.3 million at the year end, higher than the minimum level set by Trustees.

Internal controls and risk management

The Peabody Board is accountable for its system of risk management and the internal control framework and for reviewing their effectiveness. The system of risk management and internal control is designed to monitor, manage and mitigate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute assurance against material misstatement or loss. The system of risk management and internal control also exists to give reasonable assurance about the reliability of financial and operational information and the safeguarding of Peabody's assets, services and interests.

The Group Audit and Risk Committee (the "ARC") provides oversight of the Group's system of risk management and internal control on behalf of the Peabody Board (as the parent company for the Peabody Group) and the Board and regularly reviews its effectiveness. The Group's arrangements in respect of the system of risk management and internal control cover the Charity.

The risk review process

During the year, the Peabody Board and the Group Audit and Risk Committee focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the Group Audit and Risk Committee and reports at least twice yearly to the Peabody Board. The Group has 11 key risks outlined in its risk register which was approved by the Peabody Board on 25 May 2023. These risks are set out in the Risk section of the Strategic Report in the Group's Annual Report and Financial Statements.

Further information on risk, internal audit, monitoring and controls is set out in the Group Accounts.

Statement on Internal Controls Assurance – Peabody Group

The Group's arrangements in respect of the system of risk management and internal control cover the Charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the ARC the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2022 up to the date of approval of the Group Accounts, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

External Auditor

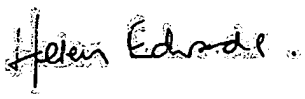
KPMG LLP will pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

Disclosure of Information to Auditor

The Trustees who held office at the date of approval of this annual report confirm that, in so far as each of the Trustees is aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

By Order of the Board



Helen Edwards
Chair
6 December 2023

Statement of Trustees' responsibilities in respect of the trustees' Annual Report and the financial statements

The trustees are responsible for preparing 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. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

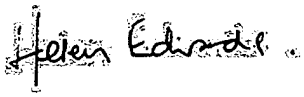
Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of income over expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board



Helen Edwards
Chair
6 December 2023

Independent auditor's report to the Trustees of Peabody Community Foundation

Opinion

We have audited the financial statements of Peabody Community Foundation ("the Charity") for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Changes in Reserves and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period"). In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the Audit and Risk Committee, internal audit and inspection of policy documentation as to the parent, Peabody Trust's, high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Charity's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because turnover is primarily a cash donation provided by the parent, with other streams being a low multiple of materiality, hence giving minimal opportunity to commit a material fraud.

Independent auditor's report to the Trustees of Peabody Community Foundation continued

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries related to unusual account combinations for cash and revenue.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with
these laws and regulations as part of our procedures on the related financial statement items.

The charity is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation
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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information
The trustees are responsible for the other information, which comprises the Trustees' Annual Report.

Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:
- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

Matters on which we are required to report by exception
Under the Charities Act 2011 we are required to report to you if, in our opinion:
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities
As explained more fully in their statement set out on page 52, the trustees are responsible for:
the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Emma Larcombe

Emma Larcombe
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
20 Station Road
Cambridge
CB1 2JD
8 December 2023

Statement of financial activities

	Note	2023 Unrestricted Funds £'000	2023 Restricted Funds £'000	2023 Total funds £'000	2022 Total funds £'000
Incoming Resources					
Donations and legacies	3.1	6,472	37	6,509	6,699
Income from charitable activities	3.2	677	404	1,081	4,548
Total incoming resources		**7,149**	**441**	**7,590**	**11,247**
Resources expended					
Cost of charitable activities	4.1	(7,288)	(927)	(8,215)	(6,909)
Total resources expended		**(7,288)**	**(927)**	**(8,215)**	**(6,909)**
Investment income	5	879	-	879	857
Interest payable	5	(6)	-	(6)	(4)
Other income/(expenditure)	13	9	-	9	-
Net income for the year	6	**743**	**(486)**	**251**	**5,191**
Actuarial (loss)/gain on defined pensions schemes	13	(7)	-	(7)	(64)
Net income/(expenditure) for the year		**4,956**	**171**	**5,127**	**(49)**
Net movements in funds		**736**	**(486)**	**250**	**5,127**
Fund balances brought forward		33,065	910	33,975	28,848
Transfers between funds		8	(8)	-	-
Fund balances carried forward		**33,809**	**416**	**34,225**	**33,975**

The accompanying notes form part of these financial statements.

All amounts are derived from continuing activities.

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

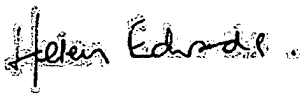
No corporation tax was payable by the Charity for the year ended 31 March 2023 (2022: £nil).

Statement of financial position
For the year ended 31 March 2023

	Note	Total 2023 £'000	Total 2022 £'000
Non-current assets			
Tangible fixed assets	9	13,221	13,079
Debtors due more than one year	10	**18,213**	**18,752**
		31,434	**31,831**
Current assets			
Debtors	11	2,218	910
Cash and cash equivalents		2,462	5,457
		4,680	**6,367**
Creditors: amounts falling due within one year	12	**(1,680)**	(3,960)
Net current assets		**3,000**	**2,407**
Total assets less current liabilities		34,434	34,238
Defined benefit pension scheme	15	(209)	(263)
Net assets		**34,225**	**33,975**
Funds			
Restricted funds	13	416	910
Unrestricted funds	13	33,809	33,065
Total funds		**34,225**	**33,975**

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Trustees on 6 December 2023 and were signed on its behalf by:



Helen Edwards
Chair

Notes to the financial statements

1. Legal status

Peabody Community Foundation ("the Charity") is a registered charity and a company limited by guarantee. In the event of the Charity being wound up, liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice 'Accounting and Reporting by Charities' as revised in 2019 ('the SORP'), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Charity is a public benefit entity.

The financial statements are presented in sterling (£).

The Charity's ultimate parent undertaking, the Peabody Trust, includes the Charity in its consolidated financial statements. Financial statements of Peabody Trust are available from the Secretary at 45 Westminster Bridge Road, SE1 7JB.

In these financial statements, the Company is a qualifying entity and has applied the following exemptions available under FRS 102, that require:

- a statement of cash flows and related notes, and;
- key management personnel compensations disclosures.

The principal accounting policies adopted in the preparation of these financial statements are set out in the relevant notes to these financial statements. Accounting policies not specifically attributed to a note are set out below.

2.2 Judgements in applying accounting policies and key sources of estimation and uncertainty

In preparing these financial statements, the members of Peabody Community Foundation have made the following key judgements

- Tangible fixed assets are depreciated over their useful economic lives. The actual lives of assets and residual values are assessed periodically and may vary depending on a number of factors, such as technological innovation, product life cycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life the asset and projected disposal values.
- The valuation of defined benefit pension schemes has been carried out by qualified actuaries based upon assumptions. While key assumptions used in the valuations are based upon published information, there is a degree of judgement involved in selecting the most appropriate financial valuables for each scheme.

2.3 Going concern

The Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2023/24 and the Group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, such as inflation and interest rate rises and reducing stakeholder's household incomes, the Foundation will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

2.4 Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and in hand, deposits and short-term investments and overdrafts with right of set off.

2.5 Value Added Tax (VAT)

The Charity is a member of the Peabody Trust's VAT Group. The group is partially exempt in relation to VAT, and accordingly can recover from HM Revenue & Customs part of the VAT incurred on expenditure. The Statement of financial position includes VAT recoverable and payable at the year end. The Charity includes irrecoverable VAT in the Statement of financial activities.

2.6 Taxation

The Charity is exempt from income and corporation tax to the extent that its income and gains are applicable for charitable purposes only.

2.7 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

3. Incoming resources

All incoming resources are accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income from charitable activities is accounted for on a receivable basis.

In accordance with the Charities SORP 2019, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accrual basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Revenue grant

Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance.

Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

3.1 Donations and legacies

	Unrestricted £'000	Restricted £'000	Total £'000	2022 £'000
Intra group donations - Peabody	6,293	-	6,293	6,556
Other Donations	179	37	216	143
	6,472	**37**	**6,509**	**6,699**

3.2 Income from charitable activities

	Unrestricted £'000	Restricted £'000	Total £'000	2022 £'000
Connecting Young Hackney	-	50	50	44
Community Champions	-	40	40	40
Community Fund (iWill)	-	29	29	106
Sport England - Tackling Inactivity	-	-	-	63
Maternity Champions	-	60	60	-
Public Health Southwark Council	5	46	51	-
Shaping Healthier Thamesmead RBOG	-	9	9	-
Contribution to the VCS Research (Bexley)	-	7	7	-
LBWF Public Health Unit	-	6	6	-
Other grant income	-	157	157	50
	5	**404**	**409**	**303**
Trading Income	643	-	**643**	548
Other Charitable Income - Moorings Club	29	-	**29**	3,697
Total incoming resources from charitable activities - 2023	**677**	**404**	**1,081**	**4,548**
Total incoming resources from charitable activities - 2022	4,245	303	4,548	

4. Resources expended

Expenditure is accounted for on an accrual basis and classified under headings in the accounts that aggregate all costs related to the category. Irrecoverable VAT is included in the expense item to which it relates.

Charitable activities - some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled. Provisions are only provided for on contractual liabilities which exist at the balance sheet date.

Notes to the financial statements
continued

4.1 Cost of charitable activities

	Direct costs £'000	Support costs £'000	Total £'000	2022 £'000
Charitable activities				
Building capacity of group and individuals	2,787	464	3,251	2,361
Children, young people & families	**1,525**	254	1,779	1,577
Employment and employability	659	110	769	756
Improving sports	426	71	497	448
Community cohesion	1,384	231	1,615	1,498
Other charitable activities	244	41	285	250
	7,025	**1,171**	**8,196**	**6,890**
Governance				
Staff costs	-	9	**9**	9
External audit and legal fees	-	10	10	10
	-	**19**	**19**	19
Total resources expended	**7,025**	**1,190**	**8,215**	**6,909**
Total resources expended – 2022	**5,804**	**1,105**	**6,909**	

4.2 Support costs

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. These include back-office costs, finance personnel, payroll and governance costs which support programmes and activities.

Support costs are apportioned based on the staff time incurred on each charitable activity.

	2023 £'000	2022 £'000
Administration costs	610	543
Staff costs	580	562
	1,190	**1,105**

5. Interest receivable and payable

Interest receivable is recognised as interest accrues, using the effective interest method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Interest accruing between entities within the Peabody Group are charged at commercial rates.

	2023 £'000	2022 £'000
Interest from parent undertaking	49	20
Interest cost on pension scheme	482	428

6. Net income for the year before gains and losses

Net income for the year before gains and losses is stated after charging:

	2023 £'000	2022 £'000
Depreciation on tangible fixed assets	311	306
Auditor's remuneration	23	10
Pension costs	154	157

7. Employee information

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in the Statement of Comprehensive Income in the periods during which services are rendered by employees.

Defined Benefit Pension Scheme

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the fund and allow for the periodic increase of pensions in payment. The current service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, cost of curtailments and settlements are charged against the operating surplus in the year. Actuarial gains and losses are recognised in the SOFA.

Notes to the financial statements
continued

7. Employee information continued

Termination benefits

Termination benefits are recognised as an expense when the Charity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Charity has made an offer of voluntary redundancy and the cost can be reliably estimated. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

	2023 No.	2022 No.
The average number of employees during the year was as follows:		
Charitable activities	99	86
Management, administration and support services	4	4
	103	90

	2023 No.	2022 No.
Employee costs:		
Wages and salaries	3,706	3,245
Social security costs	394	345
Pension costs	154	157
Other employee costs	14	44
	4,268	3,791

The Charity's staff are employed under Peabody Group contracts and the salary costs are recharged under an intra group service level agreement.

The numbers of employees who received remuneration (excluding pension contributions) in excess of £60,000 per annum are stated below in bandings of £10,000:

	2023 No.	2022 No.
Emoluments of higher paid staff within the following scales were:		
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£140,001 - £150,000	-	1
	4	5

The earnings for the Charity's key management personnel (including the Executive Director) for the year were £385k (2022: £279k), with pension contributions of £14k (2022: £9k), and benefits in kind totalling £2k (2022: £nil).

8. Trustees' remuneration and expenses

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. The Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members) discloses information for the financial year 2022/23.

During the year Trustees claimed expenses £40 for travel, subsistence and incidental expenses in the year (2022 £Nil).

During the year the Charity paid £281 (2022: £258) for Trustees' indemnity insurance through Group Insurance policy.

9. Tangible fixed assets

Tangible fixed assets are included at cost less depreciation, which is provided on a straight-line basis over the expected useful economic lives of the assets as shown below.

IT equipment	3-4 years
Office equipment	5 - 10 years
Freehold land and buildings	**50 years**
Leasehold land and buildings	Over lease term

Depreciation is charged on the above assets from the month of purchase until the month of disposal.

Expected useful lives are reviewed periodically to ensure they are still appropriate, and benchmarking is carried out with other housing associations to ensure they are in line with sector good practice. Assets which are no longer economically viable are written down.

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to Trust Thamesmead from its subsidiary during 2009 at their net book value. The Trustees have adopted the policy of holding freehold buildings at cost less accumulated depreciation and any accumulated impairment losses under FRS 102.

	Freehold land and buildings £'000	IT and office equipment £'000	Total £'000	2023 Total £'000
Cost				
At 1 April 2022	15,562	364	15,926	11,668
Additions	**136**	**317**	**453**	**4,258**
At 31 March 2023	**15,698**	**681**	**16,379**	**15,926**
Depreciation				
At 1 April 2022	2,739	108	2,847	2,541
Charge for the year	278	33	311	306
At 31 March 2023	**3,017**	**141**	**3,158**	**2,847**
Net Book Value				
At 31 March 2023	**12,681**	**540**	**13,221**	**13,079**
At 31 March 2022	12,823	256	13,079	9,127

All assets are held for charitable purposes.
The Big Lottery Fund holds a charge over Harrow Manor Way for £5 million.
The Football Foundation has a charge for £1m over land at Thamesmead Football Club.

Notes to the financial statements
continued

10. Debtors due in more than one year

	2023 £'000	2022 £'000
Deferred consideration	14,713	15,252
Loan to parent company	3,500	3,500
	18,213	18,752

The deferred consideration has arisen on the sale of the Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014. The deferred consideration is payable in quarterly instalments over 30 years.

The monies loaned to the parent company have been invested in an interest bearing notice account on the Charity's behalf.

11. Debtors due in less than one year

Current debtors are measured at transaction price less any provision for impairment.

A provision for bad debt arises when the debtor balance is 90 days or greater. The initial provision is a charge against the statement of financial activities but is then carried forward to a subsequent period. The debtors figure in the statement of financial position is adjusted to be presented 'net of the provision'. Any increase or decrease in the provision in a subsequent period is debited or credited to the statement of financial activities. The write off of a specific bad debt is made in accordance with the Group Financial Regulations.

	2023 £'000	2022 £'000
Amounts due within one year		
Trade debtors	115	49
Amounts owed by other Group members	1,559	2
Prepayments and accrued income	-	18
Other debtors	5	359
Deferred consideration	539	482
	2,218	910

Amounts owed from other group members are trading balances repayable on demand and non-interest bearing.

Deferred consideration relates to the sale of investments in Tilfen Land Limited to the Charity's parent company Peabody Trust on 1 April 2014. Sale proceeds are payable quarterly over 30 years. Peabody Trust has invested monies in an interest bearing notice account on behalf of the Charity.

12. Creditors: amounts falling due within one year

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

	2023 £'000	2022 £'000
Trade creditors	139	278
Amounts owed to other Group members	-	2,029
Other creditors	424	467
Accruals and deferred income	1,117	1,186
	1,680	3,960

12. Creditors: amounts falling due within one year continued

Amounts owed to other group members are trading balances repayable on demand and non-interest bearing.

	2023 £'000	2022 £'000
Movement in deferred income:		
Deferred income at 1 April	462	352
Amounts released from previous years	(462)	(352)
Incoming resources deferred in the year	411	462
Deferred income at 31 March	**411**	462

13. Funds

Restricted funds - these are funds that have restrictions imposed by donors and can only be applied for the purposes specified by donors.

The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

Designated funds - these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

General reserves - these are accumulated surpluses and deficits on unrestricted funds which can be used in furtherance of the general objectives of the Charity at the discretion of the trustees.

	1 April 2022 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Gains & (Losses) £'000	31 March 2023 £'000
Restricted funds	910	441	(927)	(8)	-	416
Unrestricted funds	33,065	8,031	(7,288)	8	(7)	33,809
Total funds	**33,975**	**8,472**	**(8,215)**	**-**	**(7)**	**34,225**
Unrestricted funds						
Designated funds						
Pitch resurfacing	235	-	-	-	-	235
Fixed assets	12,844	453	(311)	-	-	12,986
Thamesmead community	15,734	879	(1,361)	-	-	15,252
Total Designated funds	**28,813**	**1,332**	**(1,672)**			**28,473**
General funds	**4,252**	**6,699**	**(5,616)**	**8**	**(7)**	**5,336**
Total unrestricted funds	**33,065**	**8,031**	**(7,288)**	**8**	**(7)**	**33,809**

Notes to the financial statements
continued

13. Funds continued

	1 April 2021 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Gains & (Losses) £'000	31 March 2022 £'000
Restricted funds	739	308	(137)	-	-	910
Unrestricted funds	28,109	11,796	(6,776)	-	(64)	33,065
Total funds	**28,848**	**12,104**	**(6,913)**	**-**	**(64)**	**33,975**

Unrestricted funds						
Designated funds						
Pitch resurfacing	235	-	-	-	-	235
Fixed assets	8,892	4,258	(306)	-	-	12,844
Thamesmead community	16,162	857	(1,285)	-	-	15,734
Total Designated funds	**25,289**	**5,115**	**(1,591)**	**-**	**-**	**28,813**
General funds	**2,820**	**6,681**	**(5,185)**	**-**	**(64)**	**4,252**
Total Unrestricted funds	**28,109**	**11,796**	**(6,776)**	**-**	**(64)**	**33,065**

Designated Funds

Pitch resurfacing - During 2017 the Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the Sporting Club.

Fixed assets fund represents funds tied up in fixed assets less any associated grants received.

Thamesmead community fund represents funds from the sale of investment in Tilfen Land Limited to Peabody Trust on 1 April 2014, for the support of projects at Thamesmead.

14. Analysis of net assets between funds at 31 March

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	2023 Funds £'000	2022 Funds £'000
Fixed assets	-	13,221	-	13,221	13,079
Debtors due more than one year	3,500	14,713	-	18,213	18,752
Current assets	3,314	539	827	4,680	6,367
Current liabilities	(1,269)	-	(411)	(1,680)	(3,960)
Net pension liability	(209)	-	-	(209)	(263)
	5,336	**28,473**	**416**	**34,225**	**33,975**

15. Pension commitments

The pensions of employees of the Charity are administered through four schemes, two of which are defined benefit scheme and two defined contribution schemes. The Charity participates in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time and was closed to future accrual from 31 March 2020. The Charity also has an ongoing liability for pension commitments under the (Career Average Revalued Earnings) which was closed to new entrants on 30 June 2015. A defined contribution scheme (Career Average Revalued Earnings - CARE) was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. Deficit contributions to this scheme between 1 April 2021 to 30 September 2027 are £1,530,000 per annum.

Employees were also eligible to join a defined contribution retirement benefit scheme with Friends Life.

15. Pension commitments continued

In October 2018 the High Court published its judgement on the case of Lloyds Banking Group and the equalisation of Guaranteed Minimum Pensions ('GMP') between genders. This has consequently been assessed against the Group's defined benefit schemes. The impact of GMP Equalisation in respect of the LPFA and CARE schemes was recognised in the 2019/20 year. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016.

The valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and no further adjustments to the value placed on the liabilities was required in 2021/22.

The latest news on the Lloyds Banking Group court case involved a ruling that, in cases where a member exercised their right to a transfer value out of the scheme, the trustee had the duty to make a transfer payment that reflects the member's right to equalised benefits and remains liable if an inadequate transfer payment had been paid. It is not yet known if, or how, this will affect our schemes and no allowances have currently been made.

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). This applies to each of the Local Government Pension Schemes, including LPFA. The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. The impact of the findings will only be known after this process has concluded and a final set of remedial Regulations are published.

While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2022, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. With a small proportion of active members and a salary increase assumption equal to (or less than) CPI, the impact of the McCloud judgement is likely to be negligible.

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LPFA. As this case has only recently been announced, there is not a current accurate indication of the potential impact this may have on the value of employers' liabilities or the cost of the scheme.

	2023 £'000	2022 £'000
LPFA - Pension scheme asset	-	-
CARE - Pension scheme liability	209	263

The London Pensions Fund Authority

Some former employees of the Charity who are former employees of Thamesmead Town participate in the LPFA Pension Fund, part of the Local Government Pension Scheme. The fund is administered in accordance with the Local Government Pensions Scheme Regulations 1997, as amended.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

The estimated asset allocation for the Scheme as at 31 March is as follows:	**2023 £'000**	2022 £'000
Equities	**1,123**	1,071
Target return Portfolio	**355**	405
Infrastructure	**242**	192
Property	**188**	169
Cash	**2**	**45**
	1,910	1,882

15. Pension commitments continued

The demographic assumptions are consistent with those used for the formal funding valuation as at 31 March 2023. The post-retirement mortality tables adopted were based on the Club Vita mortality analysis.

The assumed life expectations are	2023	2022
Retiring today - male	87.3	87.1
Retiring today - female	89.3	89.8
Retiring in 20 years - male	86.4	87.1
Retiring in 20 years - female	88.5	89.5

The major assumptions used by the actuary to value the liabilities of the scheme at 31 March under FRS 102 are:	2023 % per annum	2022 % per annum
CPI increases	2.90%	3.20%
Salary increases *	3.90%	4.20%
Pension increases	2.90%	3.20%
Discount rate	4.80%	2.70%

* The Charity has no employees who are active members within this scheme

The estimated duration of the Employer as at the accounting date, using the assumptions set out above is 14 years. The significant financial assumptions used are the discount rate, CPI and pension increases.

The demographic assumptions are consistent with those used for the most recent fund valuation, which was carried out as at 31 September 2022. The post-retirement mortality tables adopted are the S3NxA tables. These base tables are then projected using the CMI 2019 model, allowing for a long-term rate of improvement of 1.25% per annum, standard smoothing parameter of 7.0 and an initial addition parameter of 0.0% per annum.

Statement of Financial Position as at 31 March:

Net LPFA pension position as at 31 March	2023 £'000	2022 £'000
Present value of the defined benefit obligations	1,190	1,512
Fair value of Fund assets (bid value)	(1,910)	(1,882)
Restriction to reflect extent of surplus recoverable	720	370
Net LPFA defined benefit pension asset/obligation	-	-

A restriction has been made against the net surplus on the LPFA pension scheme obligations in the year as, whilst an exit credit (or debt) may be received (or paid) under the LGPS regulations, the exact amount which may be recoverable in the event of a termination event to the scheme is undeterminable.

The amounts recognised in the Statement of Financial Activities	2023 £'000	2022 £'000
Net interest on the defined assets	(10)	(10)
Administration expenses	1	2
Actuarial loss - including restriction against net surplus	-	75
Total LPFA (profit) / loss	(9)	67

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	2023 £'000	2022 £'000
Opening LPFA Scheme obligations	**1,512**	**1,610**
Interest on obligation	**41**	23
Change in financial assumptions	**(442)**	(53)
Change in demographic assumption	**(19)**	-
Experience loss (gain) on defined benefit obligation	**98**	(12)
Estimated benefits paid net of transfers in	**-**	(56)
Closing LPFA Scheme obligations	**1,910**	1,512

Reconciliation of opening and closing balances of the present value of the defined benefit assets	2023 £'000	2022 £'000
Opening fair value of LPFA Scheme assets	**1,882**	1,683
Interest on assets	**51**	**33**
Return on assets less interest	**(26)**	224
Other actuarial gains/(losses)	**4**	-
Administration expenses	**(1)**	(2)
Estimated benefits paid including unfunded benefits	**-**	(56)
Closing fair value of LPFA Scheme assets	**1,910**	1,882

Projected pension expense for the year to 31 March:	2024 £'000
Service cost	-
Net interest on the defined assets	(35)
Administration expenses	1
Total LPFA (profit) / loss	(34)
Employer's contributions	-

Career Average Revalued Earnings Pension Scheme

The Charity also participated in The Career Average Revalued Earnings (CARE) Pension Scheme (the 'Scheme'), which is a funded multi-employer defined benefit scheme. This scheme was closed to new entrants on 30 June 2015. All Charity staff were transferred to the Peabody Group Personal Pension scheme.

The main benefits provided by the Scheme are:

- A pension of one-eightieth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-out of the state scheme; or
- A pension of one-hundredth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-in to the state scheme.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The latest full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79.0m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

15. Pension commitments continued

Deficit contributions

From 1 April 2021 to 30 November 2027:	£1,530,000 per annum

(Payable monthly and increasing by 3.0% each year on 1st April)

The Charity's share of the deficit funding contributions is £47,866 per annum payable in monthly instalments.

In addition to the deficit funding contribution, contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2022 the contribution required to the Scheme is £179,000 per annum (2022: £173,800 per annum) increasing on 1 July each year by 3% is require for Scheme administration expenses. The Charity's share of these Scheme expenses is £4,560 per annum (2022 £4,430) payable in monthly instalments.

Employer Debt on Withdrawal

The scheme is classified as a 'last man standing arrangement'. Therefore, the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The amount of employer debt on withdrawal was last calculated as £1,451,641 at 30 September 2018. The employer debt figures are calculated on the solvency - or buy out - funding basis.

Potential employer debt is treated as a contingent liability.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	2023 £'000	2022 £'000
Provision at start of period	263	1,610
Unwinding of the discount factor (interest expense)	6	23
Deficit contribution paid	(48)	(53)
Remeasurement - impact of any changes in assumptions	(12)	-
Remeasurement - amendments to the contribution schedule		(12)
Provision at end of period	**209**	1,512

Amounts recognised in the Statement of Financial Activities	2023 £'000	2022 £'000
Interest expense	6	3
Remeasurement - impact of any change in assumptions	(12)	(11)
Remeasurement - amendments to the contribution schedule	-	-
Total profit	**(6)**	(8)

Assumptions	2023 £'000	2022 £'000
Rate of discount	5.18	2.55

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. 16.

16. Contingent liability

During 2021-22 the Charity received grants totalling £3.7m. £2.7m from the Peabody Trust and £1.0m from the Greater London Authority, for renovating Moorings Social Club. The Charity has a future obligation to return sums, to respective grantees on disposal of property. The timing of future disposal is uncertain, and the Charity has not included a provision for return of grants in these financial statements.

17. Ultimate parent undertaking

The Company's ultimate parent undertaking is Peabody Trust. This is the only entity in the Group that produces Consolidated Financial Statements. Peabody Trust is a charitable Community Benefit Society formed under the Co-operative and Community Benefit Societies Act 2014. Consolidated financial statements of Peabody Trust are available from the Company Secretary at 45 Westminster Bridge Road, London, SE1 7JB.

18. Related party transactions

Related party transactions include the Charity's transactions with the Parent entity, with fellow subsidiaries, associates, joint ventures and compensation paid to key management personnel. Key management personnel are senior management team, board members and their close family.

Compensation includes all employee benefits in exchange for services and consideration paid on behalf of Peabody in respect of goods or services provided to the entity.

During the year the following transactions took place between the Charity and its parent company, the Peabody Trust and subsidiary entities within the Group:

- Peabody Trust provided support services, finance, governance, IT, HR totalling £339k (2022: £339k), and recharged £4,269k (2022: £3,791k) of salary costs relating to Peabody staff working directly for the Charity.

Peabody provided no further refurbishment grants in the year in relation to the Moorings Social Club (2022: £2.727k).

At the year-end £1,559k was payable to PCF (note 11). At the previous year end £2,029k was payable by PCF to the Peabody Trust (note 12).

