ST ANNE'S COMMUNITY SERVICES

England & Wales · Charity number 502224

Details

Status	Registered
Legal form	Charitable company
Company number	01089026
Registered	1973-03-15
Register	View on the Charity Commission register

Contact

Address	St. Annes Community Services Fountain Court 12 Bruntcliffe Way Morley Leeds LS27 0JG
Phone	01132435151
Email	info@st-annes.org.uk
Website	www.st-annes.org.uk

Activities

Objects: TO RELIEVE THOSE IN NEED BY REASON OF YOUTH, AGE, ILL-HEALTH (INCLUDING THOSE PERSONS SUFFERING FROM ALCOHOL, DRUG OR OTHER SUBSTANCE MISUSE), DISABILITY, FINANCIAL OR OTHER HARDSHIP BY THE PROVISION OF WELFARE AND SUPPORT (FINANCIAL OR OTHERWISE), HEALTH AND SOCIAL CARE, EMPLOYMENT, HOUSING AND EDUCATION SUPPORT; AND TO FURTHER SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES ACCORDING TO THE LAW OF ENGLAND AND WALES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE.

Activities: We provide support services throughout the North of England for people who are homeless, who have a learning disability, mental health problems or substance use problems. A wide range of services include Supported Living, Supported Housing, Registered Care and Nursing Homes,respite care, direct access and resettlement hostels and a range of community based support.

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Classification

- **How:** Provides Services
- **What:** Accommodation/housing, Other Charitable Purposes
- **Who:** People With Disabilities, Other Defined Groups

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£56,780,705	£55,946,750	£19,774,107	1179
2024-03-31	£53,097,000	£51,849,000	£14,179,000	1306
2023-03-31	£45,513,000	£46,581,000	£14,225,000	1101
2022-03-31	£43,723,000	£43,555,000	£14,696,000	1114
2021-03-31	£44,741,000	£45,413,000	£-5,004,000	1139

Trustees

Name	Role	Appointed
John Cleland	Chair	2024-03-01
Alison Leech		2021-03-16
Caroline Jane Ashton		2022-10-26
Catherine Elizabeth Farrington		2026-05-01
Christopher Scott Day		2024-03-01
Geoff Dalton		2020-01-28
James Place		2025-01-01
Michael John Allen		2026-05-01
Rachel Leyland		2025-01-01
Stephen Hodgson		2025-01-01

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ST ANNE'S COMMUNITY SERVICES

England & Wales - Charity number 502224

Accounts

COMPANY NO: 1089026

CHARITY NO: 502224

RSH NO: H3158

St Anne's Community Services

Annual Report and Financial Statements

For the Year Ended 31 March 2025

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COMPANY INFORMATION

The Trustees, who are Directors of St Anne's Community Services, have pleasure in presenting their Annual Report and Financial Statements for the year ended 31 March 2025. The Financial Statements have been prepared in accordance with Charities Act 2011 and 2022, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 2018 for registered social housing providers and the accounting direction for private registered providers of social housing 2022, preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider regulated by the Regulator of Social Housing (RSH). Details of the Trustees and other corporate information are set out below:

Board of Trustees who served during the year:

J Cleland (Chair)
B Machin (Vice Chair)
C Ashton
G Dalton
C Day
A Leech
M Turnbull
T Watters
D Burgoyne (appointed 01 January 2025)
S Hodgson (appointed 01 January 2025)
R Leyland (appointed 01 January 2025)
J Place (appointed 01 January 2025)
A Micklethwaite (resigned 29 November 2024)

Company Registered Number	1089026
Charity Commission Number	502224
External Auditors	Crowe UK LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Unity Trust Bank plc Four Brindley Place Birmingham B1 2JB
Solicitors	DAC Beachcroft LLP 23 Park Square South Leeds LS1 2ND Bevan Brittan LLP 7th Floor, Toronto Square Toronto Street Leeds LS1 2HJ

Pensions and Investment Advisors	First Actuarial LLP Trafford House Chester Road Manchester M32 0RS Foster Denovo, Second Sight Ruxley House 2 Hamm Moor Lane Weybridge Surrey KT15 2SA Purple Wealth Management LLP 50 Burley Hill Business Centre Burley Road Leeds LS4 2PU

CHAIR'S WELCOME

As we reflect on the past year, I am filled with immense pride and gratitude for the remarkable achievements and unwavering dedication of everyone at St Anne's Community Services. The year 2024/25 has been a period of significant progress and resilience, marked by our collective commitment to delivering high-quality, person-centred care and support to those in need.

Our strategic plan, now in its fourth year, continues to guide our efforts in making a difference every day. Our PROUD values—Person Centred, Respectful, Open, Understanding, and Dedicated—remain at the heart of everything we do, ensuring that we provide the highest quality care and support to our clients.

This year has presented its share of challenges, from the ongoing impact of the national social care workforce reduction to the financial pressures faced by our commissioning bodies. Despite these obstacles, St Anne's has demonstrated remarkable resilience and adaptability. Our financial performance for 2024/25 reflects these challenges, yet we have continued to evolve and support our staff and clients, reinvesting in our current services and developing new ones to meet the changing needs of the most vulnerable people in our society.

Our clients remain at the centre of our work, and it is gratifying to report that our Care Quality Commission (CQC) ratings are ahead of national sector averages, with the majority of our services scoring Good or Outstanding.

Our commitment to our people is unwavering. We have invested in the continuous development of our staff, revising our recognition and awards programs to better acknowledge their efforts. We aspire to reward our staff with the Real Living Wage, contingent on the level of funding provided by our commissioning bodies.

Our Board of Trustees has been strengthened with the addition of several high-calibre Trustees, further enhancing our governance and strategic direction. I would like to extend my thanks to Andy Micklethwaite who served as a Trustee during the year until November 2024.
Our governance was further strengthened by the introduction of the Resident Representative position. The Resident Representative plays a crucial role in ensuring that the voices of the people we support and employ, as well as the communities they live in, are central to our decision-making processes.
I was especially pleased to welcome the first Resident Representative during the year. The Representative has now moved on from St Anne's. With St Anne's support and her determination, the Representative secured independent housing and also started her own charity, I'd like to thank her for her valuable contributions and insights and wish her every continued success. St Anne's is committed to resident representation on the Board and is actively pursuing our next Representative.

As we look ahead to 2025/26, we do so with cautious optimism. We are confident that, as an organisation, we will face the coming year with resilience and dedication, fortified by the excellence of our colleagues and our unwavering commitment to providing the highest possible quality of support to all our clients.

On behalf of the Board and St Anne's wider stakeholders I would particularly like to thank all our colleagues for your continued support and dedication to St Anne's Community Services.

John Cleland

John Cleland
Chair of Board of Trustees

CHIEF EXECUTIVE'S WELCOME

The year 2024/25 has been another challenging one for the entire social care sector, with the continued impact of high living costs, inflation, funding restrictions, and recruitment challenges. Despite these obstacles, St Anne's has continued to provide quality support and care to our clients, thanks to the dedication and passion of our colleagues.

This year marks the fourth year of our five-year strategy, "A Life Without Limits." St Anne's is committed to enabling people to live their best lives, and we take a client-focused approach to our strategy and operations.
Client involvement is very important to us, and we have continued to build on our co-production culture by holding events across our services to ensure all colleagues at St Anne's provide opportunities for all clients to engage in their support.

I was very pleased to welcome our first Resident Representative. Her success story is an inspiration to us all and St Anne's was privileged to benefit from her insights. I am keen to recruit the next Resident Representative; their lived experience will be invaluable in shaping decisions and ensuring our clients' voices remain at the heart of St Anne's.
We have continued to strengthen our governance with the appointment of four new Trustees this year, and we have further developed an annual training plan for all Trustees to ensure that our strategic objectives are achieved.
These voluntary roles carry significant responsibility, and the Trustees have continued to give a considerable amount of support and devotion to the organisation throughout this challenging year.
I would like to take this opportunity to thank all the Trustees for their diligence and the support they have given to St Anne's over the past year.

It has been a productive year for St Anne's, with many initiatives and projects completed to ensure our clients receive the very best of care and support, both now and in the future.
Digital transformation is a key element of our strategy. The new client case management system rolled out during the year has brought efficiencies to our administration and record-keeping, further enabling colleagues to provide person-centred care.
A new housing safety compliance system is now in use across all our services, ensuring our processes are more streamlined and, most importantly, that our homes and properties are safe for our clients.
A new HR and payroll system has also been implemented, bringing efficiencies and clarity for colleagues.
Our IT colleagues have engaged with services and clients to identify opportunities for more digital inclusion for clients. We are excited to launch this project in early 2025/26 and look forward to working closely with our clients to enhance their digital experience.

A tenant satisfaction survey was carried out again this year, where staff across the organisation had the opportunity to engage with tenants face-to-face. The survey produced an overall positive satisfaction rate of 89.6%, a 12.6% increase on the previous year. While this survey produced very positive results compared to other similar providers, we continue to strive to improve tenant experience and work closely with our Resident's Forum to guide our improvement actions.

One of the most significant milestones of the year was our successful exit from the West Yorkshire Pension Fund (WYPF). This strategic move has substantially improved our financial sustainability and broadened future opportunities. In the last 10 years of membership of the WYPF we had paid additional contributions of almost £6m so the repayment of £5.5 million reflected these historic transactions and will be used for specific projects to improve and expand our property portfolio, enabling us to support a greater number of clients. I would like to thank the Trustees and colleagues who have worked tirelessly over the past few years to negotiate this exit successfully. Your dedication and hard work have been instrumental in achieving this outcome.

I would like to extend my heartfelt thanks all our colleagues for their continued commitment and support to our clients throughout the year. We wouldn't be able to continue to do the great work we do at St Anne's without your dedication.

Azra Kirkby
Chief Executive Officer

REPORT OF THE TRUSTEES (incorporating the Strategic Report)

The Trustees, who are the Directors for the purpose of company law, present their report along with the financial statements of St Anne's Community Services for the year ended 31 March 2025.

St. Anne's Community Services Board

St. Anne's Community Services' Board is committed to achieving the highest standards of corporate governance in its oversight of the delivery of St. Anne's Community Service's strategic plan and priorities, risk management, values, and ethics. During the financial year, we followed corporate governance best practice and complied with the Charity Governance Code for Large Charities which promotes good practice and good governance through its seven principles. This is our chosen code of governance, and we also follow the NHF Code of Governance (2020) where appropriate. This is to acknowledge and appreciate best practice in governance for housing associations and social housing providers. A Board of twelve Trustees governs the organisation, organised into four committees: Remuneration and Nomination, Audit Risk and Assurance, Finance and Business, and Quality and People, with day-to-day management delegated to the executive team. The Chairs of each of the four committees hold positions as Trustees on the Board.

Introduction: St Anne's - Making a difference every day

St Anne's was founded 54 years ago, in 1971, as a daytime shelter for homeless men in Leeds. From these small beginnings we have gradually expanded over the years to become the organisation we are today, with around 1,500 employees supporting people across the North of England.

Our very first service was shaped around people's needs and wishes, and we have maintained this ethos, with the people we support at the centre of all our work, throughout all the services we provide.

We provide housing and accommodation-based support in partnership with other housing providers and deliver a range of community-based services across the North of England. We are proud to support people with learning disabilities, mental health, substance misuse and homelessness issues and to help them achieve their aspirations.

Much of our work is undertaken in partnership with local authority adult social care departments, clinical commissioning groups and community safety partnerships. We also work extensively with people whose support is funded via a direct payment or an individual service fund.

We have for many years made the case alongside membership organisations such as the Voluntary Organisations Disability Group (VODG), The Association for Real Change (ARC) and Learning Disability England (LDE) for significant government investment in the social care sector. Disappointingly funding for children and adults with learning disabilities remains inadequate and local authorities continue to face significant funding pressures.

Our current services include:

- Supported living services.
- Residential care, including nursing care.
- Specialist detoxification and rehabilitation (alcohol and substance misuse).
- Respite care.
- Extra care.
- Domiciliary care.
- Floating outreach.
- Carers' support.
- Day services.
- Shared Lives.
- Community mental health and substance misuse services.
- Housing with support (long and short term).
- Homelessness services.

- Women's hub (an emergency safe place to stay for women with complex needs who are street homeless or vulnerably housed).

This range and diversity of provision means that if people's needs and goals change, they can continue to be supported by St Anne's.

We work predominantly in the following areas:

North-East: Durham, Gateshead, Middlesbrough, Newcastle upon Tyne, North Tyneside, South Tyneside and Sunderland.

Yorkshire & the Humber: Bradford, Calderdale, City of York, East Riding, Hull, Kirklees, Leeds, North Yorkshire, Sheffield and Wakefield.

Continuing to focus on the needs of the people we support, we:

- Develop services where we know they are needed.
- Focus on continuous improvement and demonstrating value for money.
- Regularly review our services with the people we support and work together to meet changing needs.

Purpose, Vision and Values:
The Board of St Anne's sets the purpose, vision and values of the Charity and these are set out below:

Our Purpose (also expressed as "Objects" in St Anne's Articles of Association):

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing and education support; and
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

Our Current Strategic Purpose:

- To 'make a difference every day' – providing high quality care and support to enable people to lead independent and fulfilled lives. 'Making a difference every day' is a philosophy that is strongly interwoven into the cultural fabric of St Anne's. It is part of who we are – we do this by providing the highest quality, person centred care and support.

Our Current Strategic Vision:

- A life without limits for the people we support. 'A life without limits' embodies our ambition to enable the people we support to have greater choice and opportunities to lead their best life.

Our Values – PROUD:

- **P**erson Centred - We place people at the centre of everything we do and think about how our decisions affect them. We promote choice and we treat people as individuals.
- **R**espectful - We respect each other's opinions and beliefs and treat everyone with dignity. We ensure an inclusive environment, and we celebrate diversity.
- **O**pen - We communicate in an open, honest, and transparent way and we share information with each other. We act with integrity, and we do what we say we will.
- **U**nderstanding - We are understanding of the needs of others, and we work in a caring and compassionate way. We are kind and we support each other.
- **D**edicated - We are dedicated to improving the lives of the people we support every day and delivering quality services.

Our strategic commitments
Our three strategic commitments through to 2026, and the pillars supporting each commitment, are as follows:

Strategic Commitment 1: Our commitment to our people, communities, and the environment
Pillar 1: Enabling our clients – To ensure that the people we support are at the centre of everything we do, creating strong, individual pathways for people to live their best life.

Pillar 2: Empowering our People – We are a people organisation – people supporting people, and we want to be recognised as a greater place to work, an 'employer of choice' to our employees and to people outside of our organisation.

Pillar 3: Delivering Social Value to our Communities – To increase, measure and evidence our social impact for people, local communities, and the environment.

Strategic Commitment 2: Our commitment to excellence and innovation in service delivery
Pillar 4: 'Good to Great' Quality and Continuous Improvement – To be an exemplar of high-quality and best practice within the social care sector – from 'good to great' – delivering great services and achieving great outcomes.

Pillar 5: Consolidation, Innovation & Expansion – To consolidate our existing range of services, develop innovative and creative services that support pathways for people and expand our offer to new localities.

Pillar 6: An Integrated Housing Solution – To develop and invest in our housing and assistive technology offer. Offering a truly integrated approach that will enable greater access to high quality, affordable homes that meet evolving individual needs.

Strategic Commitment 3: Our commitment to business sustainability, value for money and digital transformation
Pillar 7: Digital Transformation – To make systems and processes more efficient and to use technology to build greater connectivity, quality, and capacity within the organisation.

Pillar 8: Organisational Resources and Sustainability – To ensure that everything we do considers and represents value for money, and we operate in a way which is financially sustainable in both the short and long term.

Structure, Governance and Management
St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider, regulated by The Regulator of Social Housing.

It is governed by its Articles of Association, which set out the charitable purposes for public benefit in the following terms:

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug, and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing, and education support.
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

St Anne's governance arrangements include the Board, Board committees, and working groups that provide focus on key areas, and a suite of procedures that are designed to ensure our charitable objectives are met. Our Articles of Association meet the needs of our current structures and incorporate flexibility to allow for future development.

Our Board of Trustees

The Board of Trustees are charity Trustees as defined by section 177 of the Charities Act 2011. The Board comprises the legal directors of St Anne's, and holds all the charity's powers and authorities under St Anne's Community Services' Articles of Association. The Board of Trustees meets quarterly with additional ad hoc meetings for exceptional business reasons or decision making.

There are clear distinctions between the roles of the Board of Trustees and the Executive Leadership Team (executives employed by the organisation). The Trustees are ultimately responsible for the overall control and strategic direction of the organisation and for the protection of its assets. Day-to-day management is the responsibility of the Chief Executive and the other members of the Executive Leadership Team (ELT). Matters such as strategy, policy and budgets are prepared by the ELT for consideration and approval by the Trustees, who then monitor their operation and implementation.

Under the current Articles of Association, members of the Board of Trustees serve an initial term of between 3 and 4 years and can then be reappointed for further such terms but may not serve for more than 9 years unless otherwise agreed by the Board for specific reasons. New Trustees are selected through an open recruitment process, which includes advertising in the national press and online, and if appropriate, a targeted recruitment search.

The Board is the governing body of St Anne's and conducts its business in accordance with the Charity's Articles, statutory requirements, and the requirements of the relevant regulatory bodies which include the Charity Commission, Companies House, the Regulator of Social Housing, the Care Quality Commission, the Health and Safety Executive, the Information Commission and HMRC and other regulatory bodies.

The Board sets the Charity's overall direction and strategy in line with its charitable purposes, and:

- The Board sets financially sustainable plans to ensure that St Anne's has the resources it needs to deliver its strategy and meet the needs of its customers.
- The Board gives specific consideration in setting such plans to value for money, financial sustainability, carbon neutrality and environmental sustainability, and social sustainability.
- The Board sets and actively drives St Anne's charitable purpose, culture and values, and through these take steps to embed within the organisation an overriding focus on customers and residents. It also ensures a clear organisational focus on equality, diversity and inclusion, integrity, openness and accountability.
- The Board is also responsible for establishing a risk management framework, setting the risk appetite and establishing and overseeing the internal control framework, which enables risks to be assessed and managed so that the Charity can operate effectively and meet its strategic goals.

Committees

Audit, Risk and Assurance Committee

The Audit, Risk and Assurance Committee is a committee of the Board of Trustees of St Anne's. The role of the Committee is to provide assurance to the Board on the adequacy and effectiveness of the systems of internal control and risk management (including but not limited to compliance in the areas of health and safety, data protection, procurement, insurance, etc) and to seek assurance regarding compliance with all relevant regulators, including the Charities Commission.

Finance and Business Committee

The Finance and Business Committee provide assurance to the Board on the adequacy and effectiveness of the systems of evaluation and control of St Anne's financial performance and planning. The Committee provides oversight and assurance to the Board in relation to St Anne's business development activities, ensuring that these are carried out in line with St Anne's strategy, values and mission and for the benefit of its current and future residents and tenants.

Quality and People Committee
The Quality and People Committee support the Board in providing oversight and assurance in the delivery of St Anne's strategies and services to customers and to promote an ethos of innovation and continuous improvement in the quality of our services. The Committee also ensures that services delivered by St Anne's are focussed on the needs of the people that St Anne's supports and are designed to meet their diverse needs. It also considers the adequacy of safety and safeguarding procedures to protect customers, staff, and volunteers.

Remuneration and Nominations Committee
The role of the Committee is to oversee and plan for Board and Committee governance arrangements related to membership, succession, composition, skills, training, diversity and appraisal of St Anne's Trustees and Chief Executive Officer (CEO). It is responsible for monitoring and ensuring an effective Board composition, including identifying and recommending new members of the Board, succession planning, trustee skills assessment and mapping of skills to corporate needs. The Committee also ensures that key policies, and action plans relevant to the Committee's remuneration and nominations remit are in place to meet the ambitions set out in St Anne's Strategy.

Trustee Training and Board Effectiveness Reviews
St Anne's has developed and issued to Trustees an annual training plan, to address any areas identified by the Trustees as needing improved knowledge and skills and which are material to the delivery of St Anne's strategic objectives. This year, this also included a revised and improved induction programme, based on mandatory training but also tailored to the governance obligations.

Board Effectiveness Self-Assessment Evaluation
As required by the Charity Code of Governance, St Anne's carried out a Board effectiveness self-assessment. Outcomes from these reviews were presented to the Board for required actions to be agreed where necessary.

The Chair of the Board completed formal individual Trustee appraisals within the year, the results of which will help to inform the contents of the annual Trustee training plan.

St Anne's have appointed 4 new Trustees in the last year, who have undertaken their induction programme. All Trustees are provided with training opportunities to help them meet their responsibilities. Our new Trustees have been appointed to the appropriate committees in line with their strengths and they are already making significant contributions.

The Charity Governance Code recommends that an internal evaluation of the Board takes place on an annual basis. A questionnaire was designed to provide opportunity for the St. Anne's Community Services Board of Trustees to review its own performance and to establish what the Board members do well and identify what could be improved. Good governance is essential to a successful organisation. A Trustee Board that is aware of its powers, duties and responsibilities and the impact it can have on the sustainability of an organisation is better placed to lead St. Anne's Community Services to achieve its stated objects and making the intended positive impact on society.

The Board Effectiveness Review questionnaire was anonymously completed by the Trustees by way of completing a Microsoft Form.

Trustees were asked to complete the questionnaire on a self-assessment basis, providing a response that was requested based on a scale of 1-4 as follows:
1 Strongly Disagree
2 Disagree
3 Agree
4 Strongly Agree

Trustees were asked to provide their responses across the following sections.

- Organisational purpose and culture.
- Strategy and financial viability.
- Risk, internal control and assurance; and behaviours.
- Accountability and effectiveness.

Each section contained a series of statements, and the Trustees were asked to indicate their preferred response against each statement. There were 25 statements in total and 8 Trustees, which was the full Board at the time, completed the questionnaire. Each section provided a space for comments.

Overall, the review was positive with Trustees feeling confident, assured and well-informed in their roles.

Diversity Objectives
St. Anne's Community Services aims to cultivate a Board composition that reflects the diversity of our clients, tenants and stakeholders, enhances decision-making, and fosters an inclusive culture.
In order to achieve this, the organisation has consulted with clients and tenants to discuss co-production within the Board and the Committees, and the Board is considering the next steps to take within the forthcoming Board cycle. St Anne's aims to be recognised as a diverse and inclusive organisation by its customers, staff, and partners, with the following objectives:

- St Anne's is a thriving and inclusive employer where everyone can be themselves and feel that they belong.
- We aim to attract, retain, and develop diverse talent at every level (with particular focus on improving diversity on our Board, executive and wider leadership team).
- We develop knowledge and awareness throughout our organisation, making sure that everyone is clear about their personal responsibility to support a culture of inclusion and respect.
- Our ways of working, policies and practices consider a wide range of needs and positively contribute to our inclusive culture.
- Staff and people considering a career at St Anne's have confidence that discrimination in any form is not tolerated in the organisation. We aim to develop trust with our staff and to develop the right skills, training, policies and processes to prevent discrimination and tackle related issues quickly.
- We aim to provide inclusive services which meet the diverse needs of our customers.

With regards to the Board and Executive Leadership Team composition, the representation is as follows:

Representation	Board	Executive Leadership Team
Gender	33% Female, 67% Male	33% Female, 67% Male
Ethnicity/Race	100% White British	50% BAME, 50% White British
Age	25% Under 50, 75% Over 50	50% Under 50, 50% Over 50

Recruitment and Nomination
With regards to creating a diverse candidate pool, we ensured that all Board recruitment processes included a diverse slate of candidates at every stage. Staff involved in the nomination and selection process undertook diversity and inclusion training and priority was given to diverse candidates.