- Peabody paid the Charity £1,361k (2022: £1,285k) as the year 9 payment in respect of the sale of Tilfen Land Ltd. £539k (2022: £482k) was charged against the deferred consideration debtor (note 11) with £879k (2022: £857k) being recognised as interest (note 5).

PEABODY COMMUNITY FOUNDATION

England & Wales - Charity number 271731

Accounts

Peabody

Peabody Community Foundation

ANNUAL REPORT AND ACCOUNTS 2022

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PCF Highlights

Invested to support customers through the Peabody Community Foundation

£6.9m

(2021: £7.8m)

People into jobs and apprenticeships

496

(2021: 536)

Customers gained qualifications through our programmes

579

(2021: 495)

Social action projects delivered through our Community Leaders Programme

105

(2021: N/A)

Community and Peabody employee volunteers who gave their time to make a difference to our communities

788

(2021: 850)

Grants to support community organisations

£1.09m

(2021: £1.25m)

Businesses helped to access enterprise support and resources

185

(2021: 460)

Voluntary, Community and Social Enterprise (VCSE) projects and groups using our centres at least once every two months

147

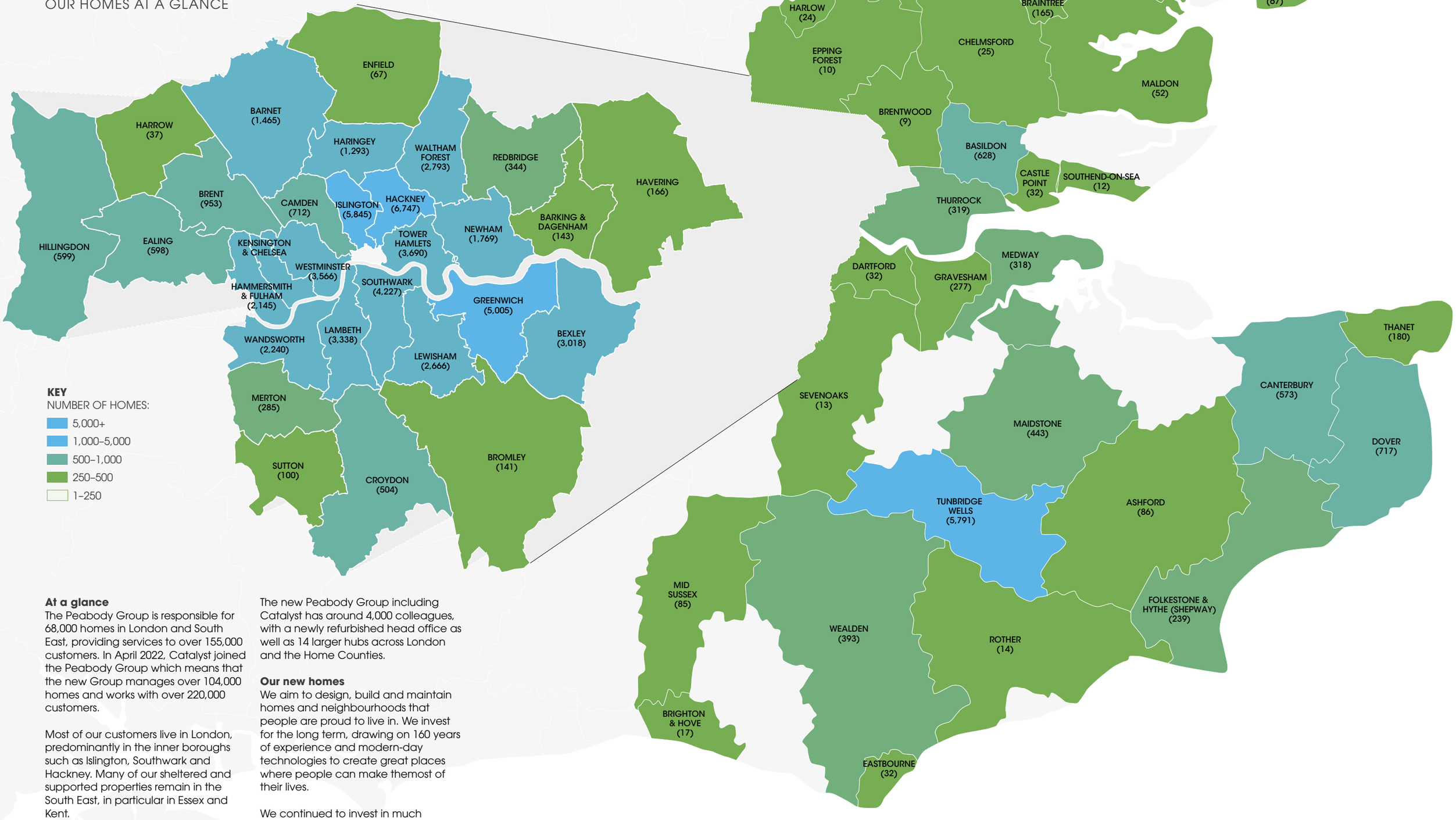
(A new measurement for 2021/22)

People received advice and support to improve their skills

3,526

(A new measurement for 2021/22)

OUR HOMES AT A GLANCE



At a glance
The Peabody Group is responsible for 68,000 homes in London and South East, providing services to over 155,000 customers. In April 2022, Catalyst joined the Peabody Group which means that the new Group manages over 104,000 homes and works with over 220,000 customers.

Most of our customers live in London, predominantly in the inner boroughs such as Islington, Southwark and Hackney. Many of our sheltered and supported properties remain in the South East, in particular in Essex and Kent.

Our new organisation reflects the values and history of Peabody and Catalyst, and by joining together, we'll go further and faster with our plans to improve our services and invest in our homes and communities.

The new Peabody Group including Catalyst has around 4,000 colleagues, with a newly refurbished head office as well as 14 larger hubs across London and the Home Counties.

Our new homes
We aim to design, build and maintain homes and neighbourhoods that people are proud to live in. We invest for the long term, drawing on 160 years of experience and modern-day technologies to create great places where people can make themost of their lives.

We continued to invest in much needed affordable homes this year, with 74% of the new homes we developed for affordable rent and shared ownership. All of our developments are guided by our commitment to sustainability so that they are fit for the future.

"Peabody and Catalyst have joined together to create a new organisation with a clear purpose: **to help people flourish**"

Deirdre Moss
Chair, Peabody Community Foundation

Peabody is defined by its social purpose, and the Peabody Community Foundation's community investment activities are benefiting more people than ever before.

As the cost-of-living crisis hits families and communities, it's critical that we continue to recognise and respond to what people need to thrive. This may involve providing services ourselves, but we are also a gateway to other organisations' services and help to leverage additional investment by working collaboratively with others.

We're delivering a variety of programmes to help customers get the help and advice they need to keep their families fed and warm and pay their bills.

We invested £6.9m million in our community programmes and initiatives this year. We have made significant progress toward meeting the goals of our three-year strategy to make our customers and communities healthier, wealthier, and happier. This year, we helped 496 people into work and apprenticeships, and our programmes helped 579 customers gain qualifications. 788 community and Peabody employee volunteers gave their time to make a difference in our communities, and we awarded £1.09 million in grants to community organisations. We also helped 185 businesses in gaining access to enterprise support and resources.

As this report launches, Peabody and Catalyst have joined together to create a new organisation with a clear purpose: to help people flourish. We will do this by:

- Being local and connected with our customers and communities
- Investing and innovating in service delivery, homes and technology and our people
- Influencing local and national government to make a positive impact.

We said farewell to Stephen Burns, Care and Communities Executive Director, and Veronica Kirwan, Director of Communities, at the end of the year, as they moved on to new roles in the Peabody Group as Executive Director, Care, Supported Housing and Inclusion and Managing Director (South London and Hackney).

Under Stephen and Veronica's highly effective leadership, the Foundation has grown from strength to strength. I would like to thank them for their tremendous dedication and wish them all the best in the future. I am excited to continue working with Sarah Thomas (Chief Operating Officer), Sahil Khan (Director, Community Strategy, Partnerships, and Funding), and our colleagues to make the greatest possible difference for residents and our communities.

As the Foundation enters a new era, I'd like to thank everyone who has worked so hard to support our communities during these difficult times. But, most importantly, I'd like to thank our customers and assure them that we will continue to work hard to meet their needs and keep their voices at the forefront of everything we do.

Deirdre Moss
Chair
13 December 2022

Q&A with Stephen Burns, Executive Director, Care, Supported Housing and Inclusion

What were some of the year's highlights for you?
We have made the best use of our community buildings, resources, and relationships, with the help of partners, volunteer service organisations, and others, to provide vital services such as food banks, pantries, and creches. Despite the stop/start nature of lockdowns, we continued to provide a comprehensive economic offer; supporting customers into work as well as helping people get better paid jobs and access training opportunities. Highlights include reopening the newly renovated Moorings Sociable Club in Thamesmead, and strengthening our local partnerships with Islington Giving, London Community Foundation, and One Southwark.

What were your top priorities?
Continuing to support our customers and communities as we moved from an emergency Covid response to recovery and beyond by supporting households to increase their income, improve well-being, and help children and young people to develop skills and access opportunities for a better start in life.

This year marked the end of the Foundation's three-year strategy. As we begin a new chapter after joining together with Catalyst, we recognise the challenges our customers face are far from over. We will continue to use our enduring role to help our customers and communities thrive both now and in the future.

What sets Peabody Community Foundation apart?
Our strong social purpose, as articulated by George Peabody's original mission to 'improve the conditions of the poor and needy' remains central to our vision for happier, healthier, and wealthier communities.

With new leadership in place, we will continue to work with our partners to innovate and adapt our services to make the greatest possible difference for our customers and communities.

Stephen Burns
Executive Director, Care, Supported Housing and Inclusion

Looking ahead with Sarah Thomas, Chief Operating Officer

Our customers and communities are undoubtedly facing increased pressure as a result of the Covid 19 pandemic and ongoing cost of living crisis. As Peabody and Catalyst join together our guiding star is to help people flourish. Our focus on customer well-being has increased, and we have a clear role to play in reducing pressures on our customers and communities and using our areas of expertise to help.

Our vision is to create communities which are healthier, wealthier and happier. We will do this by providing support to those in need while remaining agile and responsive. We recognise that capturing social value as well as developing an outcomes framework is needed to ensure value for money and greater impact, helping us continue to make a positive difference to the communities we serve.

Sarah Thomas,
Chief Operating Officer

Trustees, Directors and Advisors
(the Trustees are also the Directors of the Company)

Deirdre Moss Chair
Helen Edwards Vice Chair
Peter Baffoe
Katharina Winbeck appointed 20 May 2021
Shreya Hewett
Karima Mbarak
Catherine O'Kelly

Chief Operating Officer
Sarah Thomas

Director of Community Strategy, Fundraising and Partnerships
Sahil Khan

Secretary
Sarah Cameron

Company No
01267728 (Registered in England and Wales)

Charity No
271731 (Registered in England and Wales)

Registered Office
45 Westminster Bridge Road, London, SE1 7JB

Bankers
Coutts & Co., St Martins Office,
440 Strand, London, WC2R 0QS.

Auditors
KPMG LLP, 15 Canada Square,
Canary Wharf, London E14 5GL

Solicitors
Trowers & Hamlins, 3 Bunhill Row, London,
EC1Y 8YZ

Deirdre Moss (Chair)
Deirdre joined the Peabody Community Foundation ("PCF" or the "Charity") Board in November 2017 having been appointed to the Peabody Trust Board in June 2017 following the Peabody and Family Mosaic merger in 2017, where she was on the Board from September 2014. Deirdre has worked in the insurance industry for over 25 years with FTSE 100 companies. Specialising in HR, she has led major changes involving large, diverse workforces. She has her own HR consultancy company, and also sits on the advisory group of a London-based training company. Deirdre has championed diversity issues throughout her career and continues to work in a voluntary capacity in this area.

Peter Baffoe
Peter joined the Peabody Trust Board as a resident Board member in May 2018 and the PCF Board in September 2018. He is currently the Executive Director of the South London Mission, a charity based in Bermondsey, South London. He is a Trustee of Southwark and Deptford Methodist Church. He is also a Trustee of the Maudsley Charity, a charity that supports work around mental health across 4 London boroughs. He is a School Governor at a Peckham primary school acting as the Link Governor for equalities and curriculum. Having been born and raised in Southwark, he is particularly interested in community and issues of social justice.

Karima Mbarak
Karima joined the PCF Board as resident Board member in November 2020. Karima is a trainee public finance accountant (CPFA) for Richmond and Wandsworth Councils. She has experience of strengthening youth engagement and established an award-winning mental health community project in 2018 called `Keeptlking'. Part of the project encouraged young people from a BAME background to challenge taboos surrounding mental health.

Katharina Winbeck
Katharina joined the PCF Board as resident Board member in May 2021. Katharina is passionate about social fairness, specialises in social and environmental science and has delivered policies, projects and programmes in London with a place based and whole system approach over the past 20 years. She currently holds the position of strategic lead for transport and environment policy at London Councils and has previously held positions with Transport for London, the Audit Commission, the London Boroughs of Tower Hamlets & Lambeth and the NHS.

Helen Edwards (Vice Chair)
Peabody Trust Board member since July 2016 and a PCF Board member since September 2016. Helen served as Deputy Permanent Secretary and Director General at The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government). Previous roles included Director General of Justice Policy at the Ministry of Justice and Chief Executive positions at the National Offender Management Service and Nacro, a national social justice charity. Helen is a non-executive Director at South London and the Maudsley Foundation Trust (SLaM), she also chairs Recovery Focus and is on the Social Finance board.

Shreya Hewett
Shreya joined the PCF Board as resident Board member in January 2021. Shreya Hewett is co-founder of GRASP, a children's health and hygiene brand launched in 2021. As a Hackney resident for the last eight years and the mother of three young children, she is passionate about community engagement and early years development, particularly in cross-cultural settings. Shreya has a BA in History and Economics from the University of Oxford, and a background in economic policy output and financial technology.

Catherine O'Kelly
Catherine became a Family Mosaic Community Foundation Board member in February 2016 and she joined the PCF Board in November 2017. She is the Managing Director of British Gas Energy. Catherine has held senior positions at Centrica plc including Managing Director of Centrica's Irish subsidiary, Bord Gáis Energy. Catherine's career has focused on the energy industry, including international energy strategy with consultancy Booz & Company, and low carbon energy policy design at the UK's Carbon Trust.

Helping People Flourish

For over 160 years, Peabody has been driven by a strong social purpose. The Peabody Community Foundation is central to us achieving great social impact and helping people flourish.

Our vision is that our customers and communities are healthier, wealthier, and happier, with the opportunity to realise their ambitions. We do this by:

We work at four levels: direct delivery, indirectly through partnership with others, mobilising the community and working to achieve change at a strategic level through our influencing activities.

1

Building engaged and active communities; helping people make the most of their lives through active citizenship, catalysing supportive networks and community-led projects

2

Boosting income; helping people to gain well paid, secure work, progress within employment and reduce their debts

3

Developing skills and aspirations; supporting access to, and achievements within, education and training, giving people more knowledge about opportunities and boosting their confidence

4

Improving mental and physical health; enabling people to be active and fit, develop their resilience and improve their overall wellbeing.

Building Engaged and Active Communities

We are passionate about mobilising our communities. We provide grassroot support which includes providing active volunteering opportunities, helping customers access grants to design and deliver their own services, as well as customers managing many of our community buildings.

People-Powered Buildings
Through our extensive network of 73 community centres, we work with our customers and local partners to host a wide range of services which bring the community together.

We have 26 community buildings managed by Resident Management Committees and community partners, providing a range of free and low-cost activities including:

- Food pantries
- Employment support
- Children's activities including youth clubs and play schemes
- Health and wellbeing sessions

Social action and co-design
We empower people in our communities and provide resources to help them design and deliver activities that benefit their community. In 2021/22 we did this by:

- Giving customers a greater role in grant giving by sitting on the decision-making panel for the Thamesmead Community Fund and Young People's Fund.
- Launching our new Peabody Social Innovation Fellowship supported by Wells Fargo. We worked with 10 grass roots community groups on a programme immersing them in the world of design thinking and innovation to increase their capacity to create collective and impactful action
- Supporting 105 social action projects through our Community Leaders Programme, which offers grants of £500 to local people to deliver activities that benefit their community.
- Expanding our Youth Social Action Programme to offer young people our first Level 3 qualification and the opportunity to problem solve for Peabody and influence our service delivery.
- Developing a Community Consultants offer through which customers are trained and then paid to deliver services and support for Peabody and our communities.

73

We have **73** community centres, **26** community buildings are managed by Resident Management Committees and partners

Young people celebrate launch of new podcast

You Press is a social enterprise that helps young people develop skills and gain experience by giving them real-world opportunities to work on media projects. They joined our Social Innovation Fellowship to explore how they could make their offer to young people more sustainable.

They interviewed participants, partners, and funding experts using the Fellowship's human-centered design approach. They discovered that, while the organisation achieves significant results for young people, these results are not reflected in their funding strategy or communications. As a result, You Press is using their Fellowship Grant to create prototype answers to the question, "How can we make You Press irresistible to funders?"

"The Fellowship has changed our approach to how we do things at You Press. We have been applying the design thinking method to all kinds of issues to help us identify the hidden solution. This has allowed us to be more creative, strategic and conscious of what we do".

Ridwan Yusuf, Creativity and Engagement Lead, You Press

Boosting Income

We're committed to helping people increase their income by supporting them to progress in their work and access higher value jobs. We help people get into training, learn new skills, get better access to affordable childcare, and tackle debt with our comprehensive economic offer.

Focus on a career, not just a job
Our team of seven Employment Caseworkers help people get jobs or training so they can build careers that will last. They help with CVs, personal statements, job applications, and getting ready for interviews. They also give career advice and support to boost motivation and confidence. They also give advice on benefits and staying financially stable, and we send customers and partners a jobs, training, and opportunities bulletin every two weeks.

In 2021/22, we helped 496 people into work and apprenticeships, including 200 Peabody customers. We also helped people who were already working find better-paying jobs.

Think jobs, think childcare
Our research shows that two-thirds of our customers have a hard time or can't find affordable, local, high-quality, flexible childcare. We make the best use of our buildings, resources, and relationships with communities and organisations to help people become childminders or work in the childcare sector. We do this by supporting mobile creches, hosting nurseries, and supporting new ideas in childcare. BNP Paribas helped us with our childcare training programme, which helped 178 people get qualifications this year, including 42 childminders.

Maximising household income
Across the Group, we have a number of teams that offer expert advice and support, such as a team for financial inclusion and a service for energy advice. We work closely with external partners to help people learn how to better manage their money, reduce their outgoings, and get advice and financial help. In partnership with local providers, we also offer phone and email advice, home visits, and drop-in sessions at our community centres.

This year, we launched a website called "PeerUp Perks." It gives customers a new way to save money on their bills for food, leisure, and shopping. Signing up for PeerUp gives people access to lots of money-saving deals from big brands like Tesco, Morrisons, Sainsbury's, Argos, Just Eat, and many others.

496
People helped into work and apprenticeships, including **200** Peabody customers

Tina Kessie (left), Peabody employment caseworker. Rose (right), Waltham Forest resident and employment and training service client.

Cherelle* knew she needed to change jobs after years of feeling overworked, not earning enough and dealing with difficult customers, but she didn't know where to begin. Our Economic Inclusion team worked with Cherelle to identify her career goals and write her CV, cover letter, and personal statement. They also helped her feel more confident by giving her ideas and advice.

We set up a mock interview for Cherelle with Smart Works, a charity that gives clothes and coaching to jobless women, after she was invited to an open day with one of our employment partners. Cherelle was hired full-time as an office administrator after her interview, and our team helped her settle into her new job.

** name has been changed*

"Being blessed with this new job has lifted a heavy weight off me and has given me hope for the future. I was so afraid to leave my old job because I thought I'd be making a mistake. I was constantly thinking "what if it doesn't work out". But through support from Peabody, I've learnt that if you don't risk anything, you risk even more. With Peabody's help, my mindset has now changed to "what if it does works out."

Cherelle

Developing Skills and Aspirations

We provide people with pathways into careers, helping to broaden their horizons, start new or grow existing businesses and gain the skills and confidence to achieve their personal goals.

Supporting Enterprise
We support local enterprises in beginning or growing their businesses so that they have the best possible chance of success. This includes providing training, information, and advice, as well as monthly business forums, and access to procurement opportunities with Peabody or our partners. We offer enterprise grants to help businesses with their growth strategy and expansion plans, as well as providing access to our commercial spaces, and signposting to local events and trade opportunities.

This year, we provided enterprise support to 185 people and helped 27 businesses to trade at the Thamesmead Festival, as well creating opportunities for a further 21 businesses. At the Greenwich Business Awards, four Peabody-supported businesses were nominated, with two winning awards.

We have built on good practice in Thamesmead and Southwark to create a pan-London enterprise programme. This suports new and established businesses in realising their ambitions and create jobs for themselves and others.

Developing new skills
We provided skills development advice and support to 3,526 people and helped 579 people achieve qualifications and access support to reach their professional goals. 191 people were awarded apprenticeships through our supply chain while working with colleagues across the Peabody Group to maximise social value for our customers. We delivered information sessions and traineeships with contractor partners such as Durkan, Berkeley Homes, Ardmore, and Mulalley to ensure those entering their apprenticeship programmes have the best chance of success.

This year, we helped 12 young people get on the career ladder by providing Department of Work and Pensions Kickstart placements across the Peabody Group. More than 1,250 people registered for our annual flagship Peabody Jobs and Apprenticeship Fair, held in partnership with Think Events London. Over 216 people took part in our 11 webinars, information sessions, and workshops, which featured live vacancies, career paths in growth sectors, and employability advice from industry experts.

Raising Awareness
Our "Hot Topic" interactive online sessions help people learn about opportunities and new ways of working, as well as the skills they need to start or pivot a career. Over the course of 11 sessions, industry experts talked about new and emerging careers, growth sectors and ways to get into construction, software development, green industries, creative industries, and more.

This year we were reaccredited by Matrix, the international quality standard for organisations that give information, advice, and/or guidance. Roger Chapman, The Growth Company's Head of Matrix Service, said:

"We believe that at the heart of high-quality advice and support services are strong leadership, excellent service and a focus on continuous improvement, all underpinned by effective use of the resources available. The Matrix Standard is designed to benchmark organisations against best practice in these areas. With their accreditation success, Peabody's Employment Service is working to provide the best possible support to their clients."

3,526
We provided skills development advice and support to 3,526 people

Unaji & Co, an art and design company by brothers Emmanuel and Lemuel Unaji that creates sustainable fashion, advertising, and fine art, was awarded the Young Entrepreneur Award at the Greenwich Business Awards.

"The support from Peabody's Enterprise Team has been phenomenal. It has pushed us to build a more efficient infrastructure and changed our business outlook in a big way."

Lemuel Unaji

Improving Mental and Physical Health

We make communities healthier by helping people get and stay active. We work with partners on key health priorities and bring health and well-being to places and spaces.

Active and Healthy Communities
At the Old Oak Community Centre in Hammersmith and Fulham, our volunteer-led Community and Maternity Champion programme helped 1,105 people improve their health and well-being. There were weekly chair yoga classes, a cycling and bike repair club, a walking group, yoga classes for pregnant women, and sessions about the Covid-19 vaccine.

Through our Active Well Thamesmead Programme, we're encouraging more people in Thamesmead to play sports and be physically active. We are also bringing together Integrated Care Systems (ICSs), Local Authority Public Health teams, and local NHS services to improve health and wellbeing. This year, 629 people who live in Thamesmead took part in activities organised by people who live there.

Better Mental Health
We partnered with the London Borough of Waltham Forest, NHS, Mind, MTC Learning, and Hornbeam to provide an inviting space for local people to meet as well as opportunities to take part in activities designed to boost wellbeing and reduce isolation at our Wellbeing Café at Chingford Hall. The café provides one-on-one sessions with a 'Mind' practitioner as well as financial inclusion, welfare, and benefits advice.

In Hackney, we're working with the ICS to bring mental health professionals into Pembury Community Centre to work directly with young people and reduce the number of emergency mental health admissions.

Tackling Food Poverty
Our food pantry in Waltham Forest continues to provide a long-term solution to food insecurity by helping households in saving money on their weekly grocery shopping. The pantry is run by a team of four volunteers, and we had 78 households sign up as members last year.

We also worked with the social enterprise Cook for Good, to transform a disused community space in our Hugh Cubitt Centre in Islington into a teaching kitchen to deliver a programme of community activities as well as corporate team building events that provided meals for vulnerable and homeless people.

The Active Thamesmead Programme's Family Mile is the starting point for a gentle nudge into fun, easy-to-do regular exercise. We recruited and trained 10 local customers to become Family Mile Ambassadors, delivering fun and interactive miles per week.
This is partnership with the Mason Foundation and funded by VINCI Facilities.

Ellen Otcher is a Peabody resident in Thamesmead who has gone above and beyond in her role as a Family Mile Ambassador. She successfully led Nature Miles around Southmere Park during the school half-term and quickly recruited two new Ambassadors by sharing her enthusiasm for the project.

Every Friday morning, the three host a weekly Family Mile for families in the Southmere Pond area. Over ten families have regularly taken part in 'Their Mile, Their Way' since its launch.

Helping communities help themselves – Our Grants Programme

We know that communities have the solutions to the challenges they face. This is why, through our extensive Grants Programme, we provide people with the tools and resources they need to help themselves.

We distributed £1.09m in grants over the last year to help people and informal groups to respond to local priorities and needs.

We have worked with the London Community Foundation (LCF) to deliver the Peabody Community Fund for the past nine years, engaging grassroot organisations across the capital and awarding grants to deliver community projects with a focus on Peabody customers. In 2021/22, we supported 38 constituted organisations by contributing £745k to the voluntary community sector and helping to provide a critical emergency response.

Our Grants

We have a grants programme that lets individuals, groups, and partners apply for the level of grant that best fits their needs.