Inclusive Environment
We strive to create an Inclusive Environment. We have a Boardroom environment where all members feel comfortable expressing their opinions, regardless of background and welcome diverse perspectives, encouraging and valuing the unique perspectives brought by Board members from diverse backgrounds. We provide regular opportunities for Board members to learn about diversity and inclusion issues, and we conduct an annual assessment of the Board's diversity and inclusion progress, making adjustments as needed.

Customer Engagement
Clients' and tenants' representation are involved in policy reviews, particularly those with direct impact on their care, support, or accommodation. They are brought to the St Anne's Expert Voices and Experience Network (SEVEN) for discussion and commentary. This process happens before forwarding the amended documentation to the staff Policy Working Group (PWG) and clients are now partaking as part of the PWG. SEVEN group is formed of client representation and is continuing to further its presence across all services and partake in service audits. SEVEN group also reports to Quality and People Committee with direct access to Trustees.

Resident engagement is an increasing objective at St Anne's, with a new Resident Forum channelling the voice of our tenants and creating opportunities for tenants to coproduce property and maintenance standards. The Tenant Satisfaction Measures, required by the Social Housing Regulator, will be completed annually and inform our priorities and planning.

The Statement of Governance Compliance

Introduction
St. Anne's is committed to maintaining the highest standards of governance, transparency, and accountability. As an organisation co-regulated by the Care Quality Commission (CQC), the Charity Commission, and the Regulator of Social Housing (RSH), we recognise the importance of adhering to the respective codes of governance and regulatory frameworks of each body. This statement outlines our compliance with these codes and demonstrates our commitment to good governance practices.

Care Quality Commission (CQC)
St Anne's is committed to providing safe, effective, caring, responsive, and well-led services, as outlined in the CQC's fundamental standards. We have implemented robust systems and processes to ensure that we meet these standards and continuously improve the quality of care we provide.

Our compliance with the CQC's governance requirements includes:

- A clear governance structure with defined roles and responsibilities for the board of trustees, senior management, and staff.
- Regular board meetings to review performance, risks, and strategic direction.
- Effective systems for identifying, managing, and learning from risks.
- A culture of openness, transparency, and continuous improvement.
- Regular staff training and development to ensure competency and compliance.
- Robust safeguarding procedures to protect vulnerable individuals.

Charity Commission
St Anne's is committed to upholding the public trust and confidence in charities, as outlined in the Charity Commission's code of governance. We have adopted a values-based approach to governance, ensuring that our decisions and actions are guided by our charitable purpose and the needs of our beneficiaries.

Our compliance with the Charity Commission's governance requirements includes:

- A clear charitable purpose that is regularly reviewed and updated.
- A board of trustees that is diverse, skilled, and committed to the organisation's mission.
- Effective financial controls and risk management procedures.
- Regular reporting to the Charity Commission, including annual accounts and reports.
- Open and transparent communication with stakeholders, including beneficiaries, funders, and the public.

Regulator of Social Housing (RSH)
St Anne's is committed to providing good quality, affordable housing and maintaining the financial viability of our operations, as outlined in the RSH's regulatory standards. We have implemented robust systems and processes to ensure that we meet these standards and continuously improve our performance.

Our compliance with the RSH's governance requirements includes: A clear governance structure with defined roles and responsibilities for the board of trustees, senior management, and staff.

- Regular board meetings to review performance, risks, and strategic direction.
- Effective financial controls and risk management procedures.
- Regular reporting to the RSH, including financial returns and performance data.
- Open and transparent communication with tenants and stakeholders.

Conclusion
St. Anne's is committed to maintaining the highest standards of governance, transparency, and accountability. We have significantly reviewed our Charity Code and Housing Code and are continuing this working noting and recognising the regulatory and legal changes that have come about because of changes in legislation regarding the Housing Ombudsman, changes with the Regulator of Social Housing and changes with Companies House. We have reviewed and created an improved Governance Framework, to ensure the detail of the interrelated relationships and factors, as well as touching on other elements that influence the organisation. Importantly, our Framework sets out the respective roles and responsibilities of the management structure, by reference to policy, systems and processes used across the organisation, and importantly identifies points of accountability and escalation, risks and risk management.

St Anne's is undertaking a significant review of its Information Governance Framework, and continues to strive for excellence in governance, committing to both internal and external audits, themed on risk areas, each year. We will continue to review and improve our governance practices to ensure that we meet the evolving requirements of our regulators and the needs of our beneficiaries and stakeholders.

Modern Slavery Act 2015
We are committed to understanding modern slavery risks and complying with our legal and statutory responsibilities. We have a statement of compliance with the Act's requirements, which details our actions to ensure that slavery and human trafficking do not exist in any part of the group or supply chain. The Board reviews the statement annually, and it is available on our website.

Our Performance and Achievements
This year has marked significant progress across our organisation, with strategic initiatives and collaborative projects driving improvements in service delivery, client outcomes, and organisational development.

Organisational Development and Leadership
We successfully restructured the Operations and Quality departments to provide increased oversight and support to front-line services. This structural enhancement included the appointment of two dedicated nurses at Area Manager level to lead clinical services and full recruitment to all managerial roles across the organisation.
A bespoke Leadership Academy was launched to equip our managers with the necessary skills to lead effectively. This in-house, 16-day programme was designed and delivered by subject matter experts, covering a comprehensive range of topics essential for excellence in social care leadership.

Service Quality and Client Empowerment
Our clients continue to play an integral role in shaping our services. At Oxfield Court and other nursing services, clients co-created a new induction pack for newly recruited employees, supporting inclusive recruitment practices and welcoming new team members.

We have embedded quality initiatives across our services, including the introduction of Quality-of-Life Champions and a tailored Quality-of-Life audit tool, which complements our overarching quality framework.
Our digital transformation efforts saw the successful implementation of *Nourish*, our new client record management system. This transition has improved operational efficiency by reducing administrative burdens and enhancing our ability to track trends and outcomes in real-time.

Inclusive Communication and Innovation
In Sunderland, a client was supported to access communication aids (widgets), enabling greater expression and interaction. This initiative culminated in a service-wide celebration of Deaf Awareness Week, featuring online learning, quizzes, and games.

At Cardigan Road, clients co-produced an online safety video with Connect in the North, raising awareness and educating others on staying safe online.
Our York services have spearheaded person-centred practice initiatives for individuals with learning disabilities and autism. These best practices are now being rolled out organisation-wide to foster more responsive, individualised support planning.

Client Advocacy and Community Engagement
Our clients in Leeds have actively contributed to the People's Parliament and the Leeds Learning Disability Partnership Board. One client has taken a leadership role as a Director at Advonet, making meaningful contributions to city-wide decision-making for learning disability services.

In partnership with the DAPPLE project, we co-produced training and materials with clients and external stakeholders to facilitate sensitive conversations around death and dying for people with learning disabilities. Over 100 individuals attended training sessions, supported by client-produced videos to enhance learning outcomes.
Events across services have focused on co-production and reducing social isolation. Activities such as pottery, art, and hydrotherapy have helped individuals forge friendships and learn new skills. Notably, employees undertook qualifications to support hydrotherapy access after identifying staffing gaps at facilities, a testament to their proactive and person-centred approach.
We continued to expand our supported living services:

- **Kendall Lane**: Transitioned three clients into a minimally supported, homely environment developed through co-production from the outset.

- **Gateshead**: Launched two new services through successful bidding and mobilisation using a multi-agency approach centred on the client's needs.

Our Mental Health, Learning Disability and Supported Living teams achieved remarkable outcomes. For example, a client who had experienced mate crime and substance misuse was successfully supported through a collaborative, multi-disciplinary intervention into stable supported housing and harm-reduction-focused care.

Substance Use Support and Recovery
Our collaborative services with St Anne's Forward Leeds continue to demonstrate impact:

- **Client 1** overcame active addiction and severe vulnerabilities through intensive planning and has now moved to an out-of-area detox and rehab placement.

- **Client 2** previously excluded from all housing and support services, transitioned from intensive support to independent tenancy with a tailored support plan following intervention through the SSTS and Resource Centre.

Three staff members who were former service users within our Alcohol Services now serve as valued members of our team, an inspiring example of lived experience contributing to our workforce and aligning with the Drug & Alcohol Strategy.
Our Forward Leeds Rehab Team exceeded its 2024 KPIs, achieving 31 out-of-area and 80 in-city rehab starts. Plans to diversify and improve service quality further were discussed at the team's strategy away day in March 2025.
The Harm Reduction Team expanded Naloxone provision, training over 60 frontline police officers, and introduced anti-stigma practices across needle exchange pharmacies. Future plans include engaging universities, housing providers, and food banks in training initiatives.

Community and Sustainability
At Bevin Court, clients actively engaged with Project 6 and local Drug & Alcohol Services. The team was invited to present at the Sheffield Homeless Forum to share best practices and outcomes. Local grants supported a successful Garden Project, encouraging "Grow Your Own" initiatives. Additional funding bids, including a £20k Lottery application, are underway to support further client-driven projects.

Feedback and Cultural Inclusivity
Throughout the year, we have supported a number of students on placement across our services, providing them with valuable learning opportunities and hands-on experience in the field of health and social care. Feedback from students has been overwhelmingly positive, with many highlighting the supportive and inclusive environment fostered by our teams. One particular strength frequently noted is our commitment to respecting cultural and religious diversity. For example, students have observed how our teams thoughtfully support individuals from a range of backgrounds, such as ensuring culturally appropriate meal preparation and religious considerations are met. These practices not only enhance the quality of care we provide but also offer students a deeper understanding of person-centred and

inclusive support. We are proud to play a part in shaping the next generation of healthcare professionals and remain committed to providing high-quality, culturally sensitive learning experience.

Our Tenants

We completed a tenant satisfaction survey which complies with the Regulator of Social Housing's Tenant Satisfaction Measures (TSM) standard. As a Housing Association with less than 1000 homes the regulatory requirement is to complete a TSM survey every 2 years. However, the Board are committed to conducting an annual survey as a key element of hearing the residents voice and driving improvement in the service we provide. Overall satisfaction with St Anne's was 89.6% an increase of 12.6% on last year. Satisfaction on the handling Complaints and Anti-Social Behaviour reduced over the course of the year. We have already completed/commenced reviews of both these critical service areas, working closely with our Residents Forum so that the resident's voice is heard loud and clear in guiding us on a path to improvement.

We have introduced a Resident Representative role. The Resident Representative chairs our Resident's Forum. This group meets quarterly in alignment with our Board and Committee cycle. As part of our commitment to ensuring residents have a voice in the decision making and strategic direction of St Anne's, the Resident Representative also attends Board and Quality and People Committee meetings.

Our Staff

We have strengthened our diversity and demographics of the workforce by employing over 100 staff through the sponsored workers route, which has also helped to increase retention. Additionally, we have invested in operational headcount to best support our client needs and ensure effective management structures are in place.

We introduced a new pay framework, which will see an additional £2.5m invested in staff salaries over the next five years.

Significant improvements have been made in both staff engagement and satisfaction, as evidenced by the results of the latest all-staff survey. We have also successfully introduced new systems in support of staff and clients, including a new HR and Payroll system, a new Health & Safety system, a new applicant tracking system, and our flagship client relationship management system, Nourish.

We re-launched our PROUD awards, our biggest annual recognition event involving both clients and staff.

We reviewed and improved our leadership academy for new and existing managers, providing them with better and more complete tools to carry out their duties.

Our Commitment to Corporate Social Responsibility (CSR)

Our dedication to Corporate Social Responsibility (CSR) is reflected in every aspect of our work with clients, residents, and partners organisations of all sizes within the local communities where we operate. This year, we have taken significant strides to further embed CSR into our organisational ethos by formalising our Environmental, Social, and Governance (ESG) strategy. This strategic framework ensures that our commitment to sustainable and ethical practices is integrated into our core purpose and daily operations.

A key milestone in our CSR journey this year was the appointment of our first Resident Representative. This pivotal role is designed to enhance our corporate governance structure by incorporating the invaluable perspectives of those with lived experience. The Resident Representative will play a crucial role in ensuring that the voices of the people we support and employ, as well as the communities they live in, are central to our decision-making processes.