Improving how we work

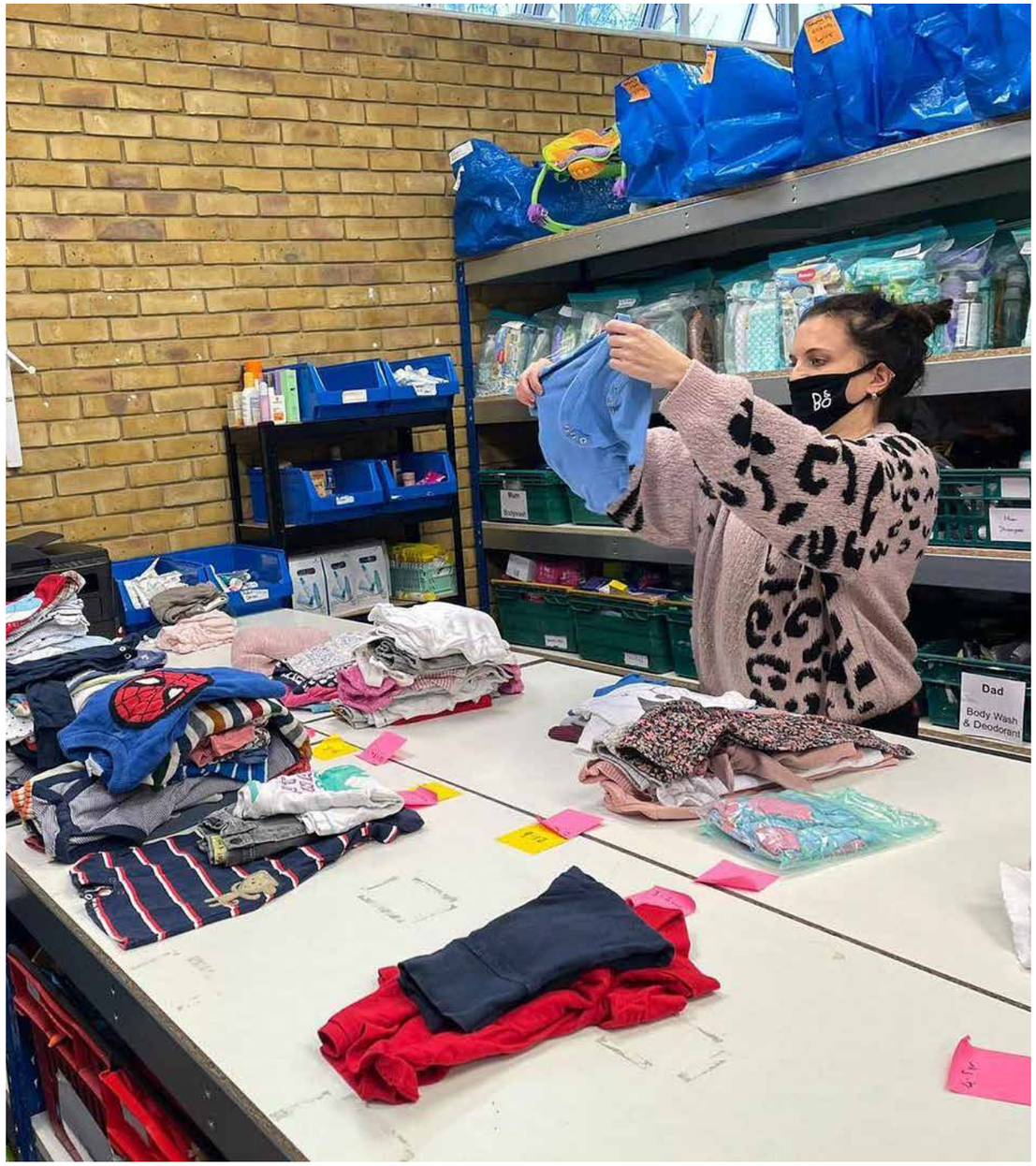
We support the Flexible Funders pledge of the Institute for Voluntary Action Research (IVAR), which calls for funders to adopt more open and trusting practices that make life easier for those they support.

This year we reviewed our grants programme to ensure that our funding practises reflect IVAR principles and organisational values, with an emphasis on co-production and community-led services. We have designed and tested new funding streams as part of this, as well as reviewing existing activity to support our learning. This has included:

- Revising our Community Leaders programme, which provides individuals with up to £500 to carry out social action projects.
- Piloting Capacity Building Grants with four organisations, providing up to £5,000 in funding for core costs and resources.
- Developing our Peabody Social Innovation Fellowship to help organisations reflect, test, and seek solutions to problems.

Type of Grant	Funding Available	Description
Micro Grants	Up to £2,000	Individuals and volunteer groups can apply for grants to design and carry out small-scale social action projects.
Small Grants	£2,000 to £10,000	Grants for local grassroots organisations to help them build capacity, add value, and fill gaps in their service delivery
Medium Grants	£10,000 to £30,000	Peabody Community Fund grants for local grass-root organisations
Targeted Strategic Funding	£30,000 plus	Strategic Funding of £30,000 plus co-investment and partnerships with other funders to drive large-scale or systemic change in response to an identified issue

£1.09m
in grants to support community organisations



Kirsty is the founder of MammaKind, a baby bank that provides clothing, toiletries, food, and equipment to new-borns and children up to the age of two. Kirsty used her Community Leaders grant to provide young mums in Thamesmead with a bundle of essential baby items. Her clients include single mothers, unemployed or low-income households, refugees and asylum seekers, women experiencing violence, and those with disabilities or physical and/or mental health conditions.

Our Area-based Approach

Thamesmead

By focusing on people and community, our local strategy is supporting Peabody's long-term regeneration plans for Thamesmead.

1

A thriving inclusive Economy

We helped local people benefit from opportunities created through the large-scale regeneration of the area. We're focused on improving access to training and supporting customers into sustainable employment as well as providing opportunities to start, grow and scale enterprise.

We continued our successful partnership with YouthBuild Ventures UK, which has a significant impact on the lives and futures of young people. The programme, which is supported by our developers, subcontractors, and strategic partners, ensures that training meets the needs of employers. The programme helped young people into work with students graduating with Plastering, Health & Safety, and Construction Skills Certification Scheme (CSCS) cards.

As part of the Thamesmead Waterfront development masterplanning, young people worked with a leading architecture practice and Harvard University students to discuss and design what they want to see delivered as part of this large-scale regeneration project.

Our partnership with contractors Durkan and Bayanix has resulted in increased social value and benefits for local customers. This has included donating materials and equipment, providing employment and skills training, facilitating procurement opportunities for local businesses, promoting construction careers, and arranging site visits for young people. They also helped the local community by supporting local schools, donating laptops, and supporting our Thamesmead Christmas Food and Toy appeals.

2

Helping families, children and young people to achieve their potential

We supported children and families in their early years and helped young people develop confidence and independence.

This year we helped to provide more services for children with special educational needs by working with partners to deliver inclusive sports and physical activity programmes specifically designed for deaf and disabled children and their families. 65 children took part in activities such as cycling, boxing, yoga, and dance, with 83% identifying as deaf or disabled.

Through our partnership with Career Ready and two local secondary schools, we helped 2,681 local students to learn about a wide range of career options, opening their eyes to endless possibilities.

We co-sponsored The Young London Print Prize, which inspires and showcases the work of young artists, with the Thamesmead Culture team. Over 1,000 prints were submitted from schools across London, with the winner coming from a Thamesmead school.

3

An active, healthy and well community

We helped customers get and stay active, champion key health priorities, and integrate health and wellbeing into Thamesmead's places and spaces to improve community health and wellbeing.

We supported more than 660 customers to take part in health-improving activities with an additional 65 customers volunteering or leading projects.

127 people took part in cycling activities through our cycle hub, such as learning to ride, building confidence, and receiving bike maintenance. The team also worked with schools to incorporate active travel into the school day. 64 reconditioned bikes were distributed to three schools to encourage children to cycle more. It also aims to increase bike ownership and helps families to access the council's Bikeability Programme.

According to our Community Researchers, many customers suffer from poor mental health because of feeling disconnected and isolated. So, we helped to improve access to services and provided advice and support. Our Positive Steps Thamesmead programme, supported by VINCI Facilities, referred 324 people to partner organisations that provide vital advice on immigration, debt, housing, domestic violence, and emergency support. An evaluation on this project shows the programme has a significant preventative and long-term positive impact.

4

Enabling engaged and active communities

We're supporting the local community and voluntary sector by making the best use of our community buildings in Thamesmead.

The newly refurbished Moorings former Social Club reopened its doors to the community after 15 years. Local residents were involved in every stage of the renovation, contributing to the design, shaping the programme of activities, and sharing ideas for how the space will be run, managed, and maintained. The club provides a warm and welcoming environment in which people can socialise, work and learn, get help, and take part in family activities.

Our Thamesmead Community Fund provided grants ranging from £200 to £2,000 to 26 organisations to help them carry out cultural or community projects that benefit the local community. Eight members of the community sit on a panel that decides how grants are distributed in Thamesmead and serve as ambassadors to promote the funding.

Working with Waterways Children Centre, we ran the More2ME confidence-building course for women affected by domestic abuse. The course helps to reduce anxiety, increase confidence, learn new tools to cope with challenges, so that women can re-find themselves.

"I had a traumatic childhood that led to self-hatred and addiction. Everything and anything I had to do felt completely out of control and overwhelming; even paying a bill felt like climbing a mountain. Throughout the programme, I felt my self-esteem grow; I realised that I had control over many aspects of my life and that if I put my mind to it, I could accomplish anything. I began to have faith in my life."

More2ME participant

Hackney

The 10-year Pembury Children's Community programme is now in its seventh year. We're working in partnership with Pembury Estate residents, Hackney Council, schools, health services and local charities, to improve the outcomes of around 1,000 children and young people who live locally as well as their families.

Local customers at the heart of decision making

Building community capacity for mutual support and self-help is central to the Pembury Children's Community model. Our Resident Steering Group brought 22 local people together to develop local groups and activities. They also shaped the strategic direction of the Pembury Children's Community Board, advised on changing local needs, contributed to our resident newsletters, and helped to promote micro grants across the estate.

Highlights from this year included a Black History Month celebration that ended with a Community Event organised by two talented customers who run our young women's Fashion Project, 'Threads.'

Helping Pembury families out of poverty

We supported 28 young people to achieve accreditations and helped Pembury residents into long-term employment, improving access to training and qualifications and providing benefits, debt, money management, and housing advice.

Through our annual toy and food hamper appeal in partnership with BNP Paribas and Wates, we supported 71 families, transforming Christmas for many who were facing extremely difficult times and ensuring that no child went without.

Supporting children, young people and families

Our six Parent Champions have continued to work with other parents and guardians, emphasising the importance of family services. This included interpreting for and helping with English for Speakers of Other Languages (ESOL) in the community, supporting with school issues, and directing the community to various events, activities, and other support organisations:

- The Holiday Activity Food Programme, with 238 attendances helped use feed young people who would have had a free school lunch otherwise. It also had activities that helped them get involved, make friends, and have fun.
- Outdoor physical sessions for young people with 'The Outrunners Youth' and 'Born 4 Sport',
- Children's activities with 'Young Urban Arts Foundation' and Children with Voices as well as drama workshops with 'Immediate Theatre'.
- A popular baby club in partnership with the Linden Children's Centre, as well as stay and play sessions, health visitor appointments and early intervention community psychology sessions for families.
- A pop-up event with Young Hackney that brought together key local stakeholders such as Safer Neighbourhood Police, Contextual Safeguarding, and the Integrated Gangs Unit, as well as key local community members, to address safety concerns and reassure the community.

Making a wider impact

External evaluation of the Children's Community has shown its impact on the wider system of services and organisations, with Pembury becoming increasingly influential as a model of successful place-based change. We have developed a 'Place-based Learning Network,' which allows for collaboration with other area-based initiatives across the borough, and a new Council-led senior strategic group to advance shared learning and recommendations from Pembury and other local neighbourhoods.

Deli* was referred to us after falling behind on his rent and struggling to support his two children after his relationship with his partner ended. He was experiencing severe financial difficulties which led to growing debts and not being able to afford basic necessities, as well as poor health.

Our Parent Advisor worked with Deli to access his Universal Credit online account and find out what other financial support he may be eligible for. This meant he could submit medical evidence for a Personal Independence Payment (PIP) and Discretionary Housing Benefit application. We also helped Deli get back on his feet by providing food parcels, shopping items, and making a referral to the local foodbank. His two children were given laptops to help with their education.

Deli received over £10,000 in disability-related financial support after being granted both elements of his PIP application. He also received a Housing Benefit Payment of over £1,000 and backdated Universal Credit payments. These payments allowed him to financially support his children while also reducing his debts. The family now has a more positive relationship, and the children spend time at home with both parents.

*Name changed

Waltham Forest

Waltham Forest is a pioneering example of our community-based approach. We have developed a three-year plan with four long-term priorities for the area in partnership with suppliers and key local stakeholders.

Providing routes to financial independence

Our programmes give young people and adults the confidence, skills, knowledge, and access to opportunities they need to improve their financial situation and achieve their goals. In 2021/22 we:

- Helped 43 young people complete OCN accreditations
- Worked with the London Enterprise Advisor Network to give careers talks to more than 240 students
- Developed a work experience offer with Chingford Academies Trust
- Supported 6 young people to complete an employability course in partnership with London charity, Shadow to Shine
- Supported 12 customers to complete paediatric and adult emergency first aid (Level 3)
- Hosted weekly ESOL assessments and classes, with three customers completing Level 2 Food Hygiene and Safety.
- Supported six of our volunteers and young people to complete mentoring and employability workshops and gain permanent employment

Safer communities

We delivered a range of initiatives to address customers' concerns including:

- Workshops on crime prevention and community safety walks with police, customers, and local councillors
- Coordinating diversionary activities for young people identified as at risk, with support from local policing and Anti-Social Behaviour (ASB) teams.
- ASB and community safety surgeries hosted by Local Safer Neighbourhood policing teams
- A quarterly Safer Neighbourhood Ward meeting led by residents
- Five young people took part in free non-contact boxing sessions led by professional coaches from "BOXING 4 LIFE," and learned new physical and teamwork skills.

Community mobilisation

We have created more opportunities for the community to get involved, make a difference, and have their say, by developing supportive local networks and provided four microgrants to customers to help them lead their own projects.

This included a grant to buy sensory play equipment for 'stay and play' sessions led by a Paradox Centre volunteer, as well as a grant to a local resident to start a weekly Caribbean-inspired social club. Our Youth and Resident Steering Groups provided lively forums for customers to share their priorities and help shape our future programme.

Place-making at Chingford Hall

Chingford Hall is a focal point for community activities and services provided by the Paradox Centre, community garden, and Valley Nursery.

In partnership with Lloyds Park Children's Centre, we helped in getting things right for children and their families as early as possible. Our Reading from the Start Project fosters a love of reading while also improving long-term educational outcomes and providing peer support to families.

We also worked with partners to deliver a variety of activities such as karate classes, parenting courses and twice-weekly youth clubs from youth and community-led charity, Break The Cycle, as well as weekly fitness classes to promote health and wellbeing.

Khieran, age 14, is a member of the Chingford FC youth team and along with six others, took part in a football coaching and mentoring programme with partners Thru Life. The group received a microgrant to buy football kit and host a football tournament, which was attended by the Territorial Support Group from the Metropolitan Police and raised awareness about issues including racism, stop and search, and knife crime.

"We loved it, it was fun, which makes us want to come back to Peabody and keep doing it so we can set up another one. It just helps us look at you guys (Peabody and Thru-Sport) who can help us so we can achieve big things like this. And it's not that you just want to get us off the roads, it's clear that this helps you to work with us, as well as playing football."

Khieran

Islington

We're delivering our Islington Local Area Plan through the Islington Anchor Institutions network, of which the Foundation is a founding member. Anchor Institution have deep roots in their communities, and they are here to stay. They have purchasing power, employ people and own or manage buildings and land, enabling them to make a significant and positive local impact.

Our local approach focuses on activities that influence meaningful change with partnership and collaboration serving as its driving force. Together with the London Borough of Islington and voluntary sector partners, we work with communities to co-produce localised, joined up and effective services that prevent problems and build individual and community resilience.

Collaboration and Partnership

As an Islington Giving Coalition Partner, we're working to encourage people, businesses, and organisations to work together to make Islington a better place for everyone.

We continue to contribute to the work of 'Help on Your Doorstep'. Their Good Neighbour Scheme helps vulnerable customers and addresses poverty and inequality through early intervention and preventative initiatives.

Youth employability skills and development

According to research, many of Islington's young people, particularly those from disadvantaged backgrounds, are unaware of the opportunities available in the borough and are concerned about their future. We delivered a pilot programme with Islington Council and Ultra Education to help young people and their families gain better access to employment, skills and training, and local enterprise support to reduce poverty and inequality. To ensure long-term change, Islington teenagers received employability and confidence skills sessions, as well as wraparound support for parents.

Social Connectedness

Our local approach, which is based on social action and resident-led community activity, addresses complex and multiple challenges such as unemployment, mental health, and social isolation, to improve the quality of local people's lives. We connect existing services to provide more opportunities for community involvement and to improve access to and from services.

We set up the Make It Happen Fund in partnership with Newlon Housing Trust, Southern Housing Group, Hyde Housing, Islington Giving, and Islington Council. This year, we awarded 34 £500 grants to small organisations, groups, and customers across the borough through partner Voluntary and Community Sector organisations to support projects that promote engaged and active communities.

We match funded Age UK to deliver advice and wellbeing activities in an area of Islington with a high concentration of older people, reaching vulnerable customers and referring complex needs to Peabody's Tenant and Family Support Team.

Link Street, mental health service in Islington.

Paula, a Peabody resident, led a 12-week nature project in the park on the Palmer Estate which brought together children with special needs and disabilities and their families.

Paula had previously used a Community Leader's grant to scope out demand for a fun day before applying for extension funding to deliver the nature project. She was hired by a local school to run paid sessions, after receiving positive feedback from local parents.

"Feedback has been overwhelmingly positive from both the children, parents/carers and the local customers. We often hear "can I stay longer" when we gather together to sing the goodbye song."

Paula

Southwark & Lambeth

We are continuing to develop local strategies in both boroughs, taking an evidence-based approach and working with partners to identify and address local priorities.

Southwark

Following research and data analysis, our Local Area Plan team conducted several interviews with internal colleagues, Southwark Council, leading institutions, and community organisations delivering services, as well as interviews with customers who benefited from these services. The research and interview findings have shaped our local strategy for the next three years, which focuses on:

- Working with key partners to champion system change in Southwark so that our customers can develop their careers and become more financially stable.
- Working with Peabody internal teams and external partners to leverage funding and opportunities that meet customers' needs and champion knowledge exchange between employers and customers in the borough.
- Working strategically with the council, housing associations, and health providers to share health-related knowledge, build relationships, and influence and shape public health initiatives, services, and projects.
- Collaborating with partners to scale the social economy, building capacity to ensure Southwark customers feel supported, and addressing barriers that local organisations face.

We established new and strong partnerships with key service providers in the borough, including Good People, United St. Saviours, The Bike Project, Step Now, Notre Dame School, and Hatch Enterprise.

We also chaired Southwark Council's Housing Association Group (Healthy Communities), which brought together the borough's housing associations to influence and support their local health strategies.

At our Darwin Court Healthy Living Centre, we launched a joint project with RIPE Learning to provide free ESOL classes, IT training, and job support.

Lambeth

We worked with Lambeth Council and a range of partners to develop and implement their 'Made Safer for Young People' strategy to combat violence against young people. One of the strategy's top priorities is to empower the community to find its own solutions.

To develop our local approach, we carried out extensive research to identify emerging priorities affecting the borough and to ensure that services are co-produced, coordinated, and effective.

As a result, we are piloting three projects in the borough that are aimed at young people who are at risk of becoming involved in youth crime and violence.

Southwark Local Area Plan (LAP) team worked with Bike Project to reduce transport costs for low-income families while promoting healthier lifestyles.

The Notre Dame School Project was co-created by Good People, Notre Dame School, and Chocolate Films. The project aims to educate young people in Southwark who are living in lone parent households as well as young carers about the challenges they face and the solutions they seek for themselves.

With a focus on career progression and developing soft skills, we partnered with Chocolate Films to provide 25 hours of training to collect data and document students' realities through the production of two films.

Our Future Priorities

Co-production and Community Power
Above all, everything begins with our customers and communities, and we are committed to providing effective and meaningful ways for customers to engage with us. We will have more opportunities for customers to participate in the design of services and influence decision making. Building capacity in the local community for mutual support and self-help is central to our approach.

Partnership and Collaboration
We are deeply rooted in the communities we serve and the places we work. As a result, we are constantly working with local partners to expand the range and quality of community services available to our customers and customers.

Going forward, we will be more local and connected to our customers and communities, with stronger local partnerships. Our approach is centred on mobilising and empowering partners, as well as developing more strategic partnerships that are aligned with local needs.

Working in collaboration allows us to stretch our resources further, utilise the resources of other organisations, and work with those who are embedded in our communities to better understand their needs.

Giving Customers a Greater Voice
We speak up for our customers and communities, highlighting the challenges they face. We will continue to form strategic and local alliances to amplify our customers' voices and influence policy on their behalf. We will use evidence to demonstrate issues, shape new ways of working, and create systemic change by putting customers' experiences first.

Our universal offer
Our universal offer includes a range of services for all our customers. We do this through our grants programme and our digital offer, which includes employment and training support as well as volunteer opportunities. We will also continue to provide free and low-cost activities through our community buildings, and support to active customers and community groups.

Social Value
We changed our social value approach in 2021 to maximise the social, economic, and environmental value we create across all of our procurement activities. We have implemented a new Social Value Policy to apply this approach more consistently, and our standard contractual tenders for goods and services now include a social value question worth 20% of the total tender score.

This ensures that all companies and organisations bidding for our contracts must seriously consider social value when putting together tenders. It means we do business with companies that share our values and want to help us expand our positive impact while also providing the best value for money. Our new policy also allows us to work even more closely with our partners and supply chain to benefit our customers and communities.

We will continue to secure funding that advances our social mission, such as our Sustainability Linked Loan Agreement with Wells Fargo, which enables us to deliver our Peabody Social Innovation Fellowship.

Our Impact
We will continue to examine our insight, activity, and conversations with customers to inform and shape our future activity to better understand our impact.

VINCI Facilities was awarded a 10-year contract with Peabody in 2013 and delivering on social value has been central to our partnership since the beginning. Every year, VINCI makes both financial and in-kind contributions equal to a percentage of the contract value to support many of the Foundation's initiatives, including:

- Reading from the Start, a programme that encourages parents with children under the age of five to incorporate reading into their daily lives, thereby improving educational outcomes. Every month, children receive a free book, and families can take part in reading corner sessions. Now in its ninth year, the programme has distributed over 19,000 books to families.
- The Ready for School programme, which aims to improve the school readiness of children from low-income families at Peabody's Chingford Hall Estate, so that they do not fall behind their peers when they begin school.
- Positive Steps Thamesmead, a social prescribing programme that uses a single point of access to help people to navigate their way around services. Volunteers refer people to a wide range of community sector advice providers. Since it began, the programme has supported over 3,500 people with over 5,200 referrals to partner organisations that provide essential advice on immigration, debt, housing, domestic violence, and emergency support issues.

Our Supporters

We would like to thank the following for their valuable support in 2021/22

Advanced Building Ltd
Axis
Bayanix
BNP Paribas
Bow Arts
Charlton Athletic Community Foundation
City Hall Regeneration Fund
City of Westminster
Clarion Housing Group
Clifford Chance
Department of Work and Pensions
Durkan
East London Business Alliance
EEM
Engie
Film Fixer
Ginkgo Gardens
Greater London Authority
HACT
Help on Your Doorstep
ID Verde
Imperial College
L&Q
Lloyd Park Children's Charity
London Borough of Bexley
London Borough of Hackney
London Borough of Hammersmith and Fulham
London Borough of Islington
London Borough of Lambeth
London Borough of Lewisham
London Borough of Southwark
London Borough of Tower Hamlets
London Borough of Waltham Forest
London Borough of Wandsworth
London Community Foundation
London Economic Action Partnership
London Food Alliance
London Funders
London South East Colleges
London Wildlife Trust
LSEC London South East Colleges
Mary Minute Trust
Mayors Fund for London
National Lottery Community Fund
New Economics Foundation
Orbit
PeopleValue
Plentific
Purdy Contracts Ltd
Ravensbourne University
Royal Borough of Greenwich
Royal Borough of Kensington and Chelsea
Save the Children
Smart Works
Sport England
Tectonic
The Felix Project
The Housing Forum
The South East London Chamber of Commerce
Think Events London
TSG Building Services
United Charities in Hammersmith and Fulham
University of Manchester
VINCI Facilities
Waterways Children's Centre
Wates
Youthbuild Ventures UK

Financial review

Financial performance

The Charity has reported an overall surplus of £5,127k for the year ending 31 March 2022 (2021: £49k deficit). The majority of the Foundation's funding is receivable from Peabody, with the level agreed during the Group annual budgeting process. Included in the overall surplus for the year is £3,697k in relation to grant funding received for the renovation of the Moorings Social club which is a one-off event during the finacial year. Excluding this grant, the overall surplus would be £1,430k. The Charity adapts its operations to ensure that outcomes can be maintained within a fully funded balanced budget. For 2022, the level of expenditure was lower than originally planned in the budget, whilst the intra Group funding remained. At 31 March 2022, the Charity had reserves of £34.0m (2021: £28.8m).

Section 172 Statement

The Trustees are aware of and acknowledge their responsibilities to promote the success of the Charity for the benefit of its stakeholders as a whole, in accordance with s172 of the Companies Act 2006. When fulfilling responsibilities in accordance with s172 the Trustees have regard to what is in the best interests of the Charity and what is in the best interests of the Peabody Group (the "Group") including the matters set out in section 172(1)(a) to (f).

The Charity's key stakeholders are set out in the earlier sections of this report, including other charities, Local Authorities, community groups, volunteers, residents and other beneficiaries of the Charity's services and private sector partners. The Group Annual Report and Accounts (the "Group Accounts") provides further details of the Group's key stakeholders. The Trustees have engaged with beneficiaries and community partners, as key stakeholders of the Charity. Engaging with these stakeholders helps the Trustees to manage the Charity's principal risks and has encouraged the Charity's Board of Trustees (the "Board") to move toward a place-based approach. This involves a greater focus on collaboration and co-creation for the greatest impact, instead of direct delivery, with an initial focus on Thamesmead, Waltham Forest, Hackney, Islington, Southwark and Lambeth.

The Trustees consider the likely consequence of any decision in the long term in accordance with the strategic objectives of the Group as set out in the Group Accounts and in line with the Charity's goals to build engaged and active communities, boost incomes, develop skills and aspirations, and improve mental and physical health, within the budget and risk capacity agreed by the Board.

The Trustees also adopt the Group's approach to environmental, social and governance ("ESG") matters.

By adopting the values and culture of the Group in the decision making process the Trustees are confident that the Charity demonstrates positive engagement with stakeholders, a reputation for high standards of business conduct and its commitment to long term, sustainable success and accordingly Trustees' compliance with s172.

Sustainability Statement

The Charity, as a wholly owned subsidiary of the Group, aligns its activities and strategic priorities with those adopted by Peabody, including the Sustainability Strategy 2021-24. All subsidiaries continue to work towards meeting energy efficiency targets. All of Peabody's new homes in the Greater London area meet GLA environmental standards and meet the London Plan guidelines, which are set above minimum planning and building regulation requirements.

In providing more new homes, Peabody are putting quality, safety, sustainability and social purpose at the heart of everything they do. Future homes will need to be energy efficient, low carbon, innovative and sustainable to meet the changing needs of its communities. An example of a key initiative aligned with this can be seen in Thamesmead, where the Company is committed to Peabody's Living in the Landscape blueprint on how natural systems can - and will - change lives for the better.

Peabody is committed to environmental, social and governance ("ESG") practice, and have played an important role in developing a new robust ESG criteria for the sector, working with other leading housing associations, service providers, investors and other organisations to help publish the ESG and Social Housing White Paper. The Company will continue to play a role in the development of appropriate reporting criteria to best demonstrate Peabody's positive impact on its communities.

On 8 February 2022 Peabody published its Sustainable Finance Framework ("SFF"). The objectives of the SFF are closely linked to the Sustainable Reporting Standard for Social Housing ("SRS") and include:

- Renovating and retrofitting existing homes to improve EPC ratings and energy efficiency, and projects to protect as many people as possible from fuel poverty and high heating bills.
- Boosting access to electric charging points in Peabody neighbourhoods for both residents and employees. Peabody's aim is for all its vehicles to be electric by 2030.
- Placemaking and projects to improve green spaces and public realm, helping to make a positive difference for health and wellbeing.

- Continuing to build genuinely affordable homes for people in need.
- Projects to support residents and community partners delivering wide-ranging programmes aimed at children and young people.
- Providing dedicated personal support designed to prevent or alleviate unemployment and low pay amongst Peabody residents.
- A detailed programme to reduce carbon emissions and provide support for people living in Peabody neighbourhoods to do so.

Further information about Peabody's sustainability practices can be found in the Group Accounts, available online at the Group's website (www.peabody.org.uk).

Principal risks and uncertainties

The risks specific to the Charity are monitored regularly by the Board and take into account the environment in which the Charity operates as well as the Group's risk appetite. They are not unexpected and are typical of the sector:

- Failure to maintain an effective health and safety environment to protect people, processes and the buildings in which we operate.
- Non-compliance with regulations for protecting information and people.
- Not safeguarding vulnerable people using our services.
- Failure to ensure robust contract management and financial control procedures.
- Implementation of the new delivery model not achieving intended impacts.
- Managing customer demands and expectations as the cost of living crisis puts increasing pressure on living standards.