By integrating lived experience into our governance, we aim to make more informed and empathetic decisions that positively impact our stakeholders. This initiative underscores our commitment to transparency, accountability, and inclusivity, reinforcing our dedication to making a meaningful difference in the communities we serve.

Our ESG strategy and the inclusion of a Resident Representative are just the beginning. We are committed to continuously improving our CSR efforts, fostering a culture of responsibility, and driving positive change for our clients, residents, partners, and the broader community.

Assuring the Quality of our Assets

St Anne's is obliged to ensure compliance with the regulations of the Regulator of Social Housing the Health and Safety at Work Act 1974 and the recently introduced Building Safety Act 2022.

During the year we restructured the Housing and Estates Directorate, creating a new position of Head of Property Services. The aim of this is to strengthen delivery of the asset management strategy, to ensure we are best placed to implement the regulatory changes that are upon us and to transform the level of service we provide to St Anne's residents and clients.

We continue to invest in our homes in line with our stock condition survey, local intelligence and the needs of our tenants and clients and this is beginning to have a positive impact in reducing reactive maintenance spend. We have commissioned a fresh stock condition survey which will take place in early 2025/26.

An external review of our procurement and contract management policies, procedures and practices is beginning to realise additional value and efficiency in the delivery of our repairs and maintenance service as well as improving client and resident satisfaction in this critical area of service provision. We have also commenced a review of the Repairs and Maintenance service level agreement to ensure it is compliant with new and emerging regulatory changes and that we have a refreshed suite of KPIs to track performance of the service and of our sub-contractors.
The Board retains a clear commitment to ensuring that our properties are safe and have the appropriate investment, to make better homes for people. We have strengthened our policies around building safety compliance and improved our reporting to Board on the 'Big 6' building safety elements.

Our property options appraisal, a key strand of the asset management strategy, has been completed and is being used to inform asset investment, consolidation, and disposal decisions. In addition, we have opened dialogue with Homes England and other partners to explore how we could draw funding to remodel some of our existing homes and acquire/build new homes. This will form part of our emerging growth strategy and will be an area of focus for the coming year.

Our Finances

The most significant financial event of 2024/25 was the exit from the West Yorkshire Pension Fund (WYPF).

The exit value, agreed in December 2024, resulted in a repayment of £5.5m received from WYPF in January 2025. This has substantially improved St Anne's financial sustainability and broadened future opportunities. These funds have been marked for specific projects to improve and expand our property portfolio, enabling us to support a greater number of clients.
While St Anne's currently has no debt funding, this additional capital will support future development initiatives. We plan to collaborate with Homes England to apply for grant funding and engage with lenders to secure development funding, focusing on St Anne's long-term sustainability and growth.

The receipt of the pension funds has positively impacted our total comprehensive surplus, which is reported at £5.6m, compared to a deficit of £0.05m last year.
Our reserves and net assets now stand at £19.8m, an increase of £5.6m from £14.2m in 2023/24
Our cash position is strong at £12m compared to £7.1m at the previous year end.

Our underlying performance has continued to improve, with the operating deficit excluding the pension settlement improving by £144k to £(275)k, an improvement of 34.3%.

Income for the year 2024/25 was £55.7m, an increase on the previous year of £4.2m (8.2%).
Our operating costs increased by £4.1m (7.9%) compared to the previous year. This was primarily due to increases in the National Living Wage.

St Anne's is committed to operating in a way which is financially sustainable and ensuring value for money in all our activities. During 2024/25 we made the difficult decision to close two underperforming

services. We are actively engaging with the NHS to repurpose one of these properties to ensure continued care and support for as many vulnerable clients as possible.

Our strong financial position, combined with strategic investment and development plans, demonstrates our commitment to long-term sustainability and the ability to effectively support our clients.

Comprehensive income for the five years ended 31 March 2025

	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Turnover	55,672	51,430	45,417	43,641	44,685
Operating costs	(55,947)	(51,849)	(46,562)	(43,138)	(45,097)
Controllable (Deficit)/ Surplus for the year	**(275)**	**(419)**	**(1,145)**	**503**	**(412)**

Statement of financial position for the five years ended 31 March 2025

	2025 £'000	2024 £'000	2023 £'000	2022 £'000	2021 £'000
Tangible fixed assets	16,408	16,522	16,494	15,539	13,210
Fixed asset investments	4	2	2	2	2
Net current assets	12,209	7,033	7,401	10,037	12,844
Total assets, less current liabilities	**28,621**	**23,557**	**23,897**	**25,578**	**26,056**
Creditors due after more than 1 year	(8,847)	(9,378)	(9,672)	(10,008)	(10,693)
Net Pension liability	-	-	-	(874)	(20,367)
Total net assets/(liabilities)	**19,774**	**14,179**	**14,225**	**14,696**	**(5,004)**
Restricted funds	82	128	-	-	-
Revenue reserves	19,692	14,051	14,225	15,570	15,363
FRS 102 pension asset /(liability)	-	-	-	(874)	(20,367)
Total Reserves	**19,774**	**14,179**	**14,225**	**14,696**	**(5,004)**

Value for Money Statement

At St Anne's, we are committed to ensuring that every pound spent delivers maximum value for the people we support. This commitment is embedded in our organisational culture and informs our daily decision-making.
Value for money is a multifaceted concept. In Social Care and Supported Housing, it goes beyond simply cost effectiveness. It encompasses:

- Outcomes: The positive impact on the well-being and quality of life of our tenants and clients.
- Efficiency: Delivering services with minimal waste and maximizing resources.
- Effectiveness: Services meeting the specific needs of tenants and clients as individuals.
- Equity: Fair access to services for all individuals regardless of background.

Framework for Assessing Value for Money

We take a balanced approach to Value for Money that considers performance and investment through three lenses:

- **Financial value:** The value to the charity. This could be savings through efficiencies, increased income, or delivering more with the same resource.
- **Client value:** The value for the people we support. This could be direct savings or similarly reducing clients' dependency on benefits.
- **Social value:** The value to the wider society and the economy. This could be savings to the public purse or benefits to the community and local environment. We are committed to our charitable purpose and determined to meet our cost savings targets while continuing to have a positive impact on the people we support and our social value.

Our assets provide the foundation for our success. These include our hard-working staff, and our homes and infrastructure, which enable us to provide services efficiently and run the business. Improved asset utilisation and management of voids are key projects that have continued from the previous financial year.

By ensuring we manage our assets effectively and efficiently, we provide high quality services, which means we serve our clients well, remain competitive and have the financial strength and resilience to mitigate financial risks now and in the foreseeable future.

St Anne's is committed to embedding a value for money culture in the organisation.

During the year there have been several initiatives which have ensured St Anne's continues to review its value for money impact.

IT Infrastructure

The IT department has demonstrated its commitment to delivering value for money by a consistent focus on optimising costs, improving services, and aligning with strategic goals. Through a combination of restructuring, vendor negotiations, and proactive cost management, the IT department has delivered tangible value to St Anne's, achieving substantial cost savings.

The savings have been delivered via:

- **Broadband Provision Streamlining:** We are in the process of moving to a single broadband provider and are migrating more phone lines to VOIP, eliminating the need to pay for individual phone lines. This initiative has resulted in a cost saving of £4k during 2024/25 and a projected future annual cost saving of £46k per annum.
- **Mobile Phone Migration:** We have migrated mobile phones onto our Enterprise agreement, amounting to an annual saving of approximately £18k.

Beyond the substantial cost savings, these initiatives have also yielded additional benefits:

- **IT SLA Implementation:** We have implemented an IT Service Level Agreement (SLA) to ensure consistent and high-quality service delivery. This has led to improved response times and issue resolution, enhancing overall user satisfaction.

- **Microsoft 365 Copilot Partnership:** St Anne's has partnered with Microsoft to implement the M365 Copilot program. This initiative includes a 15% nonprofit discount and aims to enhance productivity and collaboration across the organisation.

Digitalisation
A new HR/Payroll system has been implemented in the year. The system has improved the flow and accuracy of information, generating efficiencies for all our St Anne's colleagues.

The Client Records Management system is now in use. The system puts our clients at the centre of their care and provides enhanced oversight of client care to our colleagues.

Investing in Leadership and Financial Acumen
Recognising that effective value for money practices start with strong leadership, we prioritised leadership development during 2024/25. All managers participated in comprehensive leadership workshops, where financial sustainability and value for money principles were core components. This training empowered them to integrate these considerations into their everyday management decisions, fostering a culture of financial responsibility across the organisation. We are committed to extending this training to deputy managers in 2025/26, further strengthening our capacity to deliver efficient and effective services.

Strategic Procurement for Cost Efficiency
We understand the importance of proactive and informed procurement in managing our resources. In October 2024, we secured new contracts for gas and electricity, leveraging the expertise of utility procurement consultants. By diligently monitoring market movements, we were able to fix prices at the most advantageous market rates, mitigating the impact of potential price volatility.
Furthermore, to ensure robust and efficient procurement practices, we engaged a procurement consultant to conduct a comprehensive review of our existing procurement processes and policies. This review was undertaken to guarantee full compliance with all legislative requirements and to identify opportunities for process improvement. By implementing the recommendations from this review, we have strengthened our procurement framework.
Looking ahead, we are committed to continuous improvement in our value for money initiatives. In the forthcoming year, we plan to further review our existing key supplier relationships to ensure we are consistently receiving quality services and materials at the most competitive prices. This ongoing evaluation will reinforce our commitment to responsible financial stewardship and ensure we are delivering the best possible outcomes for our clients and residents.

St Anne's Value for Money metrics

St Anne's continues to monitor key metrics to help monitor and drive performance and provide a more comprehensive picture of St Anne's ability to deliver value across all our services.

Value for Money Summary

Our Metrics	Actual 23/24	Actual 24/25	24/25 Target	25/26 Target	Peer Median 23/24	Housing Median 23/24
Social Housing Rent Arrears	6.0%	3.1%	5.5%	3.0%	5.8%	6.3%
Social Housing Voids	6.7%	4.9%	5.5%	3.5%	3.7%	1.7%
Rent collected : Supported Housing	103.5%	104.8%	106.0%	106.0%		
Rent collected : residential and nursing care	103.6%	106.4%	106.0%	106.0%		
Invoiced debtor days	38	30	30	30		
Creditor days	29	34	30	30		

Social Housing Rent Arrears

The majority of our tenants are fully funded by Housing Benefit, so we would expect St Anne's rent arrears to be below the housing median rate. Only 10 tenants are fully self-funding, with 1 tenant partially funded by Housing Benefit.

Non-communal services are ineligible for Housing benefit and tenants are responsible for paying these costs.

The significant improvement in our rent arrears is a testament to the dedicated efforts and strategic enhancements implemented throughout the year. We are pleased to report a substantial reduction in arrears, from 6.0% to 3.1%. Furthermore, our performance surpasses that of our peers, who share a similar tenant profile

We are actively working to further improve our processes and reduce rent arrears. This includes collaboration with the following groups:

- **Housing Benefit:** We have enhanced the relationship with Housing Benefit teams and continue to work closely with them, to ensure tenants receive timely assistance when needed and to ensure payment queries are resolved quickly.
- **Internal Housing Team**: Our internal housing team proactively engages with tenants to identify any potential difficulties and develop solutions to prevent arrears.
- **Tenants:** We are committed to open communication with tenants and providing them with the resources and support they need to meet their rental obligations.

Social Housing Voids

Void rates are higher for supported housing than for general needs housing because of the complexities of matching tenant's needs to suitable properties. For St Anne's this figure is elevated to our peers, due to the challenges of managing shared accommodation and hostel services.

The teams have responded to the challenge to lower voids, and our voids performance has improved by 1.8% to 4.9%

We will continue to address and reduce our voids by:

- **Considering tenant feedback and reasons for refusal:** this can give insights into understanding tenant need and potential improvements that make properties more appealing.
- **Strategically managing long-term voids:** review properties that are consistently void, to consider refurbishment, conversion into different bed spaces or hand back if they are managed by St Anne's on behalf of other landlords.
- **Streamlining our process:** Improving coordination between our internal housing and maintenance teams with external contractors to get properties ready for new tenants quicker.