If not managed effectively these risks can result in negative financial, reputational, or operational performance impacts, regulatory intervention, or significantly harm people. Risks are managed continually, and actions are identified and implemented to mitigate risks. The Board provides regular oversight of the risks and mitigating actions. Key actions this year include:

- A new monitoring evaluation framework has been designed to report on a quarterly basis to the Communities Committee.
- Staff training on procedures of the Group and specific training for services. Training includes Health & Safety, Data Protection and Safeguarding. Internal Health & Safety spot checks are conducted regularly and a full review of Safeguarding policies and procedures, including new reporting arrangements, has been undertaken.
- Reporting of incidents of non-compliance to the Health & Safety Committee and the Safeguarding Panel for corrective action.
- Implementing local area plans enables services to be catered to local needs and support local partnerships.
- A number of mechanisms are in place to understand customer demands and expectations, such as local steering and focus groups together with a bi-annual users survey.

The Charity benefits from the Group's frameworks and processes for overall risk and safety of facilities.

During the year, the Covid-19 pandemic continued to have an impact on the operations of the Group and Peabody continued to focus on risk mitigation. The implications of the Covid-19 pandemic continue to be monitored by the Peabody Board as part of Group Risk One: Health and Safety. Covid 19 safety measures remain in place for employees who work directly with customers. This continues to be monitored by using KPIs and reporting to the Health and Safety Committee, and key mitigating controls are tested by the Health and Safety Audit programme.

The impact of the principal risks and uncertainties affecting the Company as set out above, continue to be carefully monitored and considered. The Peabody Board and the Board are confident they can meet their responsibilities to residents whilst also meeting Peabody's and the Charity's financial obligations.

The Trustees Report provides further information on Future Plans at page 37.

Further analysis of the key strategic risks faced by Peabody and its subsidiaries and associated risk mitigation are provided in the Group Accounts which can be found at www.peabody.org.uk.

Governance

The Trustees' Report pages 35 to 38 and the Group Accounts provide details on compliance with regulations and the National Housing Federation ('NHF') Code of Governance (2020 edition).

By Order of the Board

Deirdre Moss
Chair
13 December 2022

Trustees' annual report

The Directors of Peabody Community Foundation are also the Trustees of the Charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (September 2015) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

Objectives and principal activities

The Charity is a community development organisation operating in Greater London and its surrounding areas. It focuses on sector-leading community programmes which make a real difference to Peabody Trust's ("Peabody") residents and their communities. Peabody is committed to continued investment in community programmes and plans are included within the Peabody Group (the "Group") Strategy 2021-2024 which will aim to benefit an increasing number of Londoners. The Strategic Report pages 2 to 32, which forms part of the Annual Report, outlines the Charity's objectives, activities and also cover performance for the year ended 31 March 2022. In setting our objectives, planning our activities and monitoring our services, the Charity's Board of Trustees (the "Board") has given careful consideration to the Charity Commission's general guidance on public benefit and the Trustees can confirm that the Charity has met this criterion.

Trustees

Particulars of the Trustees who served on the Board during the year and subsequently are set out on pages 6 & 7.

The Trustees are covered by the Group's directors' and officers' indemnity insurance policy.

Regulatory Framework

The Charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2022, Peabody and its principal subsidiaries (including the Charity) applied the principles and provisions of the National Housing Federation ('NHF') Code of Governance for housing associations (2020 edition), (the 'NHF Code'). Peabody has substantially complied with the requirements underlying the principles based NHF Code and has identified areas where this is currently not the case. Peabody has also met the principles of the NHF Code of Conduct (2012 edition) through adhering to the Peabody Code of Conduct. The Peabody Board agreed to adopt the NHF Code of Conduct (2022 edition) in July 2022.

In fulfilling its obligations under both codes, the Group follows good practice drawn from supporting guidance. The next independent assessment of compliance will be undertaken later in the current financial year.

A governance review was undertaken prior to Catalyst Housing Limited ("Catalyst") joining the Group, and as a result, a new Governance Framework was adopted on 1 April 2022. During the year, the Peabody Board on behalf of the Group was kept updated on, and provided oversight and challenge in relation to the Group's compliance with the Regulator of Social Housing ('RSH' or 'the Regulator') Regulatory Framework ('the Regulatory Framework'), including the Governance and Financial Viability Standard.

The Board has been briefed on requirements and guidance from the Charity Commission and relevant charity law. The Peabody Board and the Board take their responsibilities under regulation and relevant good practice guidance very seriously and have taken appropriate steps to help ensure compliance with the requirements set out in the Regulatory Framework and charity law. Peabody and its subsidiaries are committed to transparent and timely communication with the RSH. The Group was subject to an In-Depth Assessment ('IDA') by the RSH during the year to 2021 and the Group has maintained its G1 governance rating and V2 financial viability rating during the year. Following Catalyst joining the Group ratings remained the same. Peabody continues to be rated as A3 (stable outlook) by Moody's and A- (stable outlook) by Standard & Poor's (Global Rating).

Roles of the Trustee Board and Committees

The Peabody Board has overall responsibility for Group strategy and management. During the financial year ended 31 March 2022, there were seven committees: Audit and Risk Committee, Communities Committee, Customer Services Committee, Development Committee, Finance and Treasury Committee, Nominations and Remuneration Committee ("NRC"), and Thamesmead Committee.

Peabody has demonstrated its commitment to good governance and robust arrangements proportionate to the Group's size and complexity together with a continued focus on improving compliance culture. Following a full review of governance arrangements undertaken during 2021/22 a new Governance Framework for the Group was proposed and implemented from Day 1 of merger with Catalyst.

The new governance framework adopted across the Group on 1 April 2022 will continue to support the Peabody Board in its management of risk and in its responses to changes in the external environment. Risk is monitored, managed and mitigated in order to minimise, for example, the likelihood and impact of financial loss, compromised service delivery, damage to our reputation or noncompliance with law or regulation. The Group's approach is that risk can and should be taken to achieve our business objectives, provided that it is justified and actively managed. The Peabody Board keeps the corporate structure under review and will consider further changes to streamline the enlarged Group, while managing risk, delivering quality services to residents and others, and making sure the Group has both the capacity and capability to deliver its vision.

During the year, Peabody Group's Operating Regulations delegated authorities and financial regulations forming part of the pre-merger governance framework continued to apply. The new Governance Framework applicable from 1 April 2022 has provided the opportunity to enhance the governance of the Group including the introduction of new policies and strategies for the enlarged Group.

Following the adoption of the new Governance Framework on 1 April 2022 the Peabody Board is now supported by eight committees: the seven committees which previously existed plus a new Care and Support Committee, all with revised and refreshed memberships.

These Committees support the Peabody Board and are accountable to and report to the Peabody Board. Descriptions of the work of these Committees can be found in the Group Accounts.

Board members also sit on the Communities Committee (the "Committee") and meets alongside it. Further information in relation to the governance framework for the Group is set out in the Group Accounts. The Committee exercises delegated authority in relation to the following:

- Provision of strategic oversight of community investment and community development activities within the Group whilst supporting Peabody's strategic objective of helping people flourish by making a positive difference to the communities we serve.
- Designing and developing the Community Investment and PCF Strategy in partnership with the Peabody Executive prior to recommendation to the Peabody Board.
- Scrutinising and overseeing the delivery of the Community Investment and PCF Strategy.
- Monitoring the performance of the Group's community activities, including partnerships, direct impact on beneficiaries and on wider communities.
- Making recommendations to the Peabody Board in relation to major proposals.
- Monitoring internal controls and matters with significant implications for the beneficiaries of the Group's community work.

Board Recruitment, Induction & Training

Due to the strength of the applicant pool from a recruitment campaign to find a new resident Peabody Board member in 2021, Katharina Winbeck was identified as an excellent candidate for the Board and Committee. Katharina Winbeck was appointed to the Board and Committee on 20 May 2021.

All members have access to the advice and services of the Charity's Secretary.

New members undergo an induction programme to ensure they have sufficient knowledge and understanding of the activities of the Charity, Peabody and the sector within which we operate. The programme runs for around six months following appointment and includes:

- Briefing sessions on governance, strategy, finance and risk management, housing services and community investment.
- Information relating to current issues within the sector and those specific to the Charity and the Committee.
- Meeting individually with the Chair of the Committee.
- Meeting with key members of management, including Executive Directors and Heads of Services, and other key personnel.
- Training opportunities such as attending NHF webinars and industry briefings.
- A subscription to Inside Housing magazine.
- Provision of key governance documents as part of an induction pack comprising operating regulations, incorporation documents, Peabody's Code of Conduct, terms of reference as well as Group strategies and policies relevant to the specific role.
- Visibility of Committee packs and meeting minutes.

New members also participate in site visits to build a deeper understanding of Peabody homes and services as well as development schemes and meet Peabody colleagues and customers.

The new Board Member, and existing Board Members, attended a PCF Strategy session in September 2021. The session considered and affirmed the Charity's approach of combining in-depth work in localities via local area plans with other programmes, partnerships and activities that are accessible more widely.

A Sounding Board meeting took place in February 2022 to assess a strategic review, undertaken by Campbell Tickell, of Peabody and Catalyst's community investment programmes in order to inform the development of a joint strategy effective from summer of 2022, once Catalyst had joined the Group.

Board members have the benefit of the Group's directors' and officers' indemnity insurance policy.

Board Effectiveness - Self Assessment

The Board undertakes regular formal evaluation of its own performance. The most recent internal self-assessment of the Board and Committee effectiveness was conducted via evaluation questionnaires in April 2022. The responses indicated that the Committee was extremely effective and was fulfilling its remit, and identified two areas for additional focus:

- Ongoing training opportunities to be provided for Board members; and
- Additional site visit opportunities.

Trustees'/Directors' Interests

None of the Trustees held any beneficial interest in the Charity, its parent undertaking or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Shreya Hewett, Karima Mbarak and Katharina Winbeck in their capacity as residents of the parent undertaking. Some Trustees sit on other boards and committees in the Group, as disclosed on pages 6 and 7. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage.

Remuneration of non-executive Communities Committee Members

The non-executive members of the Committee receive remuneration in accordance with the Peabody Board and Committee Member pay policy. Full disclosure for each role for the financial year ended 31 March 2022 is provided in the table below:

Peabody Board level of pay	Peabody board level of pay	Committee only level of pay
Peter Baffoe (1)	**£12,000**	
Helen Edwards (2)	**£12,000**	
Shreya Hewett		£7,000
Karima Mbarak		£7,000
Deirdre Moss (3)	**£15,686**	£1,750
Katharina Winbeck		£6,059

(1) Peter Baffoe also serves as a member of the Peabody Board; Customer Experience Committee; and the Committee. The remuneration shown in the table represents his Peabody Board membership.

(2) Helen Edwards also serves as a member of the Peabody Board; the Audit and Risk Committee; the Care and Support Committee and the Committee. The remuneration shown in the table represents her Peabody Board membership.

(3) Deirdre Moss is a Peabody Board member and also serves on the Thamesmead Committee and the Town and Country Housing Board. The remuneration shown in the table reflects her role as Chair of the Town and Country Housing Board.

Not all Committee members decided to accept pay and non-executives mentioned in the table above were all paid by Peabody Trust and receive no remuneration from the Charity for serving as trustees. Catherine O'Kelly elected not to receive pay as a Committee member.

The levels of payment per annum that the Committee members named above are legally entitled to under the Rules of Peabody Trust and the Board and Committee Pay and Expenses Policy adopted by the Peabody Board in May 2022, with effect from 1 April 2022,, are as follows:

For Committee Chair / Principal Peabody Subsidiary Chair	£18,500 p/a
For a Peabody Board Member	£15,000 p/a
For a Committee Member	£7,500 p/a

Stakeholders, sustainability and transparency

The Group (including the Charity) continues to exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers. These include representatives of local, regional and national government; Peabody's funders and regulators; and delivery partners from a number of sectors. This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF and the Chartered Institute of Housing, to influence policy decisions in the sector. This approach has helped Peabody to deliver on its strategic goals and achieve the social purpose expressed through its mission statement. An example of this is in Thamesmead, where the strength of Peabody's relationships with stakeholders and its partnerships with the London Borough of Bexley, the Royal Borough of Greenwich, the Greater London Authority and Transport for London among others will underpin the success of the Thamesmead regeneration programme over the years to come.

Peabody is committed to being open and transparent in the way we conduct our business and interact with the Charity's beneficiaries. Peabody believes in being accountable for its actions, spending and performance, by demonstrating how it delivers value for money. The Group publishes information about its priorities, strategic goals and performance and how it utilises resources on its website. Specific information about the Charity's work is available on request, except, for example, for legal reasons or on the grounds of data protection, personal confidentiality, commercial confidentiality or practicality.

Future Plans

Notwithstanding the principal risks and uncertainties set out on page 34, the Charity will continue to invest in community programmes in accordance with Our Future Priorities as set out on page 30.

Statement of going concern

The Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Consideration of going concern is further documented in note 1.2 of these financial statements.

Reserves policy

The reserves policy is adopted by the Board and sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve. The Charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to 2 months (the equivalent of approximately £1.2 million) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. The Charity's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £4.3 million at the year end, higher than the minimum level set by Trustees.

Internal controls and risk management

The Peabody Board is accountable for its system of risk management and the internal control framework and for reviewing their effectiveness. The system of risk management and internal control is designed to monitor, manage and mitigate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute assurance against material misstatement or loss. The system of risk management and internal control also exists to give reasonable assurance about the reliability of financial and operational information and the safeguarding of Peabody's assets, services and interests.

The Group Audit and Risk Committee (the "ARC") provides oversight of the Group's system of risk management and internal control on behalf of the Peabody Board (as the parent company for the Peabody Group) and the Board and regularly reviews its effectiveness. The Group's arrangements in respect of the system of risk management and internal control cover the Charity.

The risk review process

During the year, the Peabody Board and the ARC focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the ARC and reports at least twice yearly to the Peabody Board. The Group has 11 key risks outlined in its risk register which was approved by the Peabody Board on 19 May 2022. These risks are set out in the Risk and Uncertainties section of the Strategic Report in the Group Accounts.

Further information on risk, internal audit, monitoring and controls is set out in the Group Accounts.

Statement on Internal Controls Assurance – Peabody Group

The Group's arrangements in respect of the system of risk management and internal control cover the Charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the ARC the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2021 up to the date of approval of the Group Accounts, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

External Auditor

KPMG LLP will pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

Disclosure of Information to Auditor

The Trustees who held office at the date of approval of this annual report confirm that, in so far as each of the Trustees is aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

By Order of the Board

Deirdre Moss
Chair
13 December 2022

Statement of Trustees' responsibilities in respect of the trustees' Annual Report and the financial statements

The trustees are responsible for preparing 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. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 charitable company and of the excess of income over expenditure 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 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;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board

Deirdre Moss
Chair
13 December 2022

Independent auditor's report to the members of Peabody Community Foundation

Opinion

We have audited the financial statements of Peabody Community Foundation ("the charity") for the year ended 31 March 2022 which comprise the statement of financial activities including income and expenditure account, statement of financial position and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity'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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the parent, Peabody Trust's, high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the charity's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because turnover is primarily a cash donation provided by the parent, with other streams being a low multiple of materiality, hence giving minimal opportunity to commit a material fraud.

We did not identify any additional fraud risks

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries posted by individuals who do not typically post journal entries, and journal entries posted to seldom used revenue ledger accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charity is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charity has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 39, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charity'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 charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Emma Larcombe

Emma Larcombe (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
100 Hills Road
Cambridge
CB2 1AR
13 December 2022

Statement of financial activities including income and expenditure account for the year ended 31 March 2022

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Incoming Resources					
Donations and legacies	3a	6,694	5	6,699	5,375
Incoming resources from charitable activities	3b	4,245	303	4,548	735
Surplus on sale of fixed assets	4	-	-	-	727
Total incoming resources		**10,939**	**308**	**11,247**	**6,837**
Resources expended					
Cost of charitable activities		(6,772)	(137)	(6,909)	(7,796)
Total resources expended	**8a**	**(6,772)**	**(137)**	**(6,909)**	**(7,796)**
Investment income	5	857	-	857	878
Interest payable	6	(4)	-	(4)	(10)
Net income/(expenditure) for the year before gains & losses		**5,020**	**171**	**5,191**	**(91)**
Actuarial (loss)/gain on defined benefit schemes		(64)	-	(64)	42
Net income/(expenditure) for the year		**4,956**	**171**	**5,127**	**(49)**
Net movements in funds		**4,956**	**171**	**5,127**	**(49)**
Fund balances brought forward	15	28,109	739	28,848	28,897
Fund balances carried forward		**33,065**	**910**	**33,975**	**28,848**

The accompanying notes form part of these Financial Statements. All amounts relate to continuing activities.

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

No corporation tax was payable by the Charity for the year ended 31 March 2022 (2021: £nil).

Statement of financial position as at 31 March 2022

	Note	Total 2022 £'000	Total 2021 £'000
Fixed assets			
Tangible assets	11	13,079	9,127
		13,079	**9,127**
Current assets			
Stock		-	15
Pension scheme assets	18	-	73
Debtors (including £18,752k (2021: £19,234) due after more than one year)	12	19,662	19,985
Cash at bank and in hand		5,457	2,340
		25,119	**22,413**
Creditors: amounts falling due within one year	13	**(3,960)**	(2,328)
Net current assets		**21,159**	**20,085**
Defined benefit pension scheme	17	(263)	(364)
Net assets		**33,975**	**28,848**
Restricted funds	14	910	739
Unrestricted funds	14	33,065	28,109
Total funds		**33,975**	**28,848**

The accompanying notes form part of these Financial Statements

The financial statements were approved by the Board of Trustees and recognised for issue on 13 December 2022, and signed on its behalf by:

Deirdre Moss
Chair

Notes to the Financial Statements

1. Accounting policies

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Basis of Preparation

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice 'Accounting and Reporting by Charities' as revised in 2019 ('the SORP'), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Charity is a public benefit entity.

1.2 Going concern

The Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2022/23 and the Group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, the Foundation will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

1.3 Cash Flow Statement

The Charity is exempt from the requirements of FRS 102, to prepare a cash flow statement as its results are included in the consolidated financial statements of the Peabody Group which includes a cash flow statement.

1.4 Tangible and Other Fixed Assets and Depreciation

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to the charity during 2009 at their net book value. The Trustees have adopted the policy of holding freehold buildings at cost less accumulated depreciation and any accumulated impairment losses under FRS 102.

Tangible and other fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged on the above assets from the month of purchase until the month of disposal.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is charged on the below assets from the month of purchase until the month of disposal. The estimated useful lives range as follows:

IT equipment	3 years
Office equipment	5-10 years
Freehold land and buildings	50 years
Leasehold land and buildings	Over the length of the lease

1.5 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.6 Basic financial instruments

a) Trade and other debtors

Trade and other debtors are measured at transaction price, less any impairment. A provision for bad debt arises when the debtor balance is 90 days or greater. The initial provision is a charge against the statement of financial activities but is then carried forward to a subsequent period. The debtors figure in the statement of financial position is adjusted to be presented 'net of the provision'. Any increase or decrease in the provision in a subsequent period is debited or credited to the statement of financial activities. The write off of a specific bad debt is made in accordance with the Group Financial Regulations.

b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits.

c) Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.7 Incoming Resources

All incoming resources are accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income from charitable activities is accounted for on a receivable basis.

In accordance with the Charities SORP 2019, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

1.8 Revenue Grant

Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

1.9 Resources Expended

Expenditure is accounted for on an accruals basis, and classified under headings in the accounts that aggregate all costs related to the category. Irrecoverable VAT is included in the expense item to which it relates.

Charitable activities – some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled. Provisions are only provided for on contractual liabilities which exist at the balance sheet date.

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease substantially transfer the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

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

1.11 Fund Accounting

Unrestricted funds – these are accumulated surpluses and deficits on general funds which can be used in furtherance of the general objectives of the Charity at the discretion of the trustees.

Designated funds – these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

Restricted funds – these are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by donors. The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

1.12 Employee Benefits

a) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

b) Defined contribution plans and other long-term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Charity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income in the periods during which services are rendered by employees.

c) Defined Benefit Pension Scheme
A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the fund and allow for the periodic increase of pensions in payment. The current service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, cost of curtailments and settlements are charged against the operating surplus in the year. Actuarial gains and losses are recognised in the SOFA.

d) Termination Benefits
Termination benefits are recognised as an expense when the entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Charity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

1.13 Related Party Transactions
Related party transactions include the Charity's transactions with the Parent entity, with fellow subsidiaries, associates, joint ventures and compensation paid to key management personnel. Key management personnel are senior management team, board members and their close family.

Compensation includes all employee benefits in exchange for services and consideration paid on behalf of Peabody in respect of goods or services provided to the entity.

1.14 Value Added Tax
Value Added Tax is accounted for on an accruals basis. For business supplies chargeable to tax, or where special dispensations have been agreed, input tax directly relating to goods and services that have enabled the supply, and relating to a fair proportion of the cost of central services in support of these, are recovered from HM Revenue & Customs.

1.15 Taxation
As a registered charity, the Charity is exempt from income and corporation tax to the extent that its income and gains are applicable for charitable purposes only.

1.16 Contingent Liabilities
A contingent liability is recognised for a possible obligation, for which it is not yet confirmed that a present obligation that could result in an outflow of resources, or for a present obligation that does not meet the definitions of a provision or a liability as it is not probable that an outflow of resources will be required to settle the obligation or when a sufficiently reliable estimate of the amount cannot be made.

A contingent liability exists on grant of repayment which is dependent on the disposal of related property.

1.17 Judgements In Applying Accounting Policies And Key Sources Of Estimation Uncertainty
In preparing these financial statements, the Members of the Peabody Community Foundation Board have made the following key judgements:

- Depreciation of other tangible fixed assets - see note 1.4
- Valuation of defined benefit pension schemes - see note 1.12c

2. Winding up or dissolution of the charity
If upon winding up or dissolution of the charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

3. Incoming resources
(a) Donations and legacies

	Unrestricted £'000	Restricted £'000	Total £'000	2021 £'000
Intra group donations – Peabody	6,556	-	6,556	5,227
Other Donations	138	5	143	148
	6,694	**5**	**6,699**	**5,375**

(b) Charitable activities

	Unrestricted £'000	Restricted £'000	Total £'000	2021 £'000
Community Champions	-	40	40	40
Community Fund (iWill)	-	106	106	102
Connecting Young Hackney		44	44	50
FSS Family Support grant	-	-	-	177
Maternity Champions	-	-	-	58
Sport England – Tackling Inactivity	-	63	63	-
NHS CCG	-	-	-	9
The Moorings Social Club renovation grants (Note 18)	3,697	-	3,697	-
Other grant income	-	50	50	17
Trading Income	548	-	548	282
	4,245	**303**	**4,548**	**735**
Total incoming resources from charitable activities – 2021	291	444	735	

Included in other grant income for 2022 are grants from Kick Start Placement £26k, GLA Advice in Schools BID £23k, Cool Down café £17k, London & Quadrant Housing Trust £3k, Mayor's Fund for London £2k with a return of grants to Love London Working of £33k and NHS CCG £2k (2021 all nil).

4. Surplus on sale of fixed assets

	2022			2021		
	Proceeds £'000	Costs £'000	Surplus £'000	Proceeds £'000	Costs £'000	Surplus £'000
Disposal of community buildings	-	-	-	755	(28)	727

5. Investment income

	2022 £'000	2021 £'000
Interest from parent undertaking	**857**	878

6. Interest payable

	2022 £'000	2021 £'000
Interest cost on pension scheme	**4**	10

7. Net incoming resources for the year are after charging:

	2022 £'000	2021 £'000
Net incoming resources for the year are after charging:		
Auditor's remuneration: current year audit fee	10	10
Pension costs	157	170
Depreciation of owned fixed assets	306	247

The audit fee is paid by the Parent entity, Peabody Trust, as part of an agreement between the two entities.

8. Analysis of total resources expended
(a) Resources expended

	Direct costs £'000	Support costs £'000	Total £'000	2021 £'000
Charitable activities				
Building capacity of group and individuals	1,987	374	2,361	2,729
Children, young people & families	1,328	249	1,577	2,074
Employment and employability	639	117	756	738
Improving sports	377	71	448	325
Community cohesion	1,262	236	1,498	1,067
Covid-19 support	-	-	-	656
Other charitable activities	211	39	250	193
	5,804	**1,086**	**6,890**	**7,782**
Governance				
Staff costs	-	9	9	8
External audit and legal fees	-	10	10	6
	-	**19**	**19**	**14**
Total resources expended	**5,804**	**1,105**	**6,909**	**7,796**
Total resources expended – 2021	6,066	1,730	7,796	

(b) Support costs

	2022 £'000	2021 £'000
Administration costs	543	698
Staff costs	562	580
Restructure cost	-	452
	1,105	**1,730**

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. Support costs are then apportioned based on the staff time incurred on each charitable activity.

9. Staff costs and emoluments

	2022 £'000	2021 £'000
Wages and salaries	3,245	3,771
Social security costs	345	373
Pension contributions	157	170
Other staff costs	44	457
	3,791	**4,771**

	2022 No.	2021 No.
The average number of employees during the year was as follows:		
Charitable activities	86	103
Management, administration and support services	4	4
	90	**107**

The Charity's staff are employed under Peabody Group contracts and the salary costs are recharged under an intra group service level agreement.

The numbers of employees who received remuneration (excluding pension contributions) in excess of £60,000 per annum are stated below in bandings of £10,000:

	2022 No.	2021 No.
Emoluments of higher paid staff within the following scales were:		
£60,001 - £70,000	3	2
£70,001 - £80,000	-	1
£80,001 - £90,000	-	2
£90,001- £100,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-
	5	**6**

The earnings for the Charity's key management personnel (including the Executive Director) for the year were £279k (2021: £264k), with pension contributions of £9k (2021: £24k), and benefits in kind totalling £nil (2021: £nil).

10. Trustees remuneration and expensess

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. Full disclosure for the financial year 2021/22 is provided in the Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members).

During the year Trustees claimed expenses £nil for travel, subsistence and incidentals (2021 £nil).

During the year the Charity paid £258 (2021: £177) for Trustees' indemnity insurance via a Group Insurance policy.

11. Tangible fixed assets

	Freehold land and buildings £'000	IT and office equipment £'000	Total £'000
Cost			
At 1 April 2021	11,432	236	11,668
Additions	4,130	128	4,258
At 31 March 2022	**15,562**	**364**	**15,926**
Depreciation			
At 1 April 2021	2,459	82	2,541
Charge for the year	280	26	306
At 31 March 2022	**2,739**	**108**	**2,847**
Net Book Value			
At 31 March 2022	**12,823**	**256**	**13,079**
At 31 March 2021	8,973	154	9,127

All assets are held for charitable purposes.

There is a charge held with the Big Lottery Fund for £5 million over Harrow Manor Way, and a second charge with The Football Foundation for £1 million over the land at Thamesmead Football Club.

12. Debtors

	2022 £'000	2021 £'000
Amounts due within one year		
Trade debtors	49	20
Other debtors	359	301
Deferred consideration	482	428
Amounts due from parent company	2	2
Prepayments	18	-
	910	**751**
Amounts falling due after more than one year		
Deferred consideration	15,252	15,734
Loan to parent company	3,500	3,500
	19,662	**19,985**

The deferred consideration has arisen on the sale of the Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014. The deferred consideration is payable in quarterly instalments over 30 years. The monies loaned to the parent company have been invested in an interest bearing notice account on the Charity's behalf.