Rent Collected

This metric measures how effectively rent is being collected from tenants and clients. Rent collection is crucial income to St Anne's so we can maintain properties, provide essential services to tenants and clients and fund investment into future service delivery.

We have separated the metrics into two streams, Rent collected for Supported Housing, and Rent collected for Residential and Nursing Care.

Separating the metrics provides transparency for reporting, helps to target resources and improvement efforts and provides clarity in decision making.

Social Housing Rent Collected: The metric shows that we are collecting more rent arrears than we have previously. The rent collection rate has increased by 1.3%, reaching 104.8%. This success reflects the team's determination and strategic approach in ensuring that monies due are collected effectively.

A challenging target of 106% for income collection was set, driving engagement with tenants and collaboration with support colleagues and Housing Benefit agencies. By focusing on improving communication and efficiency, the team has successfully addressed some of the more complex debts.

Looking ahead, further enhancements will be made to tackle arrears earlier in the process. This proactive focus aims to meet the ambitious 106% target collection rate, continuing to improve financial outcomes and demonstrating the team's commitment to delivering value for money.

Residential and Nursing Care Rent Collected: During 2024/25 a proactive approach was adopted to prevent delays in payments and swiftly resolve issues. Collaborative relationships with funders were enhanced and historical underpayments were challenged to ensure St Anne's received the funding due for services provided.

We have improved our rent collection by:

- **Early Engagement and Communication:** maintain regular communication with funders to anticipate and resolve potential payment delays.
- **Strengthening Internal Processes:** to ensure timely submission of all necessary paperwork as per the contract to avoid payment hold-ups. Implement a system for tracking submissions and deadlines.

The hard work has been successful, increasing rent collected by 2.8% to 106.4%

Invoiced Debtor Days

This metric shows how long it typically takes for St Anne's to collect payment from its funders and invoiced debtors. A lower number of days indicates effectiveness in debt collection and is beneficial to cash flow.

Engaging with funders earlier and strengthening our internal processes has resulted in reducing the number of days to collect income from 38 in the prior year to 30 in 2024/25.

Creditor Days

This metric shows how long it typically takes for St Anne's to make payments to its suppliers. It provides an indication of how efficient we are in processing invoices. Most of St Anne's suppliers are on 30-day payment terms. It's important to St Anne's that we pay our suppliers on time, not only to maintain supplier relationships but also to ensure suppliers can rely on their cashflow and continue to provide reliable goods and services.

The average time to pay invoices is 34 days. To meet our target of 30 days, we are engaging with suppliers to ensure they quote the correct purchase order references, and with colleagues to clarify purchase ordering procedures. We are also scoping for a new finance system that will automate many steps needed to pay an invoice, ensuring most invoices are paid on time once the system is in use.

Regulator Value for Money Metrics

Value for money metrics were introduced by the Regulator of Social Housing in 2018, to capture performance across the social housing sector in a fair and comparable way.
These metrics are used to assess the financial health of all organisations across the sector. However, it is acknowledged that these metrics are more applicable to the traditional general needs housing providers rather than providers which are more focused on Health and Social care.

St Anne's provides a diverse range of care and support services; all our stock is used to provide either supported housing or specialist care. Supported housing routinely incurs more void units, and costs are significantly higher with greater expenditure on reactive and voids maintenance, with time and cost invested to ensure the property is suitable for the client's specific needs.

The stock profile of traditional housing associations consists mostly of general needs housing. This means that when benchmarking St Anne's performance against the Housing median, the costs and performance are not easily comparable due to the very different services provided.

It is challenging to match the range of care services provided by St Anne's, to other regulated housing associations, but we have endeavoured to select a similar range of peers to benchmark to. Even within the selected peers there are still significant differences in housing support and care provision and operations, which again make a like for like comparison difficult.

Regulator Metrics

The table below shows the metrics that were introduced by the Regulator of Social Housing in April 2018.
The one-off pension settlement cost of £35m has been excluded from the metrics, to maintain consistency with previous years and other providers.

Regulator Metrics	Actual 23/24	Peer Median	Housing Median	Target 24/25	Actual 24/25	Target 25/26
Reinvestment	9.3%	6.3%	7.7%	6.1%	9.2%	6.1%
New Supply	0.0%	1.2%	1.4%	0.0%	0.0%	0.0%
Gearing	N/A	11.8%	45.6%	N/A	N/A	N/A
EBITDA MRI Interest Cover %	N/A	221.6%	121.7%	N/A	N/A	N/A
Headline Social Housing Cost (Total)	£82,399	£12,029	£5,136	£80,000	£91,965	£80,000
Operating Margin: Social Housing %	2.9%	12.1%	20.4%	5.0%	1.2%	5.0%
Operating Margin: Overall %	-0.8%	6.9%	18.5%	5.0%	-0.5%	5.0%
ROCE%	-1.8%	2.2%	2.8%	>2.0%	-1.0%	>2.0%

Reinvestment
This metric looks at the investment in properties, as a percentage of the value of total properties held. We invest in our properties for the benefit of our tenants, to improve the standards of housing and meet and exceed the decent homes standard.

Investment in our properties during the year once again exceeded both the peer median and the housing median, this was expected as we are actively investing to improve on historic under investments and ensure that our assets are well maintained and meet our client's needs.

New Supply
This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units.

There was no development of new supply in the current year, we are actively exploring future opportunities to enhance our offer.

Gearing and EBITDA Interest Cover
These metrics assess the degree of dependence on debt finance and liquidity and investment capacity of the provider. St Anne's does not have finance in place, therefore gearing and interest cover are not applicable.

Headline Social Housing Cost
The unit cost metric assesses the headline social cost per unit as defined by the Regulator, the metric is calculated by dividing specified social housing costs by total social housing units owned or managed.

It is recognised by the Regulator, that the cost per unit for supported housing providers is considerably higher than for general needs providers.

St Anne's is further removed from supported housing providers, as we also support some clients in their own homes, we provide outreach, residential day care and homeless services. This means there is no direct correlation between the number of units we manage and the number of clients that we support. In addition, the nature of our services and the requirement to meet our clients' specific individual needs means our spend is much higher than both the median and the peer group.

Inflation for planned works and repairs continued in 2023/24 contributing to the 12% increase in the housing median social housing cost to £5,136. Our peers cost increased by 37% to £8,799.

The inflationary increases continued throughout 2024/25. St Anne's also continues to invest in our properties, in 2024/25 capitalised major repairs increased by 22% and routine maintenance costs by 28%. The combination of investments and inflation has impacted our headline social housing cost, increasing by 12% to £92k.
Of the £45m costs the Regulator specifies to include in the calculation, £25m relate to services provided which do not have a corresponding social housing unit. Adjusting for these costs would decrease the headline social housing cost to £41k.

St Anne's also provides enhanced housing management services to our supported housing and supported living clients, again this is a service which a general needs landlord would not provide. The cost of providing this service in the year was £1.2m. The impact of these costs is not considered within the social housing cost per unit, meaning the cost for St Anne's is higher than the housing median.

In additional to providing enhanced housing support, St Anne's provides specialist care services in our respite and care settings. Our care is focused on the needs of our clients. Some of our clients have very complex needs and can require one to one, or sometimes even two to one care. Providing high levels of quality care and support requires higher staffing levels, this impacts the costs of our organisation when compared to the housing median and peers.

The social care and support sector continues to report difficulties in recruiting and retaining staff. It is common practice throughout the sector that there is a reliance on agency staff to fill staff vacancies, these agency staff incur a cost premium. Again, this is an additional cost which would not be replicated

by a traditional housing provider. St Anne's has undertaken initiatives during the year to reduce reliance on agency staff and to retain colleagues.

Operating margins
The operating margin demonstrates the profitability of operating assets before exceptional expenses are considered. Increasing margins are one way to improve the financial efficiency of a business.

Operating margins in the sector remained relatively static during 2023/24 increasing by 0.6% to 20.4% Registered Provider income is unlikely to rise in real terms and, with increased expenditure on stock and regulation coming forward, the sector's margins will remain tight through to the mid-late 2020s.

The Regulator recognises that operating margins in our specialist care and support sector sit well below those of general needs housing providers.

St Anne's specialised care offer in particular will be lower than the Housing median and peers, due to the staffing levels which are necessary to provide quality care.

St Anne's Social Housing operating margin remains positive at 1.2% despite the increased costs of maintenance and staffing. The overall operating margin has improved by 0.3%. from (0.8)% to (0.5)%. Whilst this is positive progress, we are committed to improving the margins further in the coming year, by continuing to target voids and agency use, there is also an increased focus on rent and income collection and maximisation.

Return on capital employed (ROCE) %
This metric compares the operating surplus to total assets less current liabilities. It is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric supports registered providers with a wide range of capital investment programmes.

Despite a 0.8% improvement on last year's position, the 2024/25 ROCE is negative at (1)%. We continue to focus on void performance and reducing agency costs, to target a positive position for the coming year.

Reserves policy

In the year, the Executive Leadership Team (ELT) and Board of Trustees have reviewed the reserves policy to both ensure this meets the organisation's long-term objectives, and that the current level of reserves is sufficient for any day-to-day variation in operational need.

The Trustees have considered financial risks, sources of income and variability of costs and agreed the target level of free reserves before pensions, should be maintained at over £7m.
This represents approximately two months of expenditure.

As shown in the table below, free reserves, which are defined as unrestricted reserves, excluding functional assets were £12.4m at 31 March 2025.

	31-Mar-2025 £'000	31-Mar-2024 £'000
Unrestricted reserves	19,692	14,051
Exclude functional assets	(16,408)	(16,522)
Exclude deferred grants relating to functional assets	9,086	9,654
Free reserves	**12,370**	**7,183**

Investment policy and performance

Our investment policy is designed to support the reserves policy. The organisation has adopted a prudent investment policy to balance potential returns with appropriate levels of risk. The key objectives of our investment policy are to:

- Seek the best financial return within an acceptable level of risk.
- The investment objective for any short-term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Finance and Business Committee will continue to monitor the achievement of these objectives and to make any investment recommendations it deems appropriate to the Board.

Subsidiary

St Anne's Community Services has only one subsidiary: St Anne's Trading Limited, a company registered in England and Wales. St Anne's Community Services owns all the issued share capital of St Anne's Trading Limited.

Principal risks and uncertainties

At St Anne's, the Chief Executive Officer holds primary responsibility for risk management, with delegated responsibilities assigned to the Chief Risk Officer (Chief Financial Officer). St Anne's is dedicated to implementing strategies and processes that identify, analyse, and manage risks associated with our activities. This approach aims to optimise opportunities and assets while minimising the impact of undesired and unexpected events on our business operations.

Risk management is integral to St Anne's activities, enabling staff to effectively manage services that transform the lives of our clients and tenants. When rigorously and comprehensively applied across the organisation, risk management fosters stability, increases business value, contributes to meeting budget targets, provides assurance to the Board, external regulators, and stakeholders, and is a key element of reputation management.

Our Risk Management Framework addresses the requirements set out in the Charity Code of Governance, the NHF Code of Governance 2020, and the RSH Regulatory Standards.

The Board of Trustees is responsible for establishing the overall strategic direction of St Anne's, including the management of the organisation, its strategy, financial viability, internal controls, and risk management.

The Audit Risk and Assurance Committee ensures that St Anne's operates an effective risk management environment within the parameters set by the Board. The Committee advises the Board on strategic processes and policies related to risk and internal controls, including the content of the Annual Statement on Internal Control, prior to Board approval.

The Board has defined the "risk appetite," which is the level of risk the Board is prepared to accept, tolerate, or be exposed to. This willingness to take risk within a defined framework enables the Board to realise ambitions for St Anne's, improve quality, efficiency, and grow the business, without exposing the organisation to unacceptable levels of risk.

The Board agreed on an outline framework for assessing different categories of risk and determined the acceptable level of risk. Authority was then delegated to the Executive Team to deliver the agreed strategic objectives within this framework. Additionally, the Board provided direction on the practical application of the risk appetite in key corporate policies, requiring all staff to work within the boundaries set by these policies. The risk appetite statement and corporate policies form the foundation for setting and delivering the corporate strategy and objectives.

Risk Appetite Statement

St Anne's takes risks necessary to build our business, but only if those risks:

- Fit our business strategy and can be understood and managed.

- Do not expose the organisation to any single loss events. We do not bet the business on any single acquisition, business, or product.
- Do not harm St Anne's brand and reputation.

St Anne's Community Services has developed a comprehensive and robust risk management framework that ensures risks are well managed across the organisation. This framework facilitates the identification, monitoring, and management of strategic, operational, financial, and compliance risks, thereby optimising opportunities and minimising the impact of undesired and unexpected events. The framework is embedded in business systems and processes, with clear roles and responsibilities for all those involved in managing and overseeing risk. Regular reviews and updates by the Board, Audit Risk and Assurance Committee, and Executive Leadership Team ensure that risk management remains effective and aligned with the organisation's objectives.

Recruitment: Across the sector recruitment continues to be a challenge and St Anne's is no different, our ability to recruit sufficient and suitably qualified nurses and support workers has the potential to impact our ability to support our clients, therefore recruitment remains one of our top priorities.

Funding: Funding is another challenge in the sector and given St Anne's works closely with a relatively small number of commissioning customers we are reliant on their ability to fund the services we provide. Whilst this could be a risk for St Anne's, as part of our strategy there is a focus on growing our offer with those commissioners and expanding the services we provide to new commissioning customers. This growth should therefore help to mitigate against any reliance on a few commissioning customers or any other restrictions in funding. In addition, we monitor financial performance of all the services we provide and look to pro-actively discuss any funding issues with commissioners.

Cyber Security: St Anne's uses a number of core systems across the organisation to support both back office and front-line processes. We use cloud-based servers and as a result benefit from the security they provide. We have invested in additional security and conduct external and internal testing of our network. St Anne's proactively addresses the human element of cybersecurity through security awareness training and phishing simulations, educating employees about threats and best practices. Microsoft Defender provides endpoint protection, while Lansweeper facilitates vulnerability management. Additionally, cyber insurance has been acquired to mitigate financial risks, and a third-party risk register is maintained.
The implementation of a well-defined incident response plan, data loss prevention (DLP) solutions from Microsoft and Censornet, regular penetration testing (internal and external), and network segmentation further strengthens St Anne's security posture.
These combined measures demonstrate a thorough and proactive approach to cybersecurity, addressing both technical and human factors to minimise the risk of cyber threats and protect sensitive data.

Our People
Empowering our people is one of the key pillars to St Anne's strategy of delivering "A Life Without Limits". St Anne's recognises that by valuing, supporting, protecting, and empowering its people, it sustains its reputation for high quality care and support. In the most challenging of years, social care has been shown to be of key importance to society and a sector which plays a vital role in ensuring the safety and welfare of the most vulnerable.

With the cost-of-living crisis, the impact of inflation has been felt by all our colleagues and even more so for the lowest paid. We have worked closely with Local Authorities and innovatively within our financial constraints to ensure the best pay outcomes for our people and have proportionately given the biggest rises to those lowest paid staff. This year will be the third year where this tiered approach has been taken. St. Anne's continues to explore different financial and non-financial support packages to assist colleagues over the year as well as considering positive changes to terms and conditions.

The passion and dedication shown to improving the lives of others is something that defines the people within St Anne's. Our values are created by our people, and they are lived out every day in our services. Being Person Centred, showing Respect, being Open, Understanding and Dedicated in everything we do is at the heart of what our people do. In the last year we have been encouraged by the increased

levels of engagement across the organisation and this valuable feedback will help us prioritise initiatives to increase quality and efficiencies across the business.

We are, as we have always been, incredibly proud of all of our people.

As of 31st March 2025, St Anne's employed 1,570 members of staff made up of: 1,284 Support Workers, 58 Nurses, 69 Deputy Managers, 92 Service or Area Managers working at operational and front-line level in our services, supported by 67 staff in our central support functions or other roles.

In addition to our permanent workforce, St. Anne's has 154 active casuals who support across the organisation and are an integral part of our daily operations in support of our many clients.

As with many social care providers, retention remains our major focus with considerable work put into place over the past year. Staff turnover has reduced over the last 12 months, a testament to the initiatives commenced.

Our commitment to ensuring a fair and competitive pay and reward structure has seen the organisation continue to ensure that all its staff are paid above the National Living Wage rate, in addition to reviewing other benefits such as the introduction of the Blue Light Card scheme for all staff and partnership with the Care Workers Charity. A new pay framework giving colleagues further opportunities to grow their pay will be implemented at the start of the financial year.

We recognise the importance of ensuring an attractive employee value proposition and continue to work hard to make St Anne's an employer of choice in the areas we operate. There has also been a large focus on enhancing the employee voice throughout the year by introducing various all staff engagement sessions on a number of topics, ranging from pay and terms and conditions to sponsorships.

Work is continuing to revamp our training programme with an emphasis on our induction programme, employee journey and Leadership Academy, which will see all managers, new and current going through this within a 6-month period. A focus on increasing apprenticeships has seen a 60% rise in colleagues on the apprenticeship programme which we would like to keep growing. A review of our face to face vs eLearning model has determined a need to tip the balance more towards face to face training which will be addressed in the coming year.

Equality, Diversity, and Inclusion (EDI)
Recognising and celebrating our diversity in an inclusive environment for our staff and clients is, and will continue to be, a priority for St Anne's.
We continue to embed the Skills for Care 'confident with difference' approach to supporting everybody at St Anne's. This year we have recommitted to efforts to maintaining the Mindful Employer, Disability Confident and Stonewall Diversity Champions standards. These standards have all been reviewed and retained throughout the course of the year.

The Board of Trustees plays a key role in the organisations EDI approach. Recruitment to the Board is widely advertised and actively encourages applications from a diverse range of candidates. All Trustees have undertaken the organisation wide EDI training and there are Trustee sponsors on our diversity groups.

We remain committed to enhancing the voice of underrepresented groups across St Anne's and importantly have been able to rejuvenate our Race Equality Network and LGBTQ+ Network, bringing colleagues back together after meeting virtually for many months. These networks are instrumental in guiding and refining our calendar of days of remembrance and celebration, as well as continually reviewing our supportive resources. Our policies and procedures ensure that we are inclusive and fit for purpose for diverse workforce and client groups. Their design and review ensure that a 'check and challenge' approach is maintained, along with our equality impact assessment processes.

Remuneration Policy

We recognise that the skills, knowledge, and experience of our people is a huge contributor to the delivery of high-quality services. In support of our objective to attract, recruit and retain quality staff, we are committed to ensuring that we pay fair and competitive salaries.

Our policy on remuneration is to ensure that St Anne's remains sustainable whilst also offering an attractive reward package that includes both financial and non-financial benefits. Our rates of pay are informed by sector-wide benchmarking through participation in benchmarking studies and comparison with charity and social care sector data. St Anne's has a well-defined and repeatable job evaluation framework, providing a mechanism to score and compare job roles to ensure they sit at the appropriate salary point internally, whilst using benchmarking data from the sector to assess competitiveness. The coming year will see the introduction of a new pay framework and new recognition scheme which will help to recruit and retain high quality staff.

We continue to invest in our workforce and continually ensure the wider workforce remains informed of progress through regular all colleague communications and question and answer sessions. St Anne's ensures that all its permanent workforce is at a rate which is above the National Living Wage Foundation rate. Our offer ensures St Anne's retains competitive rates of pay in Yorkshire and the North-East when compared to its other care sector competitors.

The Board are consulted on, and approve, decisions on overall pay awards, taking account of affordability, benchmarking, and economic trends in the sector. Remuneration of the executive team is determined by the Remuneration and Nominations Committee, a committee of the Board. No Trustees are paid, although they can claim reasonable expenses.

The organisation complies with its requirements under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is committed to eliminating gender pay inequality. In March 2024, St Anne's published its most recent gender pay gap report, showing a marginal 3.3% mean pay gap and median of 3.3% in favour of male staff.

Compliance with Regulator of Social Housing standards

The Board considers that St Anne's complies with the Governance and Financial Viability Standards for registered social housing providers. Our system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests. Our self-assessment framework contains stress testing of risks and assumptions to ensure objectives and viability are fully deliverable.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which includes the regular evaluation and assessment of the nature and extent of risks to which the organisation is exposed.

The Regulator of Social Housing statutory returns, such as tenant satisfaction measures (TSM) survey results, financial forecasts, statistical data, and disposal returns, are submitted in an accurate and timely manner. The Board also considers that effective controls are in place to ensure security of assets, the proper, accountable, and transparent use of public funds and that effective systems are in place to monitor and accurately report delivery of our plans. Any risks to the successful delivery of financial plans are identified and effectively managed.

The Board is committed to reviewing our self-assessment of the Regulator of Social Housing standards, this has been completed for all standards demonstrating we substantially comply with each of those standards. The Chief Finance Officer monitors compliance with the Economic Standards, and the Director of Housing monitors compliance with the Consumer Standards. Reports for both are also presented to the relevant Committees and Board. There is effective management and scrutiny in place including cost control and improving Value for Money, with regular reporting to the Finance and Business Committee and the Board.

We will continue to review the regulatory self-assessments again during 2025/26.

Compliance with the NHF Code of Conduct 2022

The NHF's Code of Conduct sets out standards for housing associations that are members of the NHF. It is for use by individual housing association staff, Board members and certain involved residents, and sets out guidance according to four key themes:

- Acting in the best interest of the housing association and its residents.
- Behaving with integrity.
- Conducting yourself professionally and treating others well.
- Protecting yourself, others and the environment.

The Board considers that St Anne's acts in compliance with the Code.

St Anne's PROUD values embed a culture which supports compliance, this begins at the recruitment and selection stage, is reinforced at induction training for new colleagues and continues throughout our colleagues' journey with St Anne's.

Policies and procedures are in place which are underpinned by regular mandatory trainings to ensure awareness is entrenched and transparent to all of St Anne's colleagues. Some examples of this are the Code of Conduct policy, Health and Safety trainings, guidance on managing and reporting conflicts of interests, GDPR training, Whistleblowing and Freedom to speak up training, and EDI training.

To amplify tenants' voices, we have introduced a Resident Representative who will attend Board meetings and chair the Resident Forum. This platform allows tenants to share their views and collaborate with St. Anne's on positive changes.

Streamlined Energy and Carbon Reporting (SECR)

St. Anne's has followed and used robust and accepted methods to calculate the required information for this SECR Report including the HM Government Environmental Reporting Guidelines 2019, the Governments Sustainability Reporting Guidance 2024/25, the Greenhouse Gas (GHG) Reporting Protocol, and the UK Government's Greenhouse Gas Reporting Conversion Factors 2024.

Based on this our emissions and energy usage for the financial year were:

UK Greenhouse Gas emissions and energy use data for the period 1 April 2024 to 31 March 2025	24/25	23/24
Data used to calculate emissions		
Gas (kWh)	4,633,936	4,987,174
LPG (kWh)	80,889	77,710
Electricity (kWh)	1,364,317	1,485,211
Transport (kWh)	237,870	238,178
Transport (miles)	357,184	337,778
Scope 1 GHG Emissions (kg CO2e)		
Gas (Natural)	847,547	912,298
LPG	17,351	16,669
Company / Fleet Vehicles - Diesel	43,110	44,327
Company / Fleet Vehicles - Petrol	12,659	11,697
Total Scope 1 Emissions (kg CO2e)	**920,667**	**984,991**
Scope 2 GHG Emissions (kg CO2e)		
Electricity (Grid Supplied)	282,507	307,549
Total Scope 2 Emissions (kg CO2e)	**282,507**	**307,549**
Scope 3 GHG Emissions (kg CO2e)		
Grey Fleet	105,008	97,605
Total Scope 3 Emissions (kg CO2e)	**105,008**	**97,605**
Total GHG Emissions (kg CO2e)	**1,308,181**	**1,390,144**
Emissions Intensity Ratio		
Total kg CO2e per £1.00 of Total Income	**0.023**	**0.027**

Intensity Measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per £1 of total income.