13. Creditors falling due within one year

	2022 £'000	2021 £'000
Trade creditors	278	286
Amounts owed to parent company	2,029	835
Other creditors	467	452
Accruals and deferred income	1,186	755
	3,960	**2,328**

The movements in deferred income are as follows:

	2022 £'000	2021 £'000
Deferred income at 1 April	352	95
Amounts released from previous years	(352)	(95)
Incoming resources deferred in the year	462	352
Deferred income of 31 March	**462**	**352**

14. Movement on reserves

	1 April 2021 £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & (Losses) £'000	31 March 2022 £'000
Funds:					
Restricted funds	739	308	(137)	-	910
Unrestricted funds	28,109	11,796	(6,776)	(64)	33,065
	28,848	**12,104**	**(6,913)**	**(64)**	**33,975**
Included with unrestricted funds are designated funds of:					
Designated Funds:					
Pitch resurfacing	235	-	-	-	235
Fixed assets	8,892	4,258	(306)	-	12,844
Deferred consideration	16,162	857	(1,285)	-	15,734
Total Designated	**25,289**	**5,115**	**(1,591)**	**-**	**28,813**

14. Movement on reserves continued

	1 April 2020 £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & (Losses) £'000	31 March 2021 £'000
Funds:					
Restricted funds	739	536	(456)	-	739
Unrestricted funds	28,109	7,179	(7,350)	42	28,109
	28,848	**7,715**	**(7,806)**	**42**	**28,848**
Included with unrestricted funds are designated funds of:					
Designated Funds:					
Pitch resurfacing	235	-	-	-	235
Fixed assets	8,872	114	(94)	-	8,892
Deferred consideration	16,540	878	(1,256)	-	16,162
Total Designated	**25,647**	**992**	**(1,350)**	**-**	**25,289**

Restricted Funds
Restricted funds represent grants where the expenditure is yet to be incurred, and will therefore be spent in future periods. A more detailed breakdown of these grants can been seen in Note 3 (b).

Designated Funds
The Fixed Asset Reserve represents funds tied up in fixed assets less any associated Grants received in relation to the fixed assets. During 2017 the Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the Sporting Club.

The Deferred Consideration Reserve represents funds tied up in the long-term Deferred Consideration Debtor. The Deferred Consideration Asset arose on the sale of the Charity's Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014.

15. Analysis of net assets between funds

	Unrestricted £'000	Designated Funds £'000	Restricted Funds £'000	2022 Funds £'000	2021 Funds £'000
Fixed assets	-	13,079	-	13,079	9,127
Current assets	8,013	15,734	1,372	25,119	22,413
Current liabilities	(3,498)	-	(462)	(3,960)	(2,328)
Net pension liability	(263)	-	-	(263)	(364)
	4,252	**28,813**	**910**	**33,975**	**28,848**

16. Related party transactions
During the year the following transactions took place between the Charity and its parent company, Peabody Trust and subsidiary entities within the Group:

- Peabody Trust provided support services, finance, governance, IT, HR totalling £339k (2021: £339k), and recharged £3,791k (2021: £4,760k) of salary costs relating to Peabody staff working directly for the Charity. Peabody Trust also provided a refurbishment grant in relation to the Moorings Social Club of £2,727k (note 18) in the year (2021: nil). At the year end £2,029k was payable to the Charity (note 13) (2021: £835k).
- Peabody paid the Charity £1,285k (2021: £1,256k) as the year 8 payment in respect of the sale of Tilfen Land Limited. £428k (2021: £379k) was charged against the deferred consideration debtor (note 12) with £857k (2021: £878k) being recognised as interest (note 5).

17. Pension commitments
The pensions of employees of the Charity are administered through four schemes, two of which are defined benefit scheme and two defined contribution schemes. The Charity participates in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time and was closed to future accrual from 31 March 2020. The Charity also has an ongoing liability for pension commitments under the (Career Average Revalued Earnings) which was closed to new entrants on 30 June 2015. A defined contribution scheme (Career Average Revalued Earnings - CARE) was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. Employees were also eligible to join a defined contribution retirement benefit scheme with Friends Life.

In October 2018 the High Court published its judgement on the case of Lloyds Banking Group and the equalisation of Guaranteed Minimum Pensions ('GMP') between genders. This has consequently been assessed against the Group's defined benefit schemes. The impact of GMP Equalisation in respect of the LPFA and CARE schemes was recognised in the 2019/20 year. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016.

The valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and no further adjustments to the value placed on the liabilities was required in 2021/22.

The latest news on the Lloyds Banking Group court case involved a ruling that, in cases where a member exercised their right to a transfer value out of the scheme, the trustee had the duty to make a transfer payment that reflects the member's right to equalised benefits and remains liable if an inadequate transfer payment had been paid. It is not yet known if, or how, this will affect our schemes and no allowances have currently been made.

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). This applies to each of the Local Government Pension Schemes, including LPFA. The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. The impact of the findings will only be known after this process has concluded and a final set of remedial Regulations are published.

While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2022, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. With a small proportion of active members and a salary increase assumption equal to (or less than) CPI, the impact of the McCloud judgement is likely to be negligible.

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LPFA. As this case has only recently been announced, there is not a current accurate indication of the potential impact this may have on the value of employers' liabilities or the cost of the scheme.

	2022 £'000	2021 £'000
LPFA - Pension scheme surplus	-	73
CARE - Pension scheme deficit	(263)	(364)

17. Pension commitments continued

The London Pensions Fund Authority

Some former employees of the Charity who are former employees of Thamesmead Town participate in the LPFA Pension Fund, part of the Local Government Pension Scheme. The fund is administered in accordance with the Local Government Pensions Scheme Regulations 1997, as amended.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

The estimated asset allocation for the Scheme as at 31 March is as follows:

	2022 £'000	2021 £'000
Equities	1,071	935
Target return Portfolio	405	386
Infrastructure	192	144
Property	169	148
Cash	45	70
	1,882	**1,683**

The demographic assumptions are consistent with those used for the formal funding valuation as at 31 March 2019. The post retirement mortality tables adopted were based on the Club Vita mortality analysis.

The assumed life expectations are

	2022 £'000	2021 £'000
Retiring today – male	87.1	87.1
Retiring today – female	89.8	89.7
Retiring in 20 years – male	87.1	87.0
Retiring in 20 years – female	89.5	89.5

The major assumptions used by the actuary to value the liabilities of the scheme at 31 March under FRS 102 are:

	2022 % per annum	2021 % per annum
RPI increases	3.60%	3.20%
CPI increases	3.20%	2.80%
Salary increases *	4.20%	3.80%
Pension increases	3.20%	2.80%
Discount rate	2.70%	2.00%

* The Charity has no employees who are active members within this scheme

Statement of Financial Position as at 31 March:

	2022	2021
Net LPFA pension position as at 31 March		
Present value of the defined benefit obligations	1,512	1,610
Fair value of Fund assets (bid value)	(1,882)	(1,683)
Restriction to reflect extent of surplus recoverable	370	-
Net LPFA defined benefit pension obligations - (surplus)	**-**	**(73)**

A restriction has been made against the net surplus on the LPFA pension scheme obligations in the year as, whilst an exit credit (or debt) may be received (or paid) under the LGPS regulations, the exact amount which may be recoverable in the event of a termination event to the scheme is undeterminable.

17. Pension commitments continued

The amounts recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Service cost	-	-
Net interest on the defined assets	(10)	(2)
Administration expenses	2	2
Actuarial loss - including restriction against net surplus	75	(4)
Total LPFA gains / (losses)	**67**	**(4)**

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2022 £'000	2021 £'000
Opening LPFA Scheme obligations	1,610	1,423
Interest on obligation	23	33
Change in financial assumptions	(53)	246
Change in demographic assumption	-	(14)
Experience gain on defined benefit obligation	(12)	(22)
Estimated benefits paid net of transfers in	(56)	(56)
Closing LPFA Scheme obligations	**1,512**	**1,610**

Reconciliation of opening and closing balances of the present value of the defined benefit assets

	2022 £'000	2021 £'000
Opening fair value of LPFA Scheme assets	1,683	1,498
Interest on assets	33	35
Return on assets less interest	224	208
Administration expenses	(2)	(2)
Estimated benefits paid including unfunded benefits	(56)	(56)
Closing fair value of LPFA Scheme assets	**1,882**	**1,683**

Remeasurement of the net LPFA defined benefit obligations

	2022 £'000	2021 £'000
Return on Fund assets in excess of interest	224	208
Change in financial assumptions	53	(246)
Change in demographic assumptions	-	14
Experience gain on defined benefit obligation	12	22
Re-measurement of the net LPFA defined benefit obligations	**289**	**(2)**

Projected pension expense for the year to 31 March:

	2023 £'000
Service cost	-
Net interest on the defined assets	(9)
Administration expenses	2
Total LPFA (surplus) / deficit	**(7)**
Employer's contributions	**-**

17. Pension commitments continued

Career Average Revalued Earnings Pension Scheme

The Charity also participated in The Career Average Revalued Earnings (CARE) Pension Scheme (the 'Scheme'), which is a funded multi-employer defined benefit scheme. This scheme was closed to new entrants on 30 June 2015. All Charity staff were transferred to the Peabody Group Personal Pension scheme.

The main benefits provided by the Scheme are:

- A pension of one-eightieth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-out of the state scheme; or
- A pension of one-hundredth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-in to the state scheme.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The latest full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79.0m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2021 to 30 November 2027:	£1,530,000 per annum

(payable monthly and increasing by 3.0% each year on 1st April)

The Charity's share of the deficit funding contributions is £46,472 per annum payable in monthly instalments.

In addition to the deficit funding contribution contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2022 the contribution required to the Scheme is £173,800 per annum (2021: £168,744 per annum) increasing on 1 July each year by 3% is require for Scheme administration expenses. The Charity's share of these Scheme expenses is £4,430 per annum (2021 £4,300) payable in monthly instalments.

Employer Debt on Withdrawal

The scheme is classified as a 'last-man standing arrangement'. Therefore the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The amount of employer debt on withdrawal was last calculated as £1,451,641 at 30 September 2018. The employer debt figures are calculated on the solvency - or buy out - funding basis.

Potential employer debt is treated as a contingent liability.

17. Pension commitments continued

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2022 £'000	2021 £'000
Provision at start of period	364	400
Unwinding of the discount factor (interest expense)	3	10
Deficit contribution paid	(93)	-
Remeasurement - impact of any changes in assumptions	(11)	16
Remeasurement - amendments to the contribution schedule	-	(62)
Provision at end of period	**263**	**364**

Amounts recognised in the Statement of Financial Activities

	2022 £'000	2021 £'000
Interest expense	3	10
Remeasurement – impact of any change in assumptions	(11)	16
Remeasurement – amendments to the contribution schedule	-	(62)
Total surplus	**(8)**	**(36)**

Assumptions

	2022 % per annum	2021 % per annum
Rate of discount	2.55	0.98

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

18. Contingent Liabilities

During 2021/22 the Charity received grants totalling £3.7m, £2.7m from Peabody Trust and £1.0m from the Greater London Authority, for the renovation of the Moorings Social Club. The Charity has a future obligation to return the grants to the respective entities if the property is disposed of. As the timing of any future disposal is uncertain, no provision has been recognised in the financial statements.

19. Ultimate parent company

Peabody Community Foundation is a wholly owned subsidiary of Peabody Trust ("Peabody"), which is the ultimate parent and ultimate controlling entity. Peabody is a charitable Community Benefit Society formed under the Co-operative and Community Benefit Societies Act 2014.

Consolidated financial statements of Peabody can be obtained from the Company Secretary at 45 Westminster Bridge Road, London, SE1 7JB. www.peabody.org.uk

Peabody

45 Westminster Bridge Road
London SE1 7JB
Tel: 020 7021 4000
Email: info@peabody.org.uk
Website: www.peabody.org.uk

Peabody Trust is a charitable community benefit society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 (number 7741) and with the Regulator of Social Housing (number 4878).

PEABODY COMMUNITY FOUNDATION

England & Wales - Charity number 271731

Accounts

Peabody

Peabody Community Foundation

ANNUAL REPORT AND ACCOUNTS 2021

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PCF HIGHLIGHTS

Invested to support residents through the Peabody Community Foundation

£8m

(2020: £8.5m)

Community and Peabody employee volunteers gave their time to make a difference to our communities

850

(2020: 1,100)

People into jobs and apprenticeships

536

(2020: 1,160)

Grants to support community organisations

£1.25m

(2020: £700k)

Welfare calls made to residents

21,000+

(2020: n/a)

Businesses helped to access enterprise support and resources

460

(2020: 500)

Emergency food parcels delivered to vulnerable residents

7,000+

(2020: n/a)

Residents gained childcare qualifications through our programmes

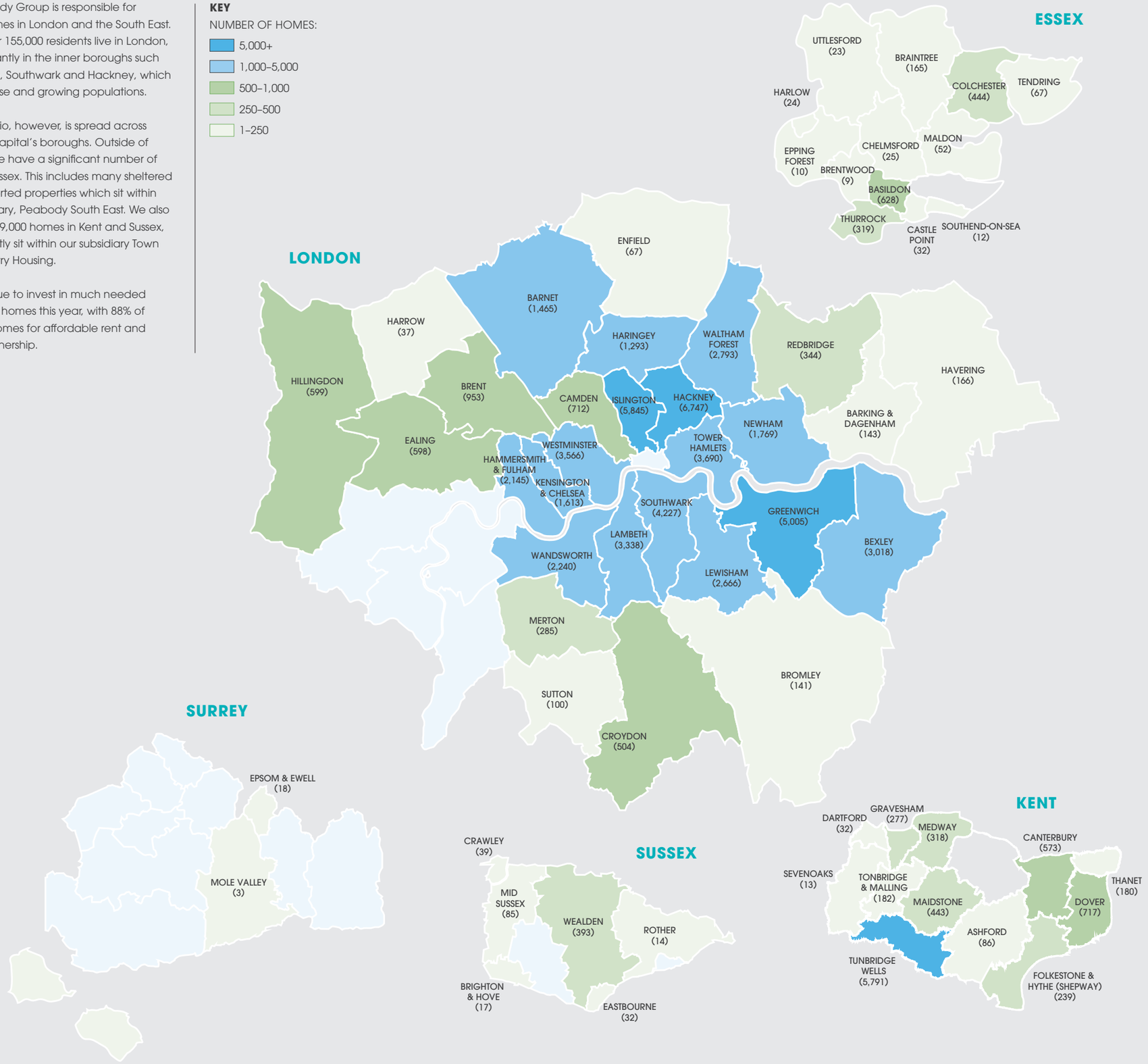
240

(2020: 225)

The Peabody Group is responsible for 67,000 homes in London and the South East. Most of our 155,000 residents live in London, predominantly in the inner boroughs such as Islington, Southwark and Hackney, which have diverse and growing populations.

Our portfolio, however, is spread across 29 of the capital's boroughs. Outside of London, we have a significant number of homes in Essex. This includes many sheltered and supported properties which sit within our subsidiary, Peabody South East. We also have over 9,000 homes in Kent and Sussex, which mostly sit within our subsidiary Town and Country Housing.

We continue to invest in much needed affordable homes this year, with 88% of our new homes for affordable rent and shared ownership.



Our key community hubs

Hackney – Pembury Centre
Hammersmith & Fulham – Old Oak Centre
Islington – Hugh Cubitt Centre
Lewisham – Parkside Centre
Southwark – Darwin Court
Thamesmead – The Link – Joyce Dawson Way
Waltham Forest – Paradox Centre – DLC – Leyton
Westminster – Bruce House

PARKSIDE COMMUNITY CENTRE

PEMBURY COMMUNITY CENTRE

HUGH CUBITT COMMUNITY CENTRE

DEIRDRE MOSS
Chair

The past year has changed all our lives in ways we never could have imagined and home has never been more important. As Chair of the Peabody Community Foundation (PCF), I am extremely proud of the effective and compassionate way the organisation has responded to the pandemic, continuing to put the most vulnerable people first in everything we did. Our Resident Wellbeing Programme saw teams from across Peabody working together to provide essential support to residents during lockdown.

Our teams have been working harder than ever throughout the Covid-19 crisis, adapting and mobilising our efforts so we were able to support our communities. We moved many of our programmes and activities online to help people stay connected and tackle isolation as community centres closed due to lockdown restrictions. Our locally focused partnership approach to community activities went from strength to strength, and provided a lifeline for many in a time of great uncertainty.

Our Resident Wellbeing Programme saw teams from across Peabody working together to provide essential support to residents during lockdown.

We have continued to work with our partners to identify and respond to local priorities. Building on the way we work in Thamesmead, Hackney and Waltham Forest, we are designing and implementing a place based approach in Islington, Lambeth and Southwark.

This report reflects on the past 12 months and highlights the outcomes of our community investment activities as we have adapted to the pandemic. This included:

- Supporting 240 people to achieve qualifications through our childcare learning programme
- Developing our youth social action programmes further to enable young people to take the lead as well as take part in activities
- £1.25m in grants to support the impact of Covid-19 and grassroots community groups, giving them the tools and resources to help themselves
- Continuing to support households to boost their incomes. We helped 536 people into jobs and apprenticeships
- Helping 460 local enterprises access support and resources to help them start or grow their business
- Mobilising over 850 community and employee volunteers.

This year, the University of Manchester became our evaluation partner, providing academic oversight and challenge of our work. As part of our evidenced-based approach, our Peabody Index bulletins tracked the experience of low-income Londoners throughout the pandemic, revealing how low paid Londoners were hit hardest with almost 38% of our residents either losing their job, working fewer hours or being furloughed throughout lockdown, and 28% reported being in a desperate financial situation. The bulletins not only demonstrate the importance of our services but also call for public policy solutions to reverse the rising poverty crisis.

During the year, Michael Cleaver, Keith Clancy and Janice Tucker came to the end of their tenure as PCF Board members. I would like to thank them for their valuable contribution to the work of the Foundation and welcome our new Resident Board members, Karima Mbarak, Shreya Hewett and Katharina Winbeck.

We'll never be complacent. As we look to the future, the work of the Foundation has never been more important.

We will continue to work in partnership, innovate and adapt our services and look for new ways to build on our long relationships with our communities and do more. We will always ensure that residents and customers voices are at the heart of all that we do.

DEIRDRE MOSS
Chair
15 September 2021

Our teams have been working harder than ever throughout the Covid-19 crisis, adapting and mobilising our efforts so we were able to support our communities.

Care and Communities Executive Director, Stephen Burns, answers our questions

STEPHEN BURNS
Executive Director, Care and Communities

"I am extremely proud and humbled by the effective and compassionate way the Foundation responded to the challenges faced.

Q HOW WOULD YOU SUMMARISE THIS YEAR?

A In one word; Remarkable. Covid-19 brought with it unprecedented change and challenge, and we saw our teams, partners and communities pull together in the most extraordinary way in a collective effort to support people when they needed us most.

While the country slowly came to terms with lockdowns and Covid-19 restrictions, our teams were thrown into a period of intense action to try to keep residents safe and to meet any support needs. We quickly mobilised and adapted our efforts to support those aims.

We worked with teams across Peabody to keep critical services running and put in place a range of emergency measures through our newly created Resident Wellbeing Programme.
We worked more closely with local authority partners and commissioners than we ever have, ensuring we had coordinated responses. We helped many mutual aid groups through our partnership with the London Food Alliance and they, in turn, supported many of our communities.

Our community centres acted as distribution hubs, delivering food supplies, medicine, and care packages with other essential items to help keep people safe and healthy. We found new ways of working, seeing a shift from face-to-face services to remote where possible with services moving online and embracing the potential of engaging with people in a new way.

Q WHAT ACHIEVEMENT ARE YOU MOST PROUD OF?

A Our teams didn't miss a beat in providing vital services to our customers. The pandemic demonstrated the value of working with colleagues and our partners to maximise opportunities and develop expertise, setting unnecessary bureaucracy aside in the process.

I am extremely proud and humbled by the effective and compassionate way the Foundation responded to the challenges faced.

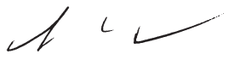
Q WHAT ARE THE KEY PRIORITIES FOR THE FOUNDATION IN THE YEAR AHEAD?

A Our key priority will be to continue to support our residents and communities as we move to recovery and beyond.

While the pandemic has created a lot of uncertainty, our Strategy with its four key pillars: building engaged and active communities; boosting income; developing skills and aspirations; and improving mental and physical health, provides a solid foundation upon which we will continue to base our activities and focus.

This year, we will continue to delivery our Strategy and plan for the future, striving to increase the impact the Foundation has on communities and ensuring that the needs of our residents and communities remain at the heart of all that we do. The work of the Foundation has never been more important and we will continue to give our communities greater agency, voice and power.

There will be many challenges ahead socially, economically and environmentally and our responses to these will remain human and local.
In the months ahead, we will continue to keep local people firmly in the spotlight, working in partnership, innovating and adapting our services to ensure that residents receive the support they need when they need it. As a sustainable Foundation, we have an important role in supporting communities, places and building strong partnerships. We intend to use our enduring role to help residents and others to continue to thrive both now and in the future.



STEPHEN BURNS
Executive Director,
Care and Communities
15 September 2021

"Our key priority will be to continue to support our residents and communities as we move to recovery and beyond.

Effective leadership with strong governance

Directors/ Trustees
(the Trustees are also the Directors of the Company)

Deirdre Moss (Chair)
Helen Edwards (Vice Chair)
Peter Baffoe
Keith Clancy (resigned 14 September 2020)
Michael Cleaver (resigned 24 February 2021)
Catherine O'Kelly
Janice Tucker (resigned 20 January 2021)
Karima Mbarak (appointed 18 November 2020)
Shreya Hewett (appointed 20 January 2021)
Samantha Dias (appointed 24 February 2021 - resigned 1 March 2021)
Katharina Winbeck (appointed 20 May 2021)

Executive Director, Care and Communities
Stephen Burns

Director of Community Programmes
Veronica Kirwan

Secretary
Sarah Cameron

Company No
01267728 (Registered in England and Wales)

Charity No
271731 (Registered in England and Wales)

Registered Office
45 Westminster Bridge Road, London, SE1 7JB

Bankers
Coutts & Co., St Martins Office, 440 Strand, London, WC2R 0QS

Auditors
KPMG LLP, Botanic House, 100 Hills Road, Cambridge, CB2 1AR

Solicitors
Trowers & Hamlins, 3 Bunhill Row, London, EC1Y 8YZ

DEIRDRE MOSS (CHAIR)

Deirdre joined the Peabody Community Foundation ("PCF" or the "Charity") Board in November 2017 having been appointed to the Peabody Trust Board in June 2017 following the merger with Family Mosaic, where she was on the Board from September 2014. Deirdre has worked in the insurance industry for over 25 years with FTSE 100 companies. Specialising in HR, she has led major changes involving large, diverse workforces. She has her own HR consultancy company, and also sits on the advisory group of a London-based training company. Deirdre has championed diversity issues throughout her career and continues to work in a voluntary capacity in this area.

HELEN EDWARDS, (VICE CHAIR)

Peabody Trust Board member since July 2016 and a PCF Board member since September 2016. Helen served as Deputy Permanent Secretary and Director General at The Ministry of Housing, Communities and Local Government's (formerly the Department for Communities and Local Government). Previous roles included Director General of Justice Policy at the Ministry of Justice and Chief Executive positions at the National Offender Management Service and Nacro, a national social justice charity. Helen is a non-executive Director at South London and the Maudsley Foundation Trust (SLaM), she also chairs Recovery Focus and is on the Social Finance board.

PETER BAFFOE

Peter joined the Peabody Trust Board as a resident Board member in May 2018 and the PCF Board in September 2018. He has been a community development worker for nine years and is a Faith and Community Development Officer for the South London Mission. He is also a member of the British Transport Police Advisory Group and a School Governor, acting as the Link Governor for disadvantaged pupils.

SHREYA HEWETT

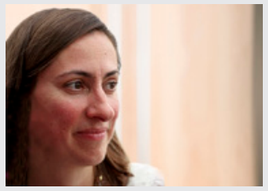
Shreya joined the PCF Board as resident Board member in January 2021. Shreya is a freelance communications consultant with a background in economic policy output and financial technology. Shreya is a member of Pembury Community Centre Steering Group and Pembury Children's Community Board, working to achieve Peabody's strategic goals for the area. Shreya founded and managed a tech start-up which provided her with insight into financial and risk management and an opportunity to demonstrate strategic thinking.

KARIMA MBARAK

Karima joined the PCF Board as resident Board member in November 2020. Karima is a trainee public finance accountant (CPFA) for Richmond and Wandsworth Councils. She has experience of strengthening youth engagement and established an award-winning mental health community project called 'Keeptlking'. Part of the project encouraged young people from a BAME background to challenge taboos surrounding mental health.

CATHERINE O'KELLY

Catherine became a Family Mosaic Community Foundation Board member in February 2016 and she joined the PCF Board in November 2017. She is the Managing Director of Bord Gáis Energy and has held senior positions at Centrica since 2011. Catherine's previous role was Director of Industry Development at British Gas. Her background is in energy strategy, initially as a management consultant with Booz & Company advising companies in Europe, Asia and Africa. She has also worked on energy policy design at the UK's Carbon Trust.



KATHARINA WINBECK

Katharina joined the PCF Board as resident Board member in May 2021. Katharina is the strategic lead for transport, environment and infrastructure policy at London Councils. Katharina has held positions with Transport for London, the Audit Commission and the London Borough of Tower Hamlets, working on local transport strategy and sustainability projects. She also worked for a large-scale community regeneration project in Lambeth and as an adviser on sustainability matters to an NHS Trust.

OUR VISION AND KEY GOALS

For almost 160 years, Peabody has been focused on making things better for people and communities. We have responded to society's most deep-rooted challenges, by delivering a range of services through our Community Foundation to tackle key issues such as child poverty, homelessness; underemployment and violence affecting young people.

Although we have achieved positive outcomes for many, we know that we need to address these root causes to make a meaningful, long-lasting impact on the communities that we serve. So, we developed a community strategy that not only places people at the centre of everything we do, but also seeks to better understand how we all live and work. This will enable us to better address and respond to the root causes of inequality.

Our vision is that our residents and communities are healthier, wealthier and happier, with the opportunity to realise their ambitions.