Energy Efficiency Action

St. Anne's is committed to enhancing our energy efficiency. As part of our Responsible Business Strategy, we have established a dedicated project group to identify and implement energy-saving measures, aiming to minimise our overall energy footprint and continuously explore innovative approaches to energy reduction.

Throughout the year, we have undertaken several proactive initiatives:

- Deployment of Electric Vans: Our maintenance team now utilises three electric vans, significantly reducing our carbon emissions.
- Energy-Efficient Windows and Doors: We have installed more energy-efficient units when replacing windows and doors, including a major upgrade at two services, including the Resource Centre, at a total cost of £189k.
- LED Lighting Upgrades: We replace all light fittings with energy-efficient LED lights, ensuring optimal energy consumption.

Internal controls assurance

As part of the internal audit programme St Anne's worked with RSM UK Risk Assurance Services LLP, as our independent internal auditors until the Summer of 2024.

For 2024/25, the Audit and Risk and Assurance Committee agreed a programme of internal audits focused around key risk areas which look to further support strong corporate governance and demonstrate robust and effective controls across the organisation. An internal audit universe has been created that will manage, track and identify key areas that will require auditing, and this can be based on a periodic cycle or through identification of a change in risk, or lack of internal controls assurance.

In addition to the internal audit programme, assurance is also gained from other controls that have been put in place across the organisation in the year. These include:

- Enhancements to periodic reporting across the organisation, but also specifically for committees and Board meetings.
- Risk registers reviewed periodically, with owners assigned to each risk and the relevant risks discussed at each committee and Board meeting.
- The implementation of deep-dive service reviews to understand the financial and operational drivers behind each of our services.
- A timely budget process with full involvement and engagement from stakeholders to ensure the budget and by default our costs and income are better understood.

The programme throughout the year has demonstrated some overall improvements in terms of organisational design and effectiveness compared to the audit areas from the previous years, and a number of examples of good practice. However, they equally identified some key areas and recommendations where further improvements can be made, and action plans to address these have been drawn up with progress monitored by the relevant committee.

Considering the above points, Trustees consider that these collectively offer sufficient assurance to be able to regard the internal controls position as satisfactory overall, as well as identifying additional opportunities for improvement.

Compliance with s172 of the Companies Act 2006

The Trustees confirm their compliance with s172 of the Companies Act 2006. Set out below are several examples of compliance, and many others are included in relevant sections throughout this report.

The Trustees recognise the need for the organisation to operate in a way that considers, and is fair to, all of its stakeholders, which is similarly recognised through its charitable purpose and embedded within the culture and values of the organisation (see page 8).

The organisation takes account of the longer-term impacts of its decisions, and in 2020/21 we launched our next 5-year strategy, setting out our strategic commitments, and supporting plans through to 2026 (see pages 7-8). This in particular focuses on our longer-term commitments to; our people; excellent service delivery; and being financial sustainable and delivering value for money.

Employee interests are also at the heart of what we do, as is demonstrated by Person Centred being one of our organisational values and with Empowering our People being one of the pillars within our strategic commitments for the next 5 years (see page 9). Our approach to people, diversity and inclusion and remuneration also has significant focus within St Anne's (see page 12). The organisation has a strong regard for both the communities it works within and the environment as set in our Corporate Social Responsibility statement (see page 16) and with both communities and the environment forming part of one of our three strategic commitments for the next 5 years (see page 9).

The Trustees also confirm the organisation's continued drive to maintain a reputation for high standards as demonstrated in the report on the section on strengthening our governance (see page 13), our committee structure (see pages 10-11) and specifically in terms of compliance with the Charity Governance Code and the Code for Governance for Housing Associations (see pages 13-14).

Statement of Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The organisation's charitable objects are enshrined within its Articles of Association and as such the Trustees ensure that the organisation's activities are carried out for the public benefit through the setting and implementation of its strategic priorities. This report also allows us to show how our charitable funds are spent.

Any fundraising activities we conduct are compliant with the Charity Commission's guidance on fundraising.

Statement of Trustees' Responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the annual report, which incorporates the strategic report and financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the organisation, and of the incoming and outgoing resources and application of resources, including income and expenditure for the period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Housing Statement of Recommended Practice (SORP).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the organisation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislation in other jurisdictions.

The Trustees confirm that, in so far as they are aware:

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

External auditors

In line with best practice and governance principles concerning auditor rotation, the Board of Trustees has appointed Crowe UK LLP as the Company's external auditor for the financial year ended 31 March 2025, succeeding Forvis Mazars LLP, who had served in this role for the previous 5 years. This decision was taken to maintain audit independence and ensure a fresh perspective in the assurance process. The Board of Trustees expresses its appreciation to Forvis Mazars for their service and contribution during their tenure.
Crowe UK LLP will undertake the audit for the current financial year.

Crowe UK LLP is eligible to act as an auditor under the relevant section of the Companies Act 2006.

By order of the Board

John C Cleland

John Cleland
Chair of Board of Trustees
31 July 2025

Independent Auditor's Report to the Members of St Anne's Community Services

Opinion

We have audited the financial statements of St Anne's Community Services (the charitable company) for the year ended 31 March 2025 which comprise Statement of Comprehensive Income, Statement of Changes in Reserves, Cash Flow Statement and Statement of Financial Position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of the charity's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the charitable company has not kept adequate accounting records; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in

respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements such as the Housing and Regeneration Act 2008 and other laws and regulations application to a registered social housing provider in England together with the Housing SORP, along with the Companies Act 2006 . We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statements items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were requirements imposed by the Regulator of Social Housing, health and safety, taxation and employment legislation.

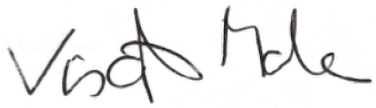
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the charitable company and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the completeness, existence, accuracy and timing of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence, designing audit procedures over the timing of income and reading minutes of meetings of those charged with governance.

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

Use of our report

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



Vincent Marke

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill

London

EC4M 7JW

26th August 2025

Statement of Comprehensive Income
For the year ended 31 March 2025

	Notes	2025 £'000	2024 £'000
Turnover	2	55,672	51,430
Operating costs	2	(55,947)	(51,849)
Operating Deficit excluding Pension Settlement		**(275)**	**(419)**
Pension Settlement	20	(35,179)	-
Operating Deficit including Pension Settlement		**(35,454)**	**(419)**
Gain on disposal of housing properties	5	2	273
Deficit on loss of revaluation of investments	5a	-	(14)
Operating Deficit	**7**	**(35,452)**	**(160)**
Interest receivable and other income	6	1,142	1,667
Interest payable and financing costs	20	-	-
(Deficit) /Surplus for the year		**(34,310)**	**1,507**
Other Comprehensive Income			
Actuarial gain /(loss) in respect of pension schemes	20	39,905	(1,553)
Total Comprehensive Surplus /(Deficit) for the year		**5,595**	**(46)**

The organisation's results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 31 July 2025 and signed on its behalf by:

John Cleland

Mr J Cleland, Chair of Board of Trustees

C Ashton

Mrs C Ashton, Trustee and Chair of Audit Risk and Assurance Committee

Company Registration Number 108902

Statement of Changes in Reserves

	Income and expenditure reserve	Restricted reserve	Total
	£'000	£'000	£'000
Balance as at 1 April 2023	**14,225**	**0**	**14,225**
(Deficit) /Surplus for the year	(174)	128	(46)
For year ended 31 March 2024	**14,051**	**128**	**14,179**
Surplus /(Deficit) for the year	5,641	(46)	5,595
For year ended 31 March 2025	**19,692**	**82**	**19,774**

Restricted Funds	Opening balance	Income	Expenditure	Closing balance
	£'000	£'000	£'000	£'000
Nourish project -various councils	103	247	350	-
Mayor Safety fund	8	10	18	-
Street Kitchen Fund	-	11	-	11
Leeds Council: Waythrough Detox	-	422	440	(18)
Leeds Council: Waythrough FL	-	683	623	60
Leeds Council: Domestic Violence	6	93	83	16
Leeds Christian Community	11	37	41	7
Bevin Community Group	-	1	-	1
Yorkshire Council	-	6	6	-
NHS Dying Well Project	-	5	-	5
	128	**1,515**	**1,561**	**82**

Statement of Cash Flows
For year ended 31 March 2025

	Note	2025 £'000	2024 £'000
Net cash used in operating activities	15	(694)	(2,029)
Cash flow from investing activities			
Acquisition and construction of housing properties		(408)	(334)
Purchase of other tangible fixed assets		(490)	(547)
Purchase of intangible fixed assets		(153)	(4)
Proceeds from sale of fixed assets		2	273
WYPF Exit credit received		5,533	-
		4,484	**(612)**
Interest received and similar income		1,142	1,667
Net change in cash, cash equivalents and money market deposits		**4,932**	**(974)**
Cash, cash equivalents and money market deposits at beginning of the year		**7,102**	**8,076**
Cash, cash equivalents and money market deposits at end of the year		**12,034**	**7,102**

The accompanying notes form part of these Financial Statements

Statement of Financial Position

For year ended 31 March 2025	Note	2025 £'000	2024 £'000
Fixed Assets			
Housing Properties	8	10,029	9,991
Other Tangible Fixed assets	9	6,232	6,516
Intangible Fixed assets	9	147	15
Fixed asset investments	10	4	2
		16,412	**16,524**
Current assets			
Trade & other debtors	11	6,059	5,456
Investments	12	4,957	4,285
Cash and Cash Equivalents		7,077	2,817
		18,093	**12,558**
Creditors: amounts falling due within one year	13	(5,884)	(5,525)
Net Current Assets		**12,209**	**7,033**
Total assets less current liabilities		**28,621**	**23,557**
Creditors: amounts falling due after more than one year	14	(8,847)	(9,378)
Net pension asset / (liability)	20	-	-
Total net assets		**19,774**	**14,179**
Reserves			
Income and expenditure reserve		19,692	14,051
Restricted reserve		82	128
Total reserves		**19,774**	**14,179**

The accompanying notes form part of these Financial Statements

The financial statements were approved by the Board on 31 July 2025 and signed on its behalf by:

Mr J Cleland, Chair of Board of Trustees

Mrs C Ashton, Trustee and Chair of Audit Risk and Assurance Committee

Company Registration Number 1089026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Legal status

St Anne's Community Services is a registered housing provider, a charity and a company limited by guarantee. The registered office is Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG. The organisation is incorporated in England and Wales, company registration number 1089026.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The financial statements are presented in Sterling (£). St Anne's Community Services is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on the historical cost basis except where specified in the accounting policies.

Going concern

The organisation's business activities, its current financial position and factors likely to affect its future development are set out in the report of the Trustees (incorporating the strategic report). The organisation has cash and investment balances which provide adequate resources to finance the organisation's day to day operations and committed expenditure. The organisation has a plan which shows that these resources are sufficient to continue to fund operations.

Our planning processes, including financial projections, take into consideration the current economic climate. The Audit Committee and the Board have carefully considered the relevant conditions and performed an assessment. The Trustees have concluded, based on a review of forecasts and budgets, that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the organisation to continue as a going concern.

On this basis, the Board has a reasonable expectation that the organisation 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 financial statements are signed. For this reason, the organisation continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of depreciable assets – management reviews its estimate of the useful economic lives of depreciable assets at each reporting date based on the expected use of the assets. Uncertainties in these estimates primarily relate to changes in improvement programmes for components and the Decent Homes Standards, which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2025 was £8.3m.

Shared Lives service – management have made a critical judgement regarding the recognition of income and expenditure associated with the delivery of the Shared Lives service commissioned by Leeds City Council.

St Anne's Community Services acts as an agent in the provision of this service. The organisation's role is limited to the administration and oversight of the service, for which it receives a fixed management fee. As a result, in accordance with FRS 102 Section 23 (Revenue), the organisation recognises only the net management fee as income in the Statement of Comprehensive Income, rather than the gross value of payments made to carers. This treatment reflects the substance of the arrangement and ensures that the financial statements present a true and fair view of the charity's role and financial exposure in relation to this service.