To achieve our vision, we are working towards four goals:

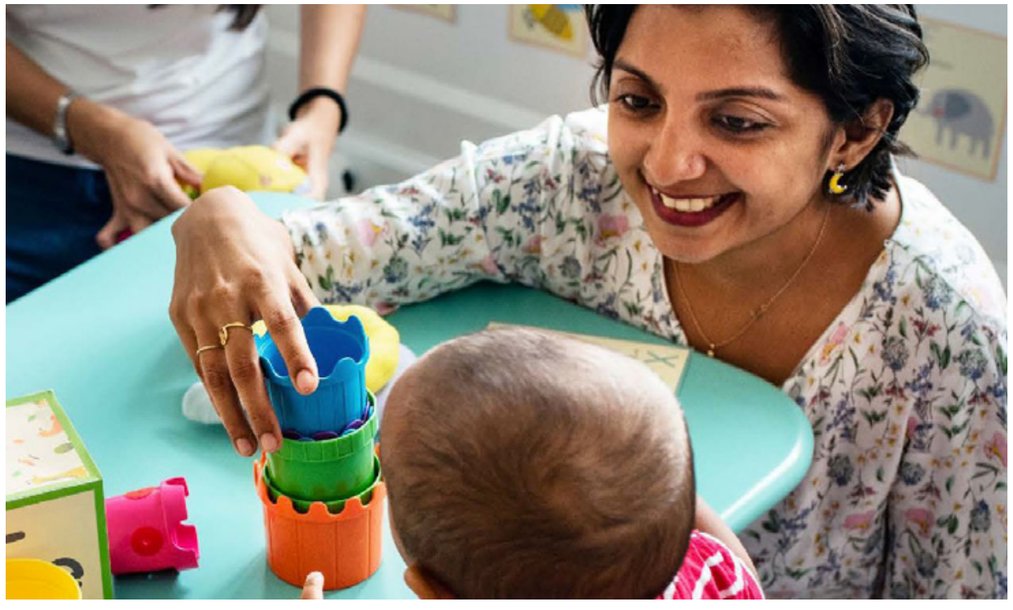
- Building engaged and active communities; helping people make the most of their lives through active citizenship, catalysing supportive networks and community-led projects
- Boosting income; helping people to gain well paid, secure work, progress within employment and reduce their debts
- Developing skills and aspirations; supporting access to, and achievements within, education and training, giving people more knowledge about opportunities and boosting their confidence
- Improving mental and physical health; enabling people to be active and fit, develop their resilience and improve their overall wellbeing.

We work at four levels: direct delivery, indirectly through partnership with others, mobilising the community and working to achieve change at strategic level through our influencing activities. Our operational delivery model consists of two key strands:

- Local Area Plans – strategic partnerships with Local Authorities to provide focused and targeted delivery in boroughs where we have the most homes and involvement
- Pan-London Offer – a network of services and support utilising the resources of partners and accessible to any resident or member of the community.

We use an evidence-based approach to develop knowledge and insight and deliver our strategy. This includes a focus on listening, understanding and responding to our residents and communities.

These principles are at the heart of all that we do and enable us to agree where and how to focus our resources (people, community buildings and money) and make them go further. Most importantly, it creates more sustainable solutions to the challenges we face, and contributes to the development of new approaches and policy changes across the sector, with our residents and customers front and centre.



A YEAR UNLIKE ANY OTHER

For all of us, 2020 was a year defined by the pandemic. Covid-19 not only increased the level of need of all our residents, it had a major impact on the traditional offers of support and interventions that we could offer.

When the Government announced an indefinite lockdown in March 2020, we realised that we would need to find new ways to support the most vulnerable in our communities. Teams from across Peabody quickly mobilised to establish our Resident Wellbeing Programme (RWP) to respond to the critical needs of our residents. This focused on four key strands of support:

- Emergency Support including food supplies, medication and fuel
- Mental Wellbeing
- Financial Inclusion
- Digital Inclusion

Our teams delivered over 7,000 emergency food parcels to our most vulnerable residents who were self-isolating or experiencing isolation across London. Working closely with local authority partners on a coordinated response, we helped mutual aid groups through our partnership with the London Food Alliance. Our community centres acted as distribution hubs, with staff redeployed to deliver food supplies, medicine and care packages with other essential items to help keep people safe and healthy.

We made more than 21,000 welfare calls to residents to find out what support they needed. Our Tenant and Family Support and Financial Inclusion teams proactively reached out to residents to offer support to almost 2,500 people whose finances suffered as a result of the pandemic through unemployment or furlough.

We distributed more than 950,000 items of personal protective equipment to ensure the safety of our Care and Support customers and staff working in our communities. More than 260 Peabody employees signed up to our Volunteering Programme 'Peabody Promise' to make befriending calls supporting isolated people or those suffering from poor mental wellbeing and support our broader critical response.

There were more than 19,500 hits to the Covid-19 support pages on the Peabody website, providing vital information about services that could support people's wellbeing. In partnership with Housing Associations' Metropolitan Thames Valley, and Southern Housing, and co-produced with residents, we developed the online platform 'PeerUp' to help people easily access support and local services and also receive advice and guidance to increase their financial resilience.

In response to the challenges to mental health faced by our employees, we also worked in partnership with the National Lottery Community Fund, The Centre of Acceleration of Social Technology (CAST) and designers Tectonic, to create supportive online environments for frontline staff who in turn help residents with their mental wellbeing.

Reporting tools created by the RWP are now being integrated with other areas across Peabody to embed resident wellbeing as a priority across all service areas.

Welfare calls to residents

21,000

At the start of the pandemic, our Waltham Forest team made more than 500 welfare calls to residents, offering support with accessing food aid, medication and befriending. We opened our community centre on the Chingford Hall estate to host a local charity, Diabetes Action CIC providing 175 healthy hot meals and food parcels distributed by volunteers across the estate.

"I wouldn't have been able to survive without this support, this has been a lifeline. Due to ill health I am self- shielding and have no family or friends locally to support me

Waltham Forest resident

BOOSTING INCOME

We're committed to helping people increase their income by supporting people into better-paid, sustainable, higher quality jobs, increasing access to affordable childcare and helping to reduce debts.

People helped to sustain employment

301

People supported into work

536

EMPLOYMENT AND TRAINING

With many people affected by furlough and recruitment freezes across London, we have continued to support customers to prepare for interviews, search for jobs and access work related training, despite moving to online remote working. We are now starting to see some economic recovery as restrictions are eased, however, unemployment in London is still increasing and the capital trails the rest of the country with 40% less vacancies.

We supported 536 people into work and helped over 300 to sustain employment for more than six months. In March 2021, we launched a monthly jobs e-bulletin which sets out our opportunities in one place.

We are continuing to work in partnership with corporate law firms Clifford Chance and Winckworth Sherwood LLP who provide our customers with monthly interview practice sessions. During the year, we delivered sessions both online and in-person to help people become job ready. We are working closely with our Financial Inclusion, Tenant and Family Support and Neighbourhood Services teams to maximise opportunities for our residents.

CHILDCARE

We have moved all of our childcare courses online due to the pandemic. These remote sessions were challenging for some and not everyone was familiar with the technology. The majority of our participants had children who were home-schooling and sharing equipment, and there were also issues with wi-fi connectivity and data. Despite these challenges, through our childcare programme supported by BNP Paribas, learners achieved 240 accredited qualifications during the year. We also supported 21 students to successfully submit their Ofsted application forms.

TACKLING DEBT

Our Financial Inclusion team helps people to manage their money better and access advice and financial services. This includes home visits, drop-in sessions at our community centres and advice over the phone and by email. Our local teams at Pembury in Hackney and in Waltham Forest supported households to reduce debt and maximise their income, partly by making sure they received their full benefits entitlement.

Our programmes give people of all ages better access to education and training opportunities. We help people to broaden their horizons, and boost their confidence to achieve their goals. Thamesmead resident Sarah Blyth was finding it difficult to get back into job market once her two children, who she'd raised as a lone parent, left school.

After struggling to find work due to a lack of qualifications, one of Sarah's neighbours suggested she speak to PCF. With support from one of our employment advisers, she successfully applied for a NVQ Level 2 Teaching Assistant course. Sarah passed the course and went on to complete a Level 3 Diploma in Learning and Support. Using her new qualifications, she got a job as a Learning and Support Assistant at a local primary school.

"Peabody were extremely supportive and even provided childcare for each parent. Once I completed the courses, I felt a sense of self-worth and was extremely proud of myself and all that I'd achieved. Now that I am employed, I am living a comfortable life with a regular income, I now no longer receive benefits so I'm not reliant on Job Seekers' Allowance. I feel like I have a purpose in society again.

Thamesmead resident Sarah Blyth

DEVELOPING SKILLS AND ASPIRATIONS

Our aim is to support local enterprises so that when starting or growing a business, they have the best possible chance of success.

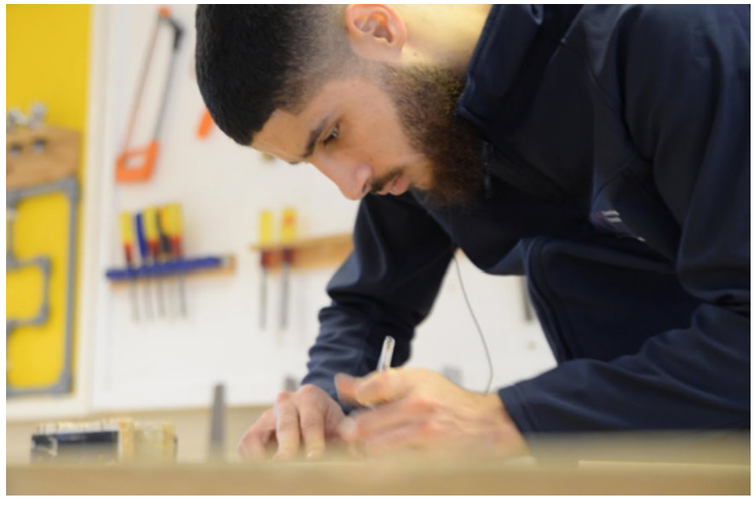
We provide specialist training and help to formally register a business, as well as facilitating monthly business forums, small grants and opportunities to trade at events. We also provide access to procurement opportunities on our developments across London.

This year, we supported 460 businesses to access enterprise support and resources. We also helped 10 entrepreneurs to formally set up a company and provided 30 businesses with opportunities to trade locally despite being in lockdown for long periods of the year. Our team worked with local authority strategic partners across London, supporting their recovery plans and ensuring businesses were able to access information, advice, guidance and grants.

The Thamesmead Business Forum moved online and welcomed 133 local entrepreneurs, providing them with access to information, advice, guidance, tendering opportunities, funding, events and networking. This is an increase of 19% compared to the number who accessed the forum in person during 2019-2020.

Businesses supported to access support and resources

460



PROVIDING ACCESS TO TRAINING OPPORTUNITIES

In January 2021, Peabody became a partner in the Department of Work and Pensions Kickstart Scheme. This provides funding to employers to create six-month job placements for 16 to 24 year olds in receipt of universal credit and who are at risk of long term unemployment. Over the next year, we will be offering 29 Kickstart placements to young people in a wide range of roles across Peabody, helping them get on the career ladder.

Every summer, we host an annual Jobs and Apprenticeships Fair to help people looking for employment and training opportunities. In July 2020 we delivered our fair as an online event, which attracted 2,155 participants and 5,208 individual bookings across 19 webinars and information sessions and workshops. These included advice on interview techniques, remote job search, benefits advice as well as focused sessions delivered by partners including the London Fire Brigade, Jobcentre Plus and the NHS.

Working with colleagues across Peabody, we provided 55 apprenticeships through our supply chain. We worked with a number of contractors to recruit new apprentices locally and achieve maximum social value for our residents. Working with partners including Durkan, Berkeley Homes, Ardmore and Mulalley, we designed specific information sessions and traineeships to ensure those entering their apprenticeship programmes have the best chance of success.

At the start of 2020, Thamesmead-based business, CC Community Events, had 58 events planned across Bexley and Greenwich.

With the onset of the pandemic, the company showed huge resilience and created opportunities for local businesses to trade online, by pivoting their business model to create an "Essential Market" across a number of town centres and high streets locally. We worked with them to deliver three Thamesmead Markets during the summer and in November 2020 they won the Bexley Business Excellence award for Contribution to the Community.

"Peabody's Thamesmead team gave us the help we needed to start and grow our business to where we are today. Now we support hundreds of small businesses at our local events, markets, pop ups and more. We are over the moon to be recognised and win the Bexley Business Excellence award for Contribution to the Community.

Catherine Molnar, CC Community Events

BUILDING ENGAGED AND ACTIVE COMMUNITIES

One of Peabody's key strategic priorities is to create 'Great Social Impact'. We are passionate about providing grassroots support to help communities flourish, with them firmly in the driving seat. This includes empowering residents to manage many of our community buildings and access grants to design and deliver their own projects.

YOUTH SOCIAL ACTION

We have been working to increase the impact of our youth social action programmes which encourage young people to lead as well as participate. Building on the success of services and projects developed by young people in response to Covid-19, we are also encouraging public sector organisations to integrate youth-led social action into their delivery models.

We're providing young people with a range of support and funding to develop expertise and build on their lived experience. We're also supporting them to develop the confidence and skills needed to respond to local priorities and to influence decision makers. Key achievements include:

- 235 young people completed the Young Leaders programme, receiving up to £500 to deliver a social action project and gain a qualification
- 31 young people took part in Young Ambassadors. This involved co-designing a solution to a social challenge with a grant of up to £10k. They also completed design thinking training and achieved a level 2 accreditation
- 19 young people took part in Peabody Advisors. Participants responded to a strategic challenge set by PCF and completed a level 3 accreditation. These young people will go on to be employed by the Foundation to support the design and delivery of services that respond to the needs of residents.

COMMUNITIES IN THE DRIVING SEAT

Our aim is to empower our residents and communities, by providing the right resources to enable them to lead on design and decision making. In 2020-21 we did this by:

- Expanding our Community Leaders programme by providing grants of £500 for local people to deliver activities that benefit their community
- £1.25m in grants to support the impact of Covid-19 and grassroots community groups, giving them the tools and resources to help themselves
- We continued to work with 17 Management Committees; groups of volunteers that manage Peabody buildings and ensure they are used to meet the needs of the local community. We have developed plans to support them further as centres re-open
- Involving more residents in grant giving; residents sit on the decision making panel for both the Thamesmead Community Fund and The Young Peoples Fund.

In 2022, we will be launching a new Peabody Innovation Fellowship where we will work with grassroots community groups on a phased programmed designed to immerse them in the world of design thinking and innovation, and to increase their capacity to create collective and impactful action.

16 year-old Marina wanted to share her skills by teaching young people how to braid hair in different ways. Her dream was to inspire others and show how to reduce stress and be creative at home.

Marina's original plan was to run sessions over Zoom and guide participants through the process of hair braiding. However, Marina was overwhelmed by the idea of running the online sessions, so her mother got in touch to ask for support.

We worked together to find a solution - pre-recording the sessions and editing her work before sharing online. After sharing the YouTube videos with her friends at school and in the neighbourhood, she has received 194 views and very positive comments.

> The Young Leaders programme is a great way to use free time after school and learn something new and help other people. This experience boosted my confidence, and improved my communication and leadership skills.
>
> **Marina**

IMPROVING MENTAL AND PHYSICAL HEALTH

We champion healthy, active and well communities. Regardless of needs or circumstances, all residents who have made a home in our communities have access to a broad range of initiatives to help improve mental and physical health and which also support them in becoming more active, resilient and confident.

AN ACTIVE AND HEALTHY COMMUNITY

Our Active Well Thamesmead programme provides opportunities for people to be active and engage in sporting activities. We're also bringing together Clinical Commissioning Groups (CCGs), Local Authority public health and planning teams and local NHS services, to support health and wellbeing outcomes. This year, over 800 people took part in a range of activities.

We have successfully embedded our Active Thamesmead approach around sports development and recreation into Peabody's Green Infrastructure Strategy for Thamesmead. This means that outdoor recreational activity is core part of the regeneration, and connects the community with the local environment by providing high quality opportunities for people to lead healthier and more active lifestyles.

COMMUNITY AND MATERNITY CHAMPIONS

At our Old Oak Community and Children's Centre in Hammersmith & Fulham, volunteers lead and provide coaching, signposting, group classes and activities as part our community and maternity champion programmes. These include sessions to help people cope with the worry and anxiety created by the pandemic. The programmes also combat isolation, as well as providing opportunities to improve physical fitness. This year we worked with four local volunteers online and outdoors to reach 250 local people and more than 450 people in the wider community.

SUPPORTING MENTAL HEALTH

Our Crisis Café at Pembury Community Centre saw us partner with the CCGs to bring mental health professionals into the community centre to work directly with young people and reduce the number of emergency mental health admissions.

Through our Transitions programme, we helped 30 young people access mental health services and receive intensive support to stabilise their housing situation and address their wider needs with one to one support.

Working with CAST and Tectonic, we created a prototype digital resources called 'Reflect' to provide a supportive online environment for front line volunteers and staff to support residents with their mental health and cope with stress. The text-message based service sends messages and prompts to Befrienders and support workers. This prompts them to say how they are feeling and provides supportive suggestions based on their response.

As part of our Active Thamesmead programme and as we adapted to community centres closing in lockdown, we provided virtual exercise sessions on Zoom to help residents stay active throughout the pandemic.

Rebecca Annan has been taking part in our online Pilates classes:

"Thank you very much for the online exercise classes. They have been a lifesaver, really effective and really fun and they've meant the whole class can stay in touch. Long may they continue, lockdown or not.

OUR GRANTS PROGRAMMES

A key part of our strategy is to give communities the tools and resources to help themselves as we know that they hold the answers to the challenges they face. This is why we distribute grants to grassroots community groups across London.

Over the last year we distributed over £1.25 million in grants to support community organisations to respond to the impact of Covid-19 and support the ongoing delivery of grassroots community groups. Our grants helped individuals and informal groups to mobilise and respond to local priorities and need.

For the past eight years, we have worked with the London Community Foundation (LCF) to deliver the Peabody Community Fund. The demands of the pandemic on our partners exacerbated the need to ensure grant giving was simple and easy to access. We joined LCF's Coronavirus Response Fund so that organisations had to complete just one application to access funds provided by many partners. Through this fund we supported 29 constituted organisations that support our residents, providing grants to the voluntary community sector and helping provide a vital emergency response.

The community response to Covid-19 was driven by individuals and informal groups as well as constituted groups. During the year, we provided over £100,000 in micro grants to support this groundswell of support.

OUR GRANTS

We offer a four-tiered grants programme, enabling individuals, groups and partners to access the level of grant that supports their needs.

BETTER WAYS OF WORKING

We have signed The Institute for Voluntary Action Research (IVAR) Flexible Funders pledge, which calls for funders to adopt more open and trusting practices that make life easier for those they support. We have been making changes to our ways of working to reflect these practices. For example, residents and young people decide who receives our local grant funds, which aligns with our focus on co-produced and community-led services.

Grants to support community organisations

£1.25m

Type of Grant	Funding Available	Number of grants awarded	Description
Micro Grants	Up to £3,000	300+	Grants for individual and volunteer groups to design and deliver small scale social action projects
Small Grants	£3,000 - £10,000	20+	Grants for local grassroots organisations to build capacity, add value to, and plug gaps in, their delivery
Project Grants	£10,000+	30+	Provided to community organisations to deliver services, projects, and programmes
Targeted Strategic Funding	£50,000+	3	Co-investment and partnerships with other funders to drive large scale or systemic change in response to an identified issue

Barnet Lone Parents is an organisation delivering advice and support to families living in the Strawberry Vale area in Barnet. The record keeping system used by the organisation was outdated and time consuming to use; many case files were still stored as paper copies. During lockdown, it was more challenging to support families and take on new clients because of limited access to information and outdated computer systems.

We gave the organisation a small grant to buy a new software system, enabling them to store client information and casework digitally. The grant also funded training for all staff to develop knowledge of the software processes and applications. Caseworkers are now able to update their records and access information from wherever they are giving all staff more time to support their vulnerable client group.

The organisation predicts that the grant will lead to an increased capacity for the organisation through streamlining their administration process. They expect to increase the clients that can be supported by 25%, meaning that up to 175 families can receive support and advice during the year.

Zakia, a local community leader and Chingford Hall resident, received a Peabody microgrant to create 45 wellbeing boxes for her estate. These include hand blended essential oils, with guidance on how to use them, including a follow up Zoom session, and advice on wellbeing.

"I decided to apply for the microgrant after seeing posters in the community centre. The benefits are huge, people find comfort through using the essential oil blends in particular to help those suffering with depression, anxiety, loneliness, or those who need to feel uplifted, or who are fatigued from working from home. I would like to feel that that these products that I create will enhance the wellbeing of residents and help them to feel better all round.

Zakia,
Resident and community leader

THAMESMEAD

We have developed a local strategy for Thamesmead that supports Peabody's long-term regeneration plans for the area. This strategy is focused upon 'People and Community' and has four long-term priorities identified through consultation with residents and local stakeholders.

1. A THRIVING LOCAL ECONOMY

During the pandemic, much of our work focused on ensuring local people have access to good quality jobs and our enterprise and skills development opportunities moved online. This included monthly Business Forums which focused on helping businesses to access Government Covid-19 support.

2. SUPPORTING CHILDREN, YOUNG PEOPLE AND FAMILIES TO REACH THEIR POTENTIAL

As part of our work on the Moorings Children's Community, we know that food insecurity is a key issue which was exacerbated by the pandemic. Working closely with both Royal Borough of Greenwich and London Borough of Bexley, we delivered a co-ordinated food and support response, including running a food distribution hub from Sporting Club Thamesmead. Supporting over 275 families, some with weekly food top up deliveries, we forged new partnerships with Hovis and a local faith group who provided funding for culturally appropriate food to meet the needs of Thamesmead's diverse communities.

In partnership with local schools, we showcased the best contemporary print-making from across the globe to more than 250 participants at the Woolwich Contemporary Print Fair.

Thamesmead Community Fund grants to deliver a range of activities safely

£37,000

3. AN ACTIVE AND WELL THAMESMEAD

Our ambition is to create opportunities to improve community health and wellbeing and promote active lifestyles. We have been supporting a local parent to deliver exercises classes for adults. During the first lockdown, classes were held outside with 20 participants and then also delivered virtually. Through word of mouth and social networks, there are now 55 people taking part in improving their fitness, and most of all, making new friendships within their community. Each person has been given sports equipment to support their fitness needs. We also delivered a range of physical activity sessions in 4 local schools between September and December 2020, with over 300 primary school children taking part.

4. EXCEPTIONAL SERVICES FOR ALL

This work focuses on supporting the community and voluntary sector, making the best use of community facilities. We provided ongoing support to small community groups through the Community Group Forum. Initially this centred on supporting them to access funding and enabling them to respond to the needs of their clients affected by Covid-19. We supported them with preparing for the reopening of our community space, including helping complete risk assessments and delivering services in a safe and secure environment.

We completed two rounds of the Thamesmead Community Fund, awarding over £37,000 to a number of individuals and organisations to deliver a range of activities safely.

CraftA creates arts and crafts projects to alleviate loneliness and to foster social cohesion. With a grant from the Thamesmead Community Fund, they provided weekly online lessons for older people, which encouraged them to take part in knitting, crochet, but most importantly socialising.

"I was reluctant, I thought I would leave in a couple of lessons, but I am still here after 15 weeks, I cannot believe what I have achieved. I took some of my work to the Feel Good Centre (online) and I got a round of applause"

Olabisi, group participant

HACKNEY

The 10-year Pembury Children's Community programme is now in its sixth year. We're working in partnership with Pembury Estate residents, Hackney Council, schools, health services and local charities, to improve the outcomes of around 1,000 children and young people who live locally as well as their families.

As we went into lockdown, we worked alongside Hackney's statutory and Voluntary and Community Sector (VCS). We also worked with the local mutual aid group, local schools and the local authority to provide and deliver coordinated support and advice for 496 Hackney households. This included food aid, medication, financial/ employment advice, support for mental health, bereavement counselling and IT equipment. We also made wellbeing calls and conducted needs assessment for over 485 households.

We also continued our wider work towards eight 'Pembury 2025' goals, including reducing poverty for Pembury families, young people making a successful transition to adulthood and empowering the local community.

ROUTES OUT OF POVERTY

The number of residents in Hackney claiming Universal Credit increased as a result of the pandemic. At Pembury, 48 households are in long term rent arrears but 40 other households have either raised their income or have reduced debt. Rent arrears at Pembury have gone down further than in any previous year. This has been through effective internal collaboration between teams identifying residents who were not receiving their full benefits entitlement and making referrals to other support services.

EMPOWERING THE LOCAL COMMUNITY

We have continued to build and strengthen peer networks. Through mutual aid groups, residents offered support to their neighbours in a range of ways, delivering food and medication, as well as doing odd jobs for one another.

Our resident steering group of 22 people began meeting online each month, advising on how needs were changing in the pandemic, as well as contributing to our resident newsletters and promoting micro grants across the estate. Successful examples of this have been a doorstep gardening project for the community, and an Eid celebration event organised by two residents.

In October 2020 we launched the 'Parent Champions' project in partnership with Hackney Council, an initiative to train a group of parent volunteers to provide support to isolated parents in the community, following a model developed by Coram. Four parent champions have successfully fulfilled their training during this year and have begun attending online school events and engaging with parents. The council is now looking to expand this initiative across the borough.

MONITORING AND EVALUATION

In July 2020 we received the final report from the 3-year evaluation of the Pembury Children's Community, conducted by Sheffield Hallam University. The evaluation found that the Children's Community has made a significant difference to the lives of people living on the estate, and that the Children's Community is increasingly seen by partner organisations as a successful model of place-based working which is influencing approaches in Hackney and beyond.

Pembury households supported through partnership work

496

Eight of our most creative and talented young residents living on the Pembury Estate were featured in the December 2020 issue of Vogue magazine. All of the girls are involved in Threads, a Pembury based fashion and textiles project designed to help young girls develop creative skills. They were photographed by Misan Harriman, and created their own Christmas jumpers and took part in interviews to give their views on an extraordinary year - from Coronavirus-induced lockdown to the Black Lives Matter movement.

Serena told Vogue that she wants doesn't want to return to the old normal. Instead, she wants a new, kinder normal:

"I think it's best if we start a new normal, change the way we were before. We could stop crime, we could get homes for homeless people, we could get food to people who were poor. Like at school, we have a food bank."

WALTHAM FOREST

We have been working with residents and key local stakeholders on three long-term priorities:

1. GETTING THINGS RIGHT EARLY

At the start of the pandemic, many of our partnership initiatives moved online. This includes our Ready for School project and early years reading programme 'Reading from the Start', funded by VINCI Facilities and delivered together with Lloyd Park Children's Charity.

Our Reading from the Start programme offered virtual activity sessions for 14 children who received an activity pack full of arts and crafts, followed by weekly videos of animated stories or someone reading a story. The children also received a video of the project lead, Sam, doing an activity based on the story they could listen to. With the arts and crafts packs, they were able to carry out the activities at home.

The Ready for School Project is now in its second year as Waltham Forest continues to focus on raising the achievement of children living on Peabody's Chingford Hall Estate, through family support and tailored teaching. Working in partnership with the local Children's Charity, Lloyd Park, Salisbury Manor Primary and Waltham Forest Council, the project funds a community-based teacher who has worked with 12 local children through virtual lessons, activities and door-step visits over the past year.

2. ROUTES OUT OF POVERTY

We launched the Chingford Hall Pantry in August 2020 to provide a sustainable and long-term solution to food poverty, helping households save money on their weekly shop, meet their neighbours and access local services. We recruited a team of 14 volunteers to run the pantry and 123 households signed up as members between August 2020 and March 2021, with 413 people benefitting in total.

This year, 34 residents raised their income as a result of our advice service. We managed to raise significant sums for struggling residents despite the challenges caused by the pandemic and the long wait for benefit decisions. £79,771 was awarded in lump sums, an average of £2,346 per person.

3. BUILDING AN ENGAGED AND ACTIVE COMMUNITY

This year, we launched a youth steering group and two resident steering groups which included 10 residents, a partner and local councillors. All have been lively forums where residents have been sharing their priorities to shape our future programme. We awarded five micro grants for residents to lead their own projects including multi sports for young people, a youth mentoring initiative and activity boxes for families during lockdown.

Tai lives on Chingford Hall and is a mother of 5 children, aged between 5 and 16. She started volunteering for the Chingford pantry in August 2020, to contribute to her local community. Tai has volunteered weekly since the Pantry opened, helping people with their shopping, taking payments, registering new members on the online portal, ensuring shelves are well-stocked and supporting new volunteers.

In October 2020, Tai completed her Level 2 Food Safety and Hygiene qualification and is now working towards a teaching assistant qualification with help from PCF. She values being a volunteer because she gets to meet new people as well as practicing and improving her English.

"

It helps me save money. I have a big family so this is very important. I used to spend a lot of money on food, now I pay £4.50 for 10 items and lots of free things and it helps a lot."

Tai, Chingford pantry volunteer

ISLINGTON, LAMBETH AND SOUTHWARK

To support our place-based approach, we are designing and implementing Local Area Plans in Islington, Lambeth and Southwark, working with partners to achieve systemic change and make the best use of our community spaces, expertise, and collective resources.

ISLINGTON

We launched our Islington Local Area Plan in 2020. The plan will be delivered through Islington's Fairer Together Borough Partnership which aims to tackle inequality and make Islington a fairer place to live. Due to the pandemic Fairer Together is still very much in its infancy but research designed and conducted in partnership with Help on Your Doorstep (HOYD) has enabled PCF to identify how we can contribute.

Following the research, and by analysing the existing data and conversations with the Local Authority and Voluntary and Community Sector partners across Islington, we identified youth employment and social connectedness as priorities. The pandemic resulted in redeployment of staff and a shift in priorities, which meant that services were brought online in order to address food poverty and improve residents' wellbeing.

Partnership and collaboration continues to be a key driving force which underpins our work in the borough. We have committed £50,000 to become an official Islington Giving Coalition Partner and we have agreed an additional ongoing contribution to HOYD's direct work addressing poverty and inequality through early intervention and prevention initiatives including tackling underlying issues through their 'Good Neighbours' resident engagement scheme.

Our partnership with Islington Giving has created opportunities for grassroots initiatives to continue providing much needed local interventions and services such as:

- The Young Jobs Fund, which has a jobs programme for young people
- The Local Village Network continues to support young people in Islington who lack access to employment networks
- Global Generation provide Friday Night Out mindful cooking activities for young people and;
- Organisations such as Fully Focused which uses film to challenge perceptions, address social issues and support marginalised young people.

LAMBETH

Lambeth has the highest rate of violence affecting young people in London. Some high-quality informal activities are taking place in the borough, but more funding and resource is needed to expand the reach and impact. In response, we are working with Lambeth Council and a range of partners to develop and deliver their strategy for tackling violence against young people. Together, we have developed a fund to respond to violence affecting young people in Tulse Hill, Peabody Hill and Rosendale. Both PCF and Lambeth Council have contributed £50,000 each year to the fund. As well as providing funding, we will enable organisations to access training and support that responds to their needs, with decisions made by local residents.

SOUTHWARK

In Southwark we are at the early stage of discussions with partners in the Council and voluntary sector to identify priorities for the Local Area Plan.

OUR FUTURE PRIORITIES

GREAT SOCIAL IMPACT

We place residents at the heart of everything we do and encourage people living in our communities to play an active role. We deliver services that matter most to local people, whilst also offering support to the wider community through structured programmes and services delivered with our partners.

A PLACE AND PEOPLE-LED APPROACH

Our local approach provides us with a deep understanding of what works for our communities. At its core are the following principles:

- Being place-based;
- Responding to local need;
- Working in partnership; and
- Investing with partners in local areas.

Our local connections and partnerships with local authorities and other stakeholders have helped us respond effectively to the pandemic. We will continue to focus our efforts in key locations where we have a high concentration of Peabody homes, making sure that everyone has easy access to the right tailored support.

UNIVERSAL AND DIGITAL OFFER

Our universal offer offers a range of core services for all our residents. We do this through our grants programme which offers a range of support, and through our digital offer, which includes providing employment and training support as well as volunteering opportunities. We also offer free and low-cost activities through our community buildings and support for active residents and community groups.

SOCIAL VALUE

We will gain more social value from our spending decisions and the buying of goods and services to address the key issues faced by our residents and communities, such as providing employment opportunities through our supply chain. We are working closely with the Housing Associations Charitable Trust (HACT) on the Social Value Roadmap, which will enable the social housing sector to use social value information to improve services, enhance decision-making and increase the impact we make.

We will continue to secure funding that enhances our social purpose building on work such as our sustainable linked loan with BNP Paribas that helps us address the lack of affordable childcare for Peabody residents and the impact this has on their lives.

INFLUENCING AND WORKING IN PARTNERSHIP

Our residents' voices matter, and that's why we're making sure their voices are heard. We will continue to speak up for communities and highlight the challenges they face by proactively forming strategic and local partnerships and engaging with policy makers.

By working in partnership with other organisations that are embedded in our communities and understand their needs as well as we do, we can make our resources go further.

Contractor Durkan is working on our Southmere development, which will see over 7,000 new homes built over the next 10 years in Thamesmead. In 2020 they provided training, apprenticeships and employment opportunities for residents, donated materials and equipment to our programmes, supported people into work on their site as well as donating 40 laptops to distribute to families struggling with home-schooling during the pandemic. This is a great example of how we can work with contractors to deliver wider benefits for our residents, communities and local businesses.

"When we all work together we can make sure that everyone benefits from our developments, not just those who live in them"

Kevin O'Connor, Head of Social Responsibility and Inclusion, Durkan

We would like to thank the following for their valuable support in 2020/21

Advanced Building Ltd

Ardmore Construction

Axis

BNP Paribas

British Red Cross

Centre for the Acceleration of Social Technology (CAST)

Charlton Athletic Community Foundation

City of Westminster

Clarion Housing Group

Clifford Chance

Communities that Work

Department of Work and Pensions

Durkan

East London Business Alliance

EEM

Engie

Film Fixer

Ginkgo Gardens

Greater London Authority

HACT

Help on Your Doorstep

ID Verde

Imperial College

Islington Giving

L&Q

Lloyd Park Children's Charity

London Borough of Bexley

London Borough of Hackney

London Borough of Hammersmith and Fulham

London Borough of Islington

London Borough of Lambeth

London Borough of Lewisham

London Borough of Southwark

London Borough of Tower Hamlets

London Borough of Waltham Forest

London Borough of Wandsworth

London Community Foundation

London Food Alliance

London Funders

London South East Colleges (LSEC)

Mary Minute Trust

Mayors Fund for London

Mr JE Ashwood and Ms Ridgway

National Lottery Community Fund

New Economics Foundation

Orbit

Plentific

Purdy Contracts Ltd

Ravensbourne University

Royal Borough of Greenwich

Royal Borough of Kensington and Chelsea

Save the Children

Sheffield Hallam University

Sport England

Social Value Portal

Stanford d. school

Tectonic

The Employment Related Services Association (ERSA)

The Felix Project

The South East London Chamber of Commerce

TSG Building Services

Unitas

United Charities in Hammersmith and Fulham

University of Manchester

VINCI Facilities

Waterways Children's Centre

Waitrose Ltd

Wates

Winckworth Sherwood LLP

Youthbuild Ventures UK

Financial review

FINANCIAL PERFORMANCE

The Charity has reported an overall deficit of £49k for the year ending 31 March 2021 (2020: £57k surplus) compared with a budgeted deficit of £378k. Both income and expenses were less than budgeted due to Covid-19. Centres were closed for part of the year with some activities cancelled and others moved online.

The Charity adapts its operations to ensure that outcomes can be maintained, within a fully funded balanced budget. The budget was set as a deficit for the year ended 31 March 2021, due to the treatment of funds from the deferred consideration (further information can be found at note 12). At 31 March 2021, the Charity had reserves of £28.8m (2020: £28.9m).

SECTION 172 STATEMENT

The Trustees are aware of and acknowledge their responsibilities to promote the success of the Charity for the benefit of its stakeholders as a whole, in accordance with s172 of the Companies Act 2006. When fulfilling responsibilities in accordance with s172 the Trustees have regard to what is in the best interests of the Charity and what is in the best interests of the Peabody Group (the "Group") including the matters set out in section 172(1)(a) to (f).

The Charity's key stakeholders are set out in the earlier sections of this report, including other charities, Local Authorities, community groups, volunteers, residents and other beneficiaries of the Charity's services and private sector partners. The Group Annual Report and Accounts (the "Group Accounts") provides further details of the Group's key stakeholders. The Trustees have engaged with beneficiaries and community partners, as key stakeholders of the Charity. Engaging with these stakeholders helps the Trustees to manage the Charity's principal risks and has encouraged the Charity's Board of Trustees (the "Board") to move toward a place-based approach. This involves a greater focus on collaboration and co-creation for the greatest impact, instead of direct delivery, with an initial focus on Thamesmead, Waltham Forest and Hackney.

The Trustees consider the likely consequence of any decision in the long term in accordance with the strategic objectives of the Group as set out in the Group Accounts and in line with the Charity's goals to build engaged and active communities, boost income, develop skills and aspirations, and improve mental and physical health, within the budget and risk capacity agreed by the Board.

The Trustees also adopt the Group's approach to environmental, social and governance ("ESG") matters.

By adopting the values and culture of the Group in the decision making process the Trustees are confident that the Charity demonstrates positive engagement with stakeholders, a reputation for high standards of business conduct and its commitment to long term, sustainable success and accordingly Trustees' compliance with s172.

SUSTAINABILITY STATEMENT

The Charity, as a wholly owned subsidiary in the Group, aligns its activities and strategic priorities with those adopted by Peabody Trust ("Peabody"), including the Sustainability Strategy 2021-24. All subsidiaries continue to work towards meeting energy efficiency targets despite the challenges presented by an older property portfolio.

In providing more new homes, Peabody are putting quality, safety, sustainability and social purpose at the heart of everything they do. Future homes will need to be energy efficient, low carbon, innovative and sustainable to meet the changing needs of its communities. An example of a key initiative aligned with this can be seen in Thamesmead, where the Charity is committed to Peabody's Living in the Landscape blueprint on how natural systems can - and will - change lives for the better.

Peabody is committed to the best ESG practice and has played an important role in developing new robust ESG criteria for the sector, working with other leading housing associations, service providers, investors and other organisations to help publish the ESG and Social Housing White Paper. The Charity will continue to play a role in the development of appropriate reporting criteria to best demonstrate Peabody's positive impact on its communities.

Further information about Peabody's sustainability practices can be found in the Group Accounts, available online at the Group's website (www.peabody.org.uk).

PRINCIPAL RISKS AND UNCERTAINTIES

The risks specific to the Charity are monitored regularly by the Board and take into account the environment in which the Charity operates as well as the Group's risk appetite. They are not unexpected and are typical of the sector:

- Failure to maintain an effective health and safety environment to protect people, processes and the buildings in which we operate.
- Non-compliance with regulations for protecting information and people.
- Not safeguarding vulnerable people using our services.
- Failure to ensure robust contract management and financial control procedures.
- Implementation of the new delivery model not continuing to deliver intended impacts.
- Managing customer demands and expectations as we return to full service delivery.

If not managed effectively these risks can result in negative financial, reputational, or operational performance impacts, regulatory intervention, or significantly harm people.
Risks are managed continually, and actions are identified and implemented to mitigate risks. The Board provides regular oversight of the risks and mitigating actions. Key actions this year include:

- A new monitoring evaluation framework has been designed to report on a quarterly basis to the Group Communities Committee.
- Staff training on procedures of the Group and specific training for services. Training includes Health & Safety, Data Protection and Safeguarding. Internal Health & Safety spot checks are conducted regularly and a full review of Safeguarding policies and procedures, including new reporting arrangements, has been undertaken.
- Reporting of incidents of non-compliance to the Group Health & Safety Committee and the Safeguarding Panel for corrective action.
- Implementing local area plans enables services to be catered to local needs and support local partnerships.
- A number of mechanisms are in place to understand customer demands and expectations, such as local steering and focus groups together with a bi-annual users survey.

The Charity benefits from the Group's frameworks and processes for overall risk and safety of facilities.

The Covid-19 pandemic continues to have an impact on the operations of the Group and the Charity continues to adapt to the situation, as a wholly owned subsidiary in the Group. The Covid-19 pandemic began to impact the Group's operations on 26 March 2020 when the Health Protection (Coronavirus Restrictions) (England) Regulations 2020 came into force. Subsequently, the Regulations have been amended and the restrictions have resulted in a number of impacts on the Group and its customers:

- Operational issues such as the need to implement steps to protect residents and staff from the risk of infection, necessary disruption to the delivery of repairs and planned maintenance;
- The majority of community spaces were closed and the Charity moved to remote delivery;
- A reduction in income from renting community spaces;
- A reduction in fund raising opportunities; and
- During the year the Peabody Board and Committees met more frequently by videoconference, and will do so again if required.

In response to the uncertainty, the Group increased the level of cash held to ensure an appropriate level of immediately available liquidity and continues to maintain communications with funders on this. During the year prudent steps were taken to reduce costs, where this could be achieved without impacting on service delivery.

The impact on the Group's finances continues to be carefully monitored and considered, and is referred to in note 1.2 - going concern. Whilst the effect of the pandemic will have an adverse impact on 2021/22 financial performance, the Peabody Board and the Board are confident they can meet their responsibilities to residents whilst also meeting Peabody's and the Charity's financial obligations.

The Trustees' Annual Report provides further information on Future Plans at page 40.

Further analysis of the key strategic risks faced by Peabody and its subsidiaries and associated risk mitigation are provided in the Group Accounts which can be found at www.peabody.org.uk.

GOVERNANCE

The Trustees' Annual Report pages 37 to 40 and the Group Accounts provide details on compliance with regulations, the National Housing Federation ('NHF') Code of Governance (2015 edition) and the new NHF Code of Governance published in November 2020.

By Order of the Board

DEIRDRE MOSS
Chair
15 September 2021

Trustees' annual report

The Directors of Peabody Community Foundation are also the Trustees of the Charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (September 2015) ("FRS 102"), the Charities SORP (FRS 102): Accounting and Reporting by Charities Statement of Recommended Practice ("the SORP"), the Companies Act 2006 and the Charities Act 2011.

OBJECTIVES AND PRINCIPAL ACTIVITIES

The Charity is a community development organisation operating in Greater London and its surrounding areas. It focuses on sector-leading community programmes which make a real difference to Peabody residents and their communities. Peabody is committed to continued investment in community programmes and plans are included within the Group Strategy 2021-2024 which will aim to benefit an increasing number of Londoners. The Strategic Report on pages 2 to 36, which forms part of the Annual Report, outlines the Charity's objectives, activities and also cover performance for the year ended 31 March 2021. In setting our objectives, planning our activities and monitoring our services, the Board has given careful consideration to the Charity Commission's general guidance on public benefit and the Trustees can confirm that the Charity has met this criterion.

On 15 August 2020, the Charity's objects were changed to alter the Charity's area of benefit from Greater London to Greater London and its environs (comprising the local authority areas within or transected by a radius of 50 miles from London EC3). The purpose of this change was to align the Charity's area of benefit to that defined in the Peabody Rules (amended with effect from 1 April 2019), for which the Charity provides a community investment vehicle. The Charity's particular emphasis on Thamesmead and the surrounding areas, which reflect the Charity's original purpose, was unaffected by the change.

TRUSTEES

Particulars of the Trustees who served on the Board during the year and subsequently are set out on pages 8 and 9.

The Trustees are covered by the Group's directors' and officers' indemnity insurance policy.

REGULATORY FRAMEWORK

The Charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2021, Peabody and its principal subsidiaries (including the Charity) applied the principles and provisions of the National Housing Federation ("NHF") Code of Governance - Promoting board excellence for housing associations (2015 edition) (the "NHF Code") and complied with its provisions. Peabody and the Charity have also committed to meet the principles of the NHF Code of Conduct (2012 edition) through adherence to the Peabody Code of Conduct.

Peabody has adopted the new NHF Code of Governance published in November 2020 (the "NHF 2020 Code") with effect from 1 April 2021. Peabody and the Charity already comply with most of the requirements underlying the principles based NHF 2020 Code and have identified areas where this is currently not the case. The NHF 2020 Code compliance plan was considered by the Peabody Board in early May 2021 and the Group will work towards compliance over the current financial year. This will include revisions to the Peabody Code of Conduct which will be aligned to the new NHF Code of Conduct to be published this autumn.

During the year, the Peabody Board on behalf of the Group has been kept updated on, and provided oversight and challenge in relation to, the Group's compliance with the Regulator of Social Housing Regulatory Framework including the Governance and Financial Viability Standard. The Board has been briefed on requirements and guidance from the Charity Commission and relevant charity law. The Peabody Board and the Board take their responsibilities under regulation and relevant good practice guidance very seriously and have taken appropriate steps to help ensure compliance.

ROLES OF THE TRUSTEE BOARD AND COMMITTEES

The Peabody Board has overall responsibility for Group strategy and management. During the financial year ended 31 March 2021, there were seven committees: Audit and Risk Committee, Communities Committee, Customer Services Committee, Development Committee, Finance and Treasury Committee, Nominations and Remuneration Committee ("NRC"), and Thamesmead Committee. These Committees support the Peabody Board and are accountable to and report to the Peabody Board. Descriptions of the work of these Committees can be found in the Group Accounts.

The Communities Committee (the "Committee") has the same membership as the Board and meets alongside it. Further information in relation to the governance framework for the Group is set out in the Group Accounts. The Committee exercises delegated authority in relation to the following:

- Provision of strategic oversight of community investment and community development activities across the Group whilst supporting Peabody's strategic objective of encouraging thriving communities.
- The monitoring of the performance of the Group's community investment and community development activities, including direct impact on beneficiaries and on wider communities.
- Consideration of major proposals relating to community investment prior to recommendation to the Peabody Board.
- The monitoring of the effectiveness of internal controls, risk management and matters with significant implications for the beneficiaries of the Group's community work.

BOARD RECRUITMENT, INDUCTION & TRAINING

Keith Clancy stepped down from the Board and Committee on 14 September 2020, Janice Tucker stepped down from the Board and Committee on 20 January 2021, and Michael Cleaver stepped down from the Board and Committee on 24 February 2021.

A recruitment campaign was undertaken to fill the these vacancies, which focused on strengthening the resident voice on the Committee and the Board. This led to the successful appointments of Karima Mbarak, on 18 November 2020, and Shreya Hewett, on 20 January 2021. Samantha Dias was appointed on 24 February 2021 but was unable to take up the role due to ill health, therefore Samantha Dias stepped down from the Board and Committee on 1 March 2021.

The recruitment campaign successfully attracted younger applicants, around half were aged under 35, the majority of applicants were female and the applicants represented a wide range of ethnic backgrounds.

Due to the strength of the applicant pool from a separate recruitment campaign to find a new resident Peabody Board member, Katharina Winbeck was also identified as an excellent candidate for the Board and Committee. Katharina Winbeck was appointed to the Board and Committee on 20 May 2021.

A strong selection of candidates in both recruitment campaigns led to the recruitment to three positions instead of the two advertised. Following the appointments of Shreya Hewett, Karima Mbarak and Katharina Winbeck the Committee and the Board each have a resident member majority for the first time.

The new approach to resident member recruitment reflects Peabody's commitment to the Together with Tenants initiative and action upon adoption of the NHF 2020 Code.

All members have access to the advice and services of the Charity's Secretary. New members undergo a tailored induction programme to ensure they have sufficient knowledge and understanding of the activities of the Charity, Peabody and the sector within which we operate. The programme runs for around six months following appointment and includes:

- Briefing sessions on governance, strategy, finance and risk management, housing services and community investment.
- Information relating to current issues within the sector and those specific to the Committee and the Board.
- Meeting individually with the Chair and vice Chair of the Committee.
- Meeting with key members of management, including Executive Directors and Heads of Services, and other key personnel.
- Training opportunities such as attending NHF webinars and industry briefings.
- A subscription to Inside Housing magazine.
- Provision of key governance documents as part of an induction pack comprising operating regulations, incorporation documents, Peabody's Code of Conduct, terms of reference as well as Group strategies and policies relevant to the role.
- Visibility of board and committee packs, meeting minutes and business planners.

New members will also participate in site visits once the Covid-19 pandemic environment improves, to build a deeper understanding of Peabody homes and services. Guided visits to existing Peabody estates, community centres and a tour of Thamesmead will be organised for new members. There will be opportunities to meet residents and other service users during such visits.

BOARD EFFECTIVENESS - SELF ASSESSMENT

The Board undertakes regular formal evaluation of its own performance and the Board and Committee members completed an individual skills self assessment in November 2020. Since then, the Committee has focused on the following areas for continuous improvement:

- Data-gathering processes to better understand the views of beneficiaries and other stakeholders.
- Mental health awareness training.
- Specialist financial knowledge on the Board.
- Increasing co-production and innovation.

The 2021 Board and Committee effectiveness review which was scheduled to take place in June 2021 has been deferred to autumn 2021, in order to allow the new Board and Committee members more time to gain the insight required to participate in the evaluation.

TRUSTEES'/DIRECTORS' INTERESTS

None of the Trustees held any beneficial interest in the Charity, its parent undertaking or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Keith Clancy, Janice Tucker, Samantha Dias, Shreya Hewett, Karima Mbarak and Katharina Winbeck in their capacity as residents of the parent undertaking. Some Trustees sit on other boards and committees in the Group, as disclosed below. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage.

REMUNERATION OF NON-EXECUTIVE COMMUNITIES COMMITTEE MEMBERS

The non-executive members of the Committee receive remuneration in accordance with the Peabody Board and Committee Member pay policy. Full disclosure for each role for the financial year ended 31 March 2021 is provided in the table below:

Peabody Board level of pay	Peabody board level of pay	Committee only level of pay
Peter Baffoe (1)	**£12,000**	
Keith Clancy (2)		£3,500
Michael Cleaver (3)		£6,417
Helen Edwards (4)	**£12,000**	
Shreya Hewett (5)		£1,750
Karima Mbarak (6)		£2,917
Deirdre Moss (7)	**£15,000**	
Janice Tucker (8)		£5,833

Peabody Board and Committees members who perform multiple roles receive remuneration for the highest-paid role only.

(1) Peter Baffoe also serves as a member of the Peabody Board; Customer Services Committee; and the Committee. The remuneration shown in the table represents his Peabody Board membership.
(2) Stepped down in September 2020.
(3) Stepped down in February 2021.
(4) Helen Edwards also serves as a member of the Peabody Board; the Audit and Risk Committee; and the Committee. The remuneration shown in the table represents her Peabody Board membership.
(5) Appointed January 2021.
(6) Appointed November 2020.
(7) Deirdre Moss is a Peabody Board member and also serves on the Nominations and Remuneration Committee; Thamesmead Committee; Customer Services Committee and the Town and Country Housing Board. The remuneration shown in the table reflects her role as Chair of the Committee.
(8) Stepped down in January 2021.

Not all Committee members decided to accept pay and non-executives mentioned in the table above were all paid by Peabody Trust and receive no remuneration from the Charity for serving as trustees. Catherine O'Kelly elected not to receive pay as a Committee member.

The levels of payment per annum that the Committee members named above are legally entitled to under the Rules of Peabody Trust, are as follows:

For Committee Chair / Principal Peabody Subsidiary Chair	£15,000 p/a
For a Peabody Board Member	£12,000 p/a
For a Committee Member	£7,000 p/a

STAKEHOLDERS, SUSTAINABILITY AND TRANSPARENCY

The Group (including the Charity) continues to exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers. These include representatives of local, regional and national government; Peabody's funders and regulators; and delivery partners from a number of sectors. This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF and the Chartered Institute of Housing, to influence policy decisions in the sector. This approach has helped Peabody to deliver on its strategic goals and achieve the social purpose expressed through its mission statement. An example of this is in Thamesmead, where the strength of Peabody's relationships with stakeholders and its partnerships with the London Borough of Bexley, the Royal Borough of Greenwich, the Greater London Authority and Transport for London among others will underpin the success of the Thamesmead regeneration programme over the years to come.

Peabody is committed to being open and transparent in the way we conduct our business and interact with the Charity's beneficiaries. Peabody believes in being accountable for its actions, spending and performance, by demonstrating how it delivers value for money. The Group publishes information about its priorities, strategic goals and performance and how it utilises resources on its website. Specific information about the Charity's work is available on request, except, for example, for legal reasons or on the grounds of data protection, personal confidentiality, commercial confidentiality or practicality.

FUTURE PLANS

Notwithstanding the impact of the Covid-19 pandemic as set out in the Principal Risks and Uncertainties section of the Trustees Report, the Charity will continue to develop the strategy for the next three years and invest in community programmes in accordance with Our Future Priorities as set out on pages 32 and 33.

STATEMENT OF GOING CONCERN

Notwithstanding the impact of the Covid-19 pandemic on the operations of the Charity and the Group, as referred to in the Principal Risks and Uncertainties section of the Trustees Report, the Board has a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months after the date on which the report and financial statements are signed. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Consideration of going concern is further documented in note 1.2 of these financial statements.

RESERVES POLICY

The reserves policy is adopted by the Board and sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve. The Charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to 2 months (the equivalent of approximately £1.3 million) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. The Charity's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £2.8 million at the year end, higher than the minimum level set by Trustees.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Peabody Board is accountable for its system of risk management and the internal control framework and for reviewing their effectiveness. The system of risk management and internal control is designed to monitor, manage and mitigate the risk of failing to achieve business objectives. It can only provide reasonable, not absolute assurance against material misstatement or loss. The system of risk management and internal control also exists to give reasonable assurance about the reliability of financial and operational information and the safeguarding of Peabody's assets, services and interests.

The Group Audit and Risk Committee provides oversight of the Group's system of risk management and internal control on behalf of the Peabody Board (as the parent entity for the Group) and the Board and regularly reviews its effectiveness. The Group's arrangements in respect of the system of risk management and internal control cover the Charity.

THE RISK REVIEW PROCESS

During the year, the Peabody Board and the Audit and Risk Committee focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the Audit and Risk Committee and reports at least twice yearly to the Peabody Board. The Group has 10 key risks outlined in its risk register which was approved by the Peabody Board on 20 May 2021. These risks are set out in the Risk and Uncertainties section of the Strategic Report in the Group Accounts.

Further information on risk, internal audit, monitoring and controls is set out in the Group Accounts.

STATEMENT ON INTERNAL CONTROLS ASSURANCE – PEABODY GROUP

The Group's arrangements in respect of the system of risk management and internal control cover the Charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the Audit and Risk Committee the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Audit and Risk Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2020 up to the date of approval of the financial statements, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

EXTERNAL AUDITOR

KPMG LLP will pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

DISCLOSURE OF INFORMATION TO AUDITOR

The Trustees who held office at the date of approval of this annual report confirm that, in so far as each of the Trustees is aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

By Order of the Board

DEIRDRE MOSS
Chair
15 September 2021

Statement of Trustees' responsibilities in respect of the Annual Report and the financial statements

The trustees are responsible for preparing the 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. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 income and expenditure 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

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

By Order of the Board

DEIRDRE MOSS
Chair
15 September 2021

Independent auditor's report to the members of Peabody Community Foundation

OPINION

We have audited the financial statements of Peabody Community Foundation ("the charity") for the year ended 31 March 2021 which comprise the statement of financial activities, statement of financial position, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 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 UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charity will continue in operation.

FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- Enquiring of trustees and other management as to the Charity's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as pension assumptions. On this audit we do not believe there is a fraud risk related to revenue recognition because there are few internal targets or expectations in terms of revenue, and the majority of revenue is through an intercompany donation where there is limited opportunity for fraud to take place. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual account pairings related to cash and revenue, as well as journals posted to account codes with few manual journal entries.
- Assessing significant accounting estimates for bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation, as well as the Charities SORP), taxation legislation, and pensions legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, and certain aspects of company and charity legislation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

OTHER INFORMATION

The trustees are responsible for the other information, which comprises the Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

- Under the Companies Act 2006 we are required to report to you if, in our opinion:
- the charity has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- We have nothing to report in these respects.

TRUSTEES' RESPONSIBILITIES

As explained more fully in their statement set out on page 41, the trustees (who are also the directors of the charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity'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 they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

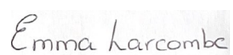
AUDITOR'S RESPONSIBILITIES

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the charity'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 charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



EMMA LARCOMBE (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Botanic House
100 Hills Road
Cambridge
CB2 1AR
20 September 2021

Statement of financial activities including income and expenditure account for the year ended 31 March 2021

	Note	**Unrestricted Funds £'000**	**Restricted Funds £'000**	**Total 2021 £'000**	Total 2020 £'000
Incoming Resources					
Donations and legacies	3a	5,283	92	5,375	5,865
Incoming resources from charitable activities	3b	291	444	735	1,824
Surplus on sale of fixed assets	4	727	-	727	-
Total incoming resources		**6,301**	**536**	**6,837**	**7,689**
Resources expended					
Cost of charitable activities		(7,340)	(456)	(7,796)	(8,487)
Total resources expended	**8a**	**(7,340)**	**(456)**	**(7,796)**	**(8,487)**
Investment income	5	878	-	878	869
Interest payable	6	(10)	-	(10)	(7)
Net (expenditure)/income for the year before gains & losses		**(171)**	**80**	**(91)**	**64**
Actuarial gain/(loss) on defined benefit schemes		42	-	42	(7)
Net (expenditure)/income for the year		**(129)**	**80**	**(49)**	**57**
Net movements in funds		**(129)**	**80**	**(49)**	**57**
Fund balances brought forward		28,238	659	28,897	28,840
Fund balances carried forward		**28,109**	**739**	**28,848**	**28,897**

The accompanying notes form part of these Financial Statements. All amounts relate to continuing activities.

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

No corporation tax was payable by the Charity for the year ended 31 March 2021 (2020: £nil).

Statement of financial position as at 31 March 2021

	Note	**Total 2021 £'000**	Total 2020 £'000
Fixed assets			
Tangible assets	11	9,127	9,107
		9,127	**9,107**
Current assets			
Stock		15	5
Pension scheme assets	17	73	75
Debtors (including £19,234k (2020: £19,662) due after more than one year)	12	19,985	20,769
Cash at bank and in hand		2,340	1,013
		22,413	**21,862**
Creditors: amounts falling due within one year	13	**(2,328)**	(1,672)
Net current assets		**20,085**	**20,190**
Creditors: amounts falling due after one year			
Defined benefit pension scheme	17	(364)	(400)
Net assets		**28,848**	**28,897**
Restricted funds	14	739	659
Unrestricted funds	14	28,109	28,238
Total funds		**28,848**	**28,897**

The accompanying notes form part of these Financial Statements

The financial statements were approved by the Board of Trustees and recognised for issue on 15 September 2021, and signed on its behalf by:

DEIRDRE MOSS
Chair

Notes to the financial statements

1. ACCOUNTING POLICIES

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice, comprising Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ('FRS 102') and the Statement of Recommended Practice 'Accounting and Reporting by Charities' as revised in 2019 ('the SORP'), together with the reporting requirements of the Companies Act 2006, the Charities Act 2011. It also requires Group management to exercise judgement in applying the Group's accounting policies.

The Charity is a public benefit entity.

1.2 GOING CONCERN

The Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2021/22 and the Group's medium term financial position as detailed in the 30-year business plan, including changes arising from the Covid-19 pandemic, are of the opinion that, taking account of severe but plausible downsides, the Charity will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The Trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

1.3 CASH FLOW STATEMENT

The Charity is exempt from the requirements of FRS 102, to prepare a cash flow statement as its results are included in the consolidated financial statements of the Peabody Group which includes a cash flow statement.

1.4 TANGIBLE AND OTHER FIXED ASSETS AND DEPRECIATION

Freehold land and buildings represent properties acquired from Thamesmead Town on its demerger in April 2000, which were professionally valued by Chartered Surveyors on an existing use open market value basis at this date. The assets were subsequently transferred to Trust Thamesmead from its subsidiary during 2009 at their net book value. The Trustees have adopted the policy of holding freehold buildings at cost less accumulated depreciation and any accumulated impairment losses under FRS 102.

Tangible and other fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged on the above assets from the month of purchase until the month of disposal.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is charged on the below assets from the month of purchase until the month of disposal. The estimated useful lives range as follows:

IT equipment	3 years
Office equipment	5-10 years
Freehold land and buildings	50 years
Leasehold land and buildings	Over the length of the lease

1.5 STOCK

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

1.6 BASIC FINANCIAL INSTRUMENTS

a) Trade and other debtors

Trade and other debtors are measured at transaction price, less any impairment. A provision for bad debt arises when the debtor balance is 90 days or greater. The initial provision is a charge against the statement of financial activities but is then carried forward to a subsequent period. The debtors figure in the statement of financial position is adjusted to be presented 'net of the provision'. Any increase or decrease in the provision in a subsequent period is debited or credited to the statement of financial activities. The write off of a specific bad debt is made in accordance with the Group Financial Regulations.

b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits.

c) Trade and other creditors

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

1.7 INCOMING RESOURCES

All incoming resources are accounted for in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Income from charitable activities is accounted for on a receivable basis.

In accordance with the Charities SORP 2019, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the Charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

1.8 REVENUE GRANT

Grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance.

Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

1.9 RESOURCES EXPENDED

Expenditure is accounted for on an accruals basis, and classified under headings in the accounts that aggregate all costs related to the category. Irrecoverable VAT is included in the expense item to which it relates.

Charitable activities – some resources expended, including staff costs, are apportioned across different categories of expenses, where appropriate, on the basis of time incurred on the projects.

Grants payable are charged in the year when the offer is conveyed to the recipient, except in cases where the offer is conditional, such grants being recognised as expenditure when the conditions are fulfilled. Provisions are only provided for on contractual liabilities which exist at the balance sheet date.

1.10 LEASES

Leases are classified as finance leases whenever the terms of the lease substantially transfer the risks and rewards of ownership of the leased asset to the Charity. All other leases are classified as operating leases.

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

1.11 FUND ACCOUNTING

Unrestricted funds – these are accumulated surpluses and deficits on general funds which can be used in furtherance of the general objectives of the Charity at the discretion of the trustees.

Designated funds – these are unrestricted funds which have been set aside by trustees for specific future purposes or projects.

Restricted funds – these are funds that have restrictions imposed by donors and can only be applied for the particular purposes specified by donors. The construction and purchase of fixed assets with restricted funds are deemed to be satisfied once the construction or purchase has taken place and therefore these restricted fund balances are released to unrestricted general funds once the construction or purchase is complete unless the restriction is deemed to be on a permanent basis.

1.12 EMPLOYEE BENEFITS

a) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

b) Defined contribution plans and other long-term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Charity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of comprehensive income in the periods during which services are rendered by employees.

c) Defined Benefit Pension Scheme

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Charity's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted.

Regular valuations are prepared by independent professionally qualified actuaries. These determine the level of contributions required to fund the benefits set out in the rules of the fund and allow for the periodic increase of pensions in payment. The current service cost of providing retirement benefits to employees during the year, together with the cost of any benefits relating to past service, cost of curtailments and settlements are charged against the operating surplus in the year. Actuarial gains and losses are recognised in the SOFA.

d) Termination Benefits

Termination benefits are recognised as an expense when the entity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Charity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

1.13 RELATED PARTY TRANSACTIONS

Related party transactions include the Charity's transactions with the Parent entity, with fellow subsidiaries, associates, joint ventures and compensation paid to key management personnel. Key management personnel are senior management team, board members and their close family.

Compensation includes all employee benefits in exchange for services and consideration paid on behalf of Peabody in respect of goods or services provided to the entity.

1.14 VALUE ADDED TAX

Value Added Tax is accounted for on an accruals basis. For business supplies chargeable to tax, or where special dispensations have been agreed, input tax directly relating to goods and services that have enabled the supply, and relating to a fair proportion of the cost of central services in support of these, are recovered from HM Revenue & Customs.

1.15 TAXATION

As a registered charity, the Charity is exempt from income and corporation tax to the extent that its income and gains are applicable for charitable purposes only.

1.16 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the Members of the Peabody Community Foundation Board have made the following key judgements:

- Depreciation of other tangible fixed assets - see note 1.4
- Valuation of defined benefit pension schemes - see note 1.12c.

2. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the Charity there remain any assets, after satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the Charity.

3. INCOMING RESOURCES

(A) DONATIONS AND LEGACIES

	Unrestricted £'000	Restricted £'000	Total £'000	2020 £'000
Intra group donations – Peabody	5,227	-	5,227	5,586
Other Donations	56	92	148	279
	5,283	**92**	**5,375**	**5,865**

(B) CHARITABLE ACTIVITIES

	Unrestricted £'000	Restricted £'000	Total £'000	2020 £'000
Community Champions	-	40	40	41
Community Fund (iWill)	-	102	102	100
Connecting Young Hackney	-	50	50	50
FSS Family Support grant	-	177	177	250
Love London Working	-	-	-	452
Maternity Champions	-	58	58	48
Sport England – Tackling Inactivity	-	-	-	53
NHS CCG	9	-	9	-
Other grant income	-	17	17	44
Trading Income	282	-	282	786
	291	**444**	**735**	**1,824**
Total incoming resources from charitable activities – 2020	786	1,038	1,824	

4. SURPLUS ON SALE OF FIXED ASSETS

	2021			2020		
	Proceeds £'000 2021	Costs £'000 2021	Surplus £'000 2021	Proceeds £'000 2021	Costs £'000 2021	Surplus £'000 2021
Disposal of community buildings	**755**	**(28)**	**727**	-	-	-

5. INVESTMENT INCOME

	2021 £'000	2020 £'000
Interest from parent undertaking	**878**	869

6. INTEREST PAYABLE

	2021 £'000	2020 £'000
Interest cost on pension scheme	**10**	7

7. NET INCOMING RESOURCES FOR THE YEAR ARE AFTER CHARGING:

	2021 £'000	2020 £'000
Net incoming resources for the year are after charging:		
Auditor's remuneration: current year audit fee	10	9
Pension costs	170	275
Depreciation of owned fixed assets	247	257

The audit fee is paid by the Parent entity, Peabody Trust, as part of an SLA agreement between the two entities.

8. ANALYSIS OF TOTAL RESOURCES EXPENDED

(A) RESOURCES EXPENDED

	Direct costs £'000	Support costs £'000	Total £'000	2020 £'000
Charitable activities				
Building capacity of group and individuals	2,127	602	2,729	1,749
Children, young people & families	1,617	457	2,074	2,296
Employment and employability	431	307	738	1,516
Improving sports	253	72	325	489
Community cohesion	832	235	1,067	1,060
Covid-19 support	656	-	656	-
Other charitable activities	150	43	193	1,305
	6,066	**1,716**	**7,782**	**8,415**
Governance				
Staff costs	-	8	8	8
External audit and legal fees	-	6	6	64
	-	**14**	**14**	**72**
Total resources expended	**6,066**	**1,730**	**7,796**	**8,487**
Total resources expended – 2020	7,256	1,231	8,487	

(B) SUPPORT COSTS

	2021 £'000	2020 £'000
Administration costs	698	713
Staff costs	580	518
Restructure cost	452	-
	1,730	**1,231**

Costs directly attributable to charitable activities are allocated to direct costs. Those costs not directly attributable are included in support costs. Support costs are then apportioned based on the staff time incurred on each charitable activity.

9. STAFF COSTS AND EMOLUMENTS

	2021 £'000	2020 £'000
Wages and salaries	3,771	4,212
Social security costs	373	398
Pension contributions	170	275
Other staff costs	457	84
	4,771	**4,969**

	2021 No.	2020 No.
The average number of employees during the year was as follows:		
Charitable activities	103	111
Management, administration and support services	4	4
	107	**115**

The Charity's staff are employed under Peabody Group contracts and the salary costs are recharged under an intra group service level agreement.

The numbers of employees who received remuneration (excluding pension contributions) in excess of £60,000 per annum are stated below in bandings of £10,000:

	2021 No.	2020 No.
Emoluments of higher paid staff within the following scales were:		
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	2	2
£90,001 - £100,000	-	-
£120,001 - £130,000	-	-
£130,001 - £140,000	1	1
	6	**5**

The earnings for the Charity's key management personnel (including the Executive Director) for the year were £264k (2020: £257k), with pension contributions of £24k (2020: £21k), and benefits in kind totalling £nil (2020: £nil).

10. TRUSTEES REMUNERATION AND EXPENSESS

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. Full disclosure for the financial year 2020/21 is provided in the Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members).

During the year Trustees claimed expenses £nil for travel, subsistence and incidentals (2020 £nil).

During the year the Charity paid £177 (2020: £67) for Trustees' indemnity insurance via a Group Insurance policy.

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £'000	IT and office equipment £'000	Total £'000
Cost			
At 1 April 2020	11,319	235	11,554
Additions	307	1	308
Disposal	(194)	-	(194)
At 31 March 2021	**11,432**	**236**	**11,668**
Depreciation			
At 1 April 2020	2,385	62	2,447
Charge for the year	227	20	247
Disposals	(153)	-	(153)
At 31 March 2021	**2,459**	**82**	**2,541**
Net Book Value			
At 31 March 2021	**8,973**	**154**	**9,127**
At 31 March 2020	8,934	173	9,107

All assets are held for charitable purposes.

There is a charge held with the Big Lottery Fund for £5 million over Harrow Manor Way, and a second charge with The Football Foundation for £1 million over the land at Thamesmead Football Club.

12. DEBTORS

	2021 £'000	2020 £'000
Amounts due within one year		
Trade debtors	20	144
Other debtors	301	576
Deferred consideration	428	378
Amounts due from parent undertaking	2	-
Prepayments	-	9
	751	**1,107**
Amounts falling due after more than one year		
Deferred consideration	15,734	16,162
Loan to parent undertaking	3,500	3,500
	19,234	**19,662**

The deferred consideration has arisen on the sale of the Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014. The deferred consideration is payable in quarterly instalments over 30 years. The monies loaned to the parent company have been invested in an interest bearing notice account on PCF's behalf.

13. CREDITORS

	2021 £'000	2020 £'000
Trade creditors	286	399
Amounts owed to parent undertaking	835	408
Other creditors	452	87
Accruals and deferred income	755	778
	2,328	**1,672**

The movements in deferred income are as follows:

	2021 £'000	2020 £'000
Deferred income at 1 April	95	84
Amounts released from previous years	(95)	(74)
Incoming resources deferred in the year	352	85
Deferred income of 31 March	**352**	**95**

14. MOVEMENT ON RESERVES

	1 April 2020 £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & (Losses) £'000	31 March 2021 £'000
Funds:					
Restricted funds	659	536	(456)	-	739
Unrestricted funds	28,238	7,179	(7,350)	42	28,109
	28,897	**7,715**	**(7,806)**	**42**	**28,848**
Included with unrestricted funds are designated funds of:					
Designated Funds:					
Pitch resurfacing	235	-	-	-	235
Fixed assets	8,872	114	(94)	-	8,892
Deferred consideration	16,540	878	(1,256)	-	16,162
Total Designated	**25,647**	**992**	**(1,350)**	**-**	**25,289**

	1 April 2019 £'000	Incoming Resources £'000	Outgoing Resources £'000	Gains & (Losses) £'000	31 March 2020 £'000
Funds:					
Restricted funds	389	1,186	(916)	-	659
Unrestricted funds	28,451	7,372	(7,578)	(7)	28,238
	28,840	**8,558**	**(8,494)**	**(7)**	**28,897**
Included with unrestricted funds are designated funds:					
Designated Funds:					
Pitch resurfacing	235	-	-	-	235
Fixed assets	9,060	(139)	(49)	-	8,872
Deferred consideration	16,871	869	(1,200)	-	16,540
Total Designated	**26,166**	**730**	**(1,249)**	**-**	**25,647**

RESTRICTED FUNDS

Restricted funds represent grants where the expenditure is yet to be incurred, and will therefore be spent in future periods. A more detailed breakdown of these grants can been seen in Note 3 (b).

DESIGNATED FUNDS

The Fixed Asset Reserve represents funds tied up in fixed assets. During 2017 the Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the Sporting Club.

The Deferred Consideration Reserve represents funds tied up in the long-term Deferred Consideration Debtor. The Deferred Consideration Asset arose on the sale of the Charity's Fixed Asset investment in Tilfen Land Limited, which was sold to the Charity's parent company, Peabody Trust on 1 April 2014.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS AT 31 MARCH 2021

	Unrestricted Funds £'000	**Designated Funds £'000**	**Restricted Funds £'000**	**2021 Funds £'000**	2020 Funds £'000
Fixed assets	-	9,127	-	9,127	9,107
Current assets	5,160	16,162	1,091	22,413	21,862
Current liabilities	(1,976)	-	(352)	(2,328)	(1,672)
Provisions	(364)	-	-	(364)	(400)
	2,820	**25,289**	**739**	**28,848**	**28,897**

16. RELATED PARTY TRANSACTIONS

During the year the following transactions took place between the Charity and its parent company, Peabody Trust and subsidiary entities within the Group:

- Peabody Trust provided support services, finance, governance, IT, HR totalling £339k (2020: £339k), and recharged £4,760k (2020: £4,969k) of salary costs relating to Peabody staff working directly for the Charity. AAt the year end £835k was payable to Peabody Trust (note 13) (2020: £408k).
- Peabody paid the Charity £1,256,366 (2020: £1,200,026) as the year 7 payment in respect of the sale of Tilfen Land Limited. £378,824 (2020: £330,844) was charged against the deferred consideration debtor (note 12) with £877,542 (2020: £869,182) being recognised as interest (note 5).

17. PENSION COMMITMENTS

The pensions of employees of the Charity are administered through four schemes, two of which are defined benefit scheme and two defined contribution schemes. The Charity participates in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time. The Charity also has an ongoing liability for pension commitments under the (Career Average Revalued Earnings) which was closed to new entrants on 30 June 2015. A defined contribution scheme (Career Average Revalued Earnings - CARE) was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. Employees were also eligible to join a defined contribution retirement benefit scheme with Friends Life.

In October 2018 the High Court published its judgement on the case of Lloyds Banking Group and the equalisation of Guaranteed Minimum Pensions ('GMP') between genders. This has consequently been assessed against the Group's defined benefit schemes. The impact of GMP Equalisation in respect of the LPFA and CARE schemes has been recognised in the 2019/20 year. On 23 March 2021, the Government published the outcome to its Guaranteed Minimum Pension Indexation consultation, concluding that all public service pension schemes, including the LGPS, will be directed to provide full indexation to members with a GMP reaching State Pension Age (SPA) beyond 5 April 2021. This is a permanent extension of the existing 'interim solution' that has applied to members with a GMP reaching SPA on or after 6 April 2016.

17. PENSION COMMITMENTS CONTINUED

The valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore, our assumption is consistent with the consultation outcome and no further adjustments to the value placed on the liabilities was required in 2020/21.

As future pension increases are to be based on the Consumer Prices Index (CPI) rather than Retail Price Index (RPI), the gap assumption between CPI and RPI has been reviewed along with the method of estimating the increase assumption for the RPI rate. The RPI rate assumption are now reference to a Single Equivalent Inflation Rate (SEIR) for the scheme rather than just to the Bank of England inflation curve alone. The impact of this change in assumptions has been an additional charge of £30k the year.

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). This applies to each of the Local Government Pension Schemes, including LPFA. On 8 October 2020 the Government closed the consultation on the proposed remedy to be applied to LGPS benefits in response to the McCloud and the final remedy will only be known after the consultation responses have been reviewed and a final set of remedial Regulations are published.

While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2021, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. There is currently insufficient information available on members data to base any calculations of the impact upon, and a reliable estimate cannot therefore be made.

Although the post retirement mortality tables adopted for the scheme are consistent with the previous accounting date, the mortality improvement projection has been updated in light of the coronavirus pandemic and reflects the latest information available. A "2020 weight parameter" has been introduced for the mortality data in 2020 so that the exceptional mortality experienced due to the coronavirus pandemic can be incorporated without having a disproportionate impact on results. Our view is that placing too much weight on the 2020 mortality experience would not be appropriate given the abnormality of the 2020 data, however, the overall outlook for best-estimate future mortality improvements looks less positive as a result of the pandemic. It is not possible to quantify the impact of this change in assumptions for the year.

	2021 £'000	2020 £'000
LPFA - Pension scheme surplus	73	75
CARE - Pension scheme deficit	(364)	(400)

The London Pensions Fund Authority

Some former employees of the Charity who are former employees of Thamesmead Town participate in the LPFA Pension Fund, part of the Local Government Pension Scheme. The fund is administered in accordance with the Local Government Pensions Scheme Regulations 1997, as amended.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The last full actuarial valuation of this scheme was carried out by a qualified independent actuary as at 31 March 2019.

These figures are prepared in accordance with our understanding of Financial Reporting Standard 102 (FRS102).

The estimated asset allocation for the Scheme as at 31 March is as follows:

	2021 £'000	2020 £'000
Equities	935	808
Target return Portfolio	386	386
Infrastructure	144	109
Property	148	149
Cash	70	46
	1,683	**1,498**

17. PENSION COMMITMENTS CONTINUED

The demographic assumptions for the LPFA are consistent with those used for the most recent fund valuation, which was carried out as at 31 March 2019. The post retirement mortality tables adopted were based on the Club Vita mortality analysis. These base tables are then projected using the CMI 2020 model, allowing for a long-term rate of improvement of 1.25% p.a, smoothing parameter of 7.0, an initial addition to improvements of 0.5% p.a and a 2020 weighting of 25%.

The assumed life expectations are

	2021 £'000	2020 £'000
Retiring today – male	87.1	87.3
Retiring today – female	89.7	89.7
Retiring in 20 years – male	87.0	87.4
Retiring in 20 years – female	89.5	89.5

The major assumptions used by the actuary to value the liabilities of the scheme at 31 March 2021 under FRS 102 are:

	2021 % per annum	2020 % per annum
RPI increases	3.20%	2.70%
CPI increases	2.80%	1.90%
Salary increases *	3.80%	2.90%
Pension increases	2.80%	1.90%
Discount rate	2.00%	2.35%

* The Charity has no employees who are active members within this scheme

Statement of Financial Position as at 31 March:

	2021	2020
Net LPFA pension position as at 31 March		
Present value of the defined benefit obligations	1,610	1,423
Fair value of Fund assets (bid value)	(1,683)	(1,498)
Net LPFA defined benefit pension surplus	**(73)**	**(75)**

The amounts recognised in the Statement of Financial Activities

	2021 £'000	2020 £'000
Service cost	-	-
Net interest on the defined liabilities/(assets)	(2)	(2)
Administration expenses	2	2
Total LPFA (profit) / loss	**-**	**-**

The estimate of the Employer's past service liability duration is 15 years. This has been calculated based on membership data provided for the most recent full valuation of the Employer's liabilities at 31 March 2019. For the purposes of deriving financial assumptions the combined estimated duration of Peabody Community Foundation and Peabody Trust of 19 years has been used.

17. PENSION COMMITMENTS CONTINUED

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2021 £'000	2020 £'000
Opening LPFA Scheme obligations	1,423	1,488
Current Service cost	-	-
Interest on obligation	33	35
Change in financial assumptions	246	(93)
Change in demographic assumption	(14)	(49)
Experience gain on defined benefit obligation	(22)	104
Estimated benefits paid net of transfers in	(56)	(62)
Contribution by employer	-	-
Closing LPFA Scheme obligations	**1,610**	**1,423**

Reconciliation of opening and closing balances of the present value of the defined benefit assets

	2021 £'000	2020 £'000
Opening fair value of LPFA Scheme assets	1,498	1,587
Interest on assets	35	37
Return on assets less interest	208	(42)
Other actuarial losses	-	(20)
Administration expenses	(2)	(2)
Estimated benefits paid including unfunded benefits	(56)	(62)
Closing fair value of LPFA Scheme assets	**1,683**	**1,498**

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2021 £'000	2020 £'000
Return on Fund assets in excess of interest	208	(42)
Other actuarial gains/(losses) on assets	-	(20)
Change in financial assumptions	(246)	93
Change in demographic assumptions	14	49
Experience gain on defined benefit obligation	22	(104)
Re-measurement of the net LPFA defined benefit surplus	**(2)**	**(24)**

Projected pension expense for the year to 31 March:

	2022 £'000
Service cost	
Net interest on the defined liabilities/(assets)	(1)
Administration expenses	2
Total LPFA (profit) / loss	**1**
Employer's contributions	**-**

17. PENSION COMMITMENTS CONTINUED

Career Average Revalued Earnings Pension Scheme

The Charity also participated in The Career Average Revalued Earnings (CARE) Pension Scheme (the 'Scheme'), which is a funded multi-employer defined benefit scheme. This scheme was closed to new entrants on 30 June 2015. All Charity staff were transferred to the Peabody Group Personal Pension scheme.

The main benefits provided by the Scheme are:

- A pension of one-eightieth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-out of the state scheme; or
- A pension of one-hundredth of the member's CARE for each year (and months proportionately) of pensionable service if contracted-in to the state scheme.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The latest full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79.0m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2021 to 30 November 2027:	£1,530,000 per annum

(payable monthly and increasing by 3.0% each year on 1st April)

The Charity's share of the deficit funding contributions is £46,472 per annum payable in monthly instalments.

The previous agreed deficit funding contributions for the scheme was from 1 April 2018 to 30 November 2028, £1,400,00 per annum (payable monthly and increasing by 3.0% each year on 1st April) of which the Charity's share was £45,912 per annum payable in monthly instalments.

In addition to the deficit funding contribution contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2021 the contribution required to the Scheme is £168,744 per annum (2020: £176,586 per annum) increasing on 1 July each year by 3% is require for Scheme administration expenses. The Charity's share of these Scheme expenses is £4,300 per annum (2020 £4,183) payable in monthly instalments.

Employer Debt on Withdrawal

The scheme is classified as a 'last-man standing arrangement'. Therefore the Charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The amount of employer debt on withdrawal was last calculated as £1,451,641 at 30 September 2018. The employer debt figures are calculated on the solvency - or buy out - funding basis.

Potential employer debt is treated as a contingent liability.

17. PENSION COMMITMENTS CONTINUED

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2021 £'000	2020 £'000
Provision at start of period	400	455
Unwinding of the discount factor (interest expense)	10	7
Deficit contribution paid	-	(45)
Remeasurement - impact of any changes in assumptions	16	(17)
Remeasurement - amendments to the contribution schedule	(62)	-
Provision at end of period	**364**	**400**

Amounts recognised in the Statement of Financial Activities

	2021 £'000	2020 £'000
Interest expense	10	7
Remeasurement – impact of any change in assumptions	16	(17)
Remeasurement – amendments to the contribution schedule	(62)	-
Total profit	**(36)**	**(10)**

Assumptions

	2021 % per annum	**2020 % per annum**
Rate of discount	0.98	2.58

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

18. ULTIMATE PARENT COMPANY

Peabody Community Foundation is a wholly owned subsidiary of Peabody Trust ("Peabody"), which is the ultimate parent and ultimate controlling entity. Peabody is a charitable Community Benefit Society formed under the Co-operative and Community Benefit Societies Act 2014.

Consolidated financial statements of Peabody can be obtained from the Company Secretary at 45 Westminster Bridge Road, London, SE1 7JB. www.peabody.org.uk

Peabody

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Peabody Trust is a charitable community benefit society registered with the Financial Conduct Authority under the Co-operative and Community Benefit Societies Act 2014 (number 7741) and with the Regulator of Social Housing (number 4878).

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