Basis of consolidation

The organisation has taken advantage of the exemption from preparing group financial statements contained in Section 402 of the Companies Act 2006 on the grounds that its subsidiary undertaking is immaterial to the Group under section 405(2) of the Act. Details of the subsidiary undertaking are set out in note 10.

Turnover and revenue recognition

Turnover comprises rental income receivable, fees and grants from central and local government activities. Revenue grants are recognised as income when the conditions for receipt of grant funding have been met and/or they no longer meet the criteria to allow them to be retained on the balance sheet. Rental income is recognised when properties become available for letting, net of any voids.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings and development costs.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Depreciation of Housing Properties

The organisation separately identifies the major components which comprise its properties held for social housing and non-social housing lettings and charges depreciation, so as to write down the cost of each component to its estimated realisable value, on a straight-line basis, over its estimated useful economic life.

The organisation depreciates the major components of its properties held for social and non-social housing lettings using the following useful lives:

Structure	75 years
Roof	50 years
Electrics	40 years
Heating, ventilation and plumbing	30 years
Windows	30 years
Boilers, kitchens & bathrooms	15 years

Other fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged by equal monthly instalments over the expected useful lives of the assets. The useful economic lives applied are as follows:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Computer equipment	3 years
Motor vehicles	4 years
Office and workshop equipment	5 years
Software	5 years

Intangible Fixed Assets

Intangible fixed assets are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a straight-line basis over the estimated useful lives of the assets, which is 5 years.

The carrying value of intangible fixed assets is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment loss is recognised in the income statement.

Government Grants

Government Grants include grants receivable from Homes England, local authorities, and other government organisations, these are recognised in income over the life of the asset under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the organisation will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Other Grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the organisation is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Annually, housing properties are assessed for impairment indicators. To identify a cash generating unit (CGU) for impairment assessment purposes, St Anne's follows a systematic approach of identifying the smallest group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets. Where indicators are identified, an assessment for impairment is undertaken, comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the organisation, its recoverable amount is its fair value less costs to sell.

Investments

Non-quoted investments are accounted for on a historical cost basis less any provision for impairment. Quoted investments are accounted for at market value at the balance sheet date. Any upward movement in valuation is taken to the investment revaluation reserve and shown in the Statement of Comprehensive Income except to the extent that an upward revaluation is in respect of a previous reduction charged as impairment to the Income and Expenditure account. In this event, the upward revaluation is credited to the Income and Expenditure account to the extent of the previously impaired value. Any reduction in investments value is charged to the investment reserve and shown in the statement of total recognised surpluses and deficits, to the extent that there has been a previous upward valuation. Any excess reduction in market value over previous upward valuations is charged to the income and expenditure account. Money market investments are held with HSBC and deposit accounts with Close Brothers Savings and Fidelity.

Financial Instruments

Basic and non-basic financial instruments (as defined in Section 11 of FRS102) are shown at market value (for quoted investments) or at transaction value less any provision for impairment. The organisation has not adopted hedge accounting for any financial instruments.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the organisation as a percentage of income.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organisation. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed at below market rate, and, where material, the balance is shown at the present value, discounted at a market rate.

Bad debt provisions are made through a systematic case by case approach to ensure accuracy.
A debt is considered a bad debt if it is viewed as very unlikely to be recovered and all possible actions to collect the debt have taken place. This includes robust dialogue with the funder, providing all appropriate information to explain the debt, and considering enforcement action.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits within financial institutions. The term of the deposit is no more than 90 days.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Creditor balances arising through contracts will be held on the balance sheet for six years from the point they have arisen, or from the point our records show they have arisen, whichever is the later, on the basis this is a reasonable limitation period. However, such balances will be looked at on a case-by-case basis and if based on management judgement they believe there is still a reasonable chance of a valid claim against a creditor balance they may be held on the balance sheet for a longer period of time.

Provision for liabilities

Provisions are recognised when the organisation has an obligation as a result of a past event. The organisation recognises a provision for future losses on contracts entered into before the year end. The amount recognised as a provision is the best estimate of the expected losses over the remaining term of these contracts.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The organisation recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pensions

The organisation participates in the funded multi-employer defined benefit scheme with the National Health Service Pension Scheme ("NHS Pension Scheme"). The scheme does not allow identification of the share of underlying assets and liabilities belonging to individual participating employers. The income and expenditure charge includes the employer contribution payable to the scheme for the accounting period. The NHS Pension Scheme is in respect of those specific employees who have transferred their employment into the organisation via a TUPE agreement agreed with commissioners in relation to specific contractual and legal agreements.

The government introduced auto enrolment pension schemes when employers were phasing out their provision of pension schemes for employees due to cost. The auto enrolment scheme allows eligible employees access to a pension scheme that is contributed to by their employer as well as themselves. Standard Life is the auto enrolment pension scheme provider for the organisation's contracted staff and for our non-contracted (casual) staff. Eligibility to be automatically enrolled on the Standard Life scheme is that the member of staff must be aged between 22 years old but under state pension age and be paid over £10k per annum. Contributions to the scheme are three per cent from St Anne's and five per cent from the employee. Eligible staff will automatically be enrolled but with the option to opt out. Any employee that exercises their option to opt out of the scheme will be automatically re-enrolled every three years (as part of the tri-annual assessment) if they are eligible, to allow them the opportunity to

become a member of a pension scheme and make a provision for their retirement through this route. They will be given the option to opt out each time.

Taxation

The organisation has charitable status and it's sources of income are exempt from income and corporation tax provided they are applied for charitable purposes.

2. TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

For year ended 31 March 2025	Turnover	Operating Costs	Operating surplus / (deficit) Excluding Pension Settlement
	£'000	£'000	£'000
SOCIAL HOUSING ACTIVITIES			
Income and expenditure from social housing lettings	18,035	(17,811)	224
OTHER SOCIAL HOUSING ACTIVITIES			
St Anne's Centre	269	(307)	(38)
Respite Services	2,577	(2,502)	75
Tenancy Support -Other funding	20,028	(19,841)	187
Funded projects	1,516	(1,499)	17
Other	2,392	(3,013)	(621)
Total other social housing activities	**26,782**	**(27,162)**	**(380)**
NON SOCIAL HOUSING ACTIVITIES			
Income and expenditure from lettings	10,189	(10,321)	(132)
Other income and expenditure	666	(653)	13
	10,855	**(10,974)**	**(119)**
	55,672	**(55,947)**	**(275)**

For year ended 31 March 2024	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
SOCIAL HOUSING ACTIVITIES			
Income and expenditure from social housing lettings	16,872	(16,384)	488
OTHER SOCIAL HOUSING ACTIVITIES			
St Anne's Centre	280	(263)	16
Respite Services	1,218	(950)	268
Tenancy Support -Other funding	18,569	(18,834)	(265)
Funded projects	1,337	(1,450)	(113)
Other	2,321	(2,960)	(639)
Total other social housing activities	**23,724**	**(24,458)**	**(734)**
NON SOCIAL HOUSING ACTIVITIES			
Income and expenditure from lettings	10,081	(10,167)	(86)
Other income and expenditure	752	(839)	(87)
	10,833	**(11,006)**	**(173)**
	51,430	**(51,849)**	**(419)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

For year ended 31 March 2025	Hostels & Supported housing	Residential Care Homes	2025	2024
	£'000	£'000	Total £'000	Total £'000
TURNOVER FROM SOCIAL HOUSING LETTINGS				
Rent receivable net of identifiable service charges	1,569	83	**1,652**	1,409
Service charge income	1,564	-	**1,564**	1,422
Charges for support services	1,156	-	**1,156**	794
Net rental income	**4,289**	**83**	**4,372**	**3,626**
Other income	4,409	9,090	**13,499**	13,055
Amortised government grants	65	99	**164**	191
Turnover from social housing lettings	**8,763**	**9,272**	**18,035**	16,872
EXPENDITURE ON LETTING ACTIVITIES				
Management and care	(6,155)	(8,570)	**(14,725)**	(13,707)
Service charge costs	(813)	(578)	**(1,391)**	(1,278)
Routine maintenance	(824)	(461)	**(1,285)**	(1,007)
Bad debts	(26)	(26)	**(52)**	(73)
Depreciation of housing properties	(220)	(138)	**(358)**	(319)
OPERATING EXPENDITURE ON SOCIAL HOUSING LETTINGS	**(8,038)**	**(9,773)**	**(17,811)**	**(16,384)**
OPERATING SURPLUS ON SOCIAL HOUSING LETTINGS	**725**	**(501)**	**224**	**488**
Loss due to voids	**(413)**	**(464)**	**(877)**	**(1,131)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation in management was as follows:

	2025 No.	New Units	Units taken out of use	2024 No.
Social housing				
Supported housing and hostels	272	-	-	272
Residential care homes	122	-	(7)	129
Total owned	**394**	**-**	**(7)**	**401**
Accommodation managed for others	95		(3)	98
Total managed	**489**	**-**	**(10)**	**499**
Non-social housing				
Registered nursing homes	73		(16)	89
Total owned	**73**	**-**	**(16)**	**89**
Accommodation managed for others	-	-	-	-
Total managed	**73**	**-**	**(16)**	**89**

There are no units of accomodation in development at 31 March 2025.

3 units of accomodation managed on behalf of others have been returned to Leeds Federated Housing Association.

7 units of residential care accomodation have been taken out of use and are under review for reprovision.

16 units of registered nursing home accomodation have been taken out of use and are under review for reprovision.

2. FUNDRAISING

	2025 £'000	2024 £'000
Gifts and donations received	24	66
Direct charitable expenditure	-	-
Transfer to general charity fund	**24**	**66**

3. KEY MANAGEMENT PERSONNEL

	2025 £'000	2024 £'000
Emoluments of the organisation's key management personnel (salary, pension contributions, employer's national insurance and benefits in kind)	876	1003
Compensation for loss of office	-	-
Emoluments of the highest paid employee (excluding pension contributions)	196	188

The full-time equivalent number of staff members who received emoluments (salary, pension contributions and benefits in kind)

	2025 No.	2024 No.
£60,001 - £70,000	7	2
£70,001 - £80,000	4	2
£80,001- £90,000	-	1
£90,001 - £100,000	-	3
£100,001 - £110,000	3	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	1
£180,001 - £190,000	-	1
£190,001 - £200,000	1	-

During the course of the year there were 6 different people included as part of the Executive Leadership Team (ELT). The ELT is made up of the following roles: CEO, CFO, Director of Operations, Director of People, Director of Housing, Director of Business Development / Deputy CEO.

The highest paid staff member in the year was the Chief Executive Officer.

The Chief Executive Officer is a member of the Standard Life pension scheme, which is a defined contribution scheme. The scheme is funded by both employer and employee contributions. The employer contributes 10% of the Chief Executive's pensionable salary.

Total expenses reimbursed to the directors of the organisation were £330 (2024:£92). The Trustees (all of whom are directors) receive only essential expenses.

4. EMPLOYMENT INFORMATION

Average monthly number of employees expressed in full time equivalent of 37.5 hours:	2025	2024
	No.	No.
Finance and administration staff	75	75
Maintenance and housing staff	8	8
Care staff	1,096	1,090
	1,179	**1,173**

Headcount average:	2025	2024
	No.	No.
Finance and administration staff	80	80
Maintenance and housing staff	8	8
Care staff	1,257	1,250
Casual Care staff	123	83
	1,468	**1,421**

Employee costs:	2025	2024
	£'000	£'000
Staff costs		
Wages and salaries	41,912	38,616
Social security costs	3,258	2,775
Other pension costs	1,203	993
	46,373	**42,384**

5. SURPLUS ON DISPOSAL OF HOUSING PROPERTIES

	2025 £'000	2024 £'000
Disposal proceeds	2	273
Carrying value of asset	-	-
	2	**273**

5a. DEFICIT ON REVALUATION OF INVESTMENTS

	-	(14)
	-	(14)

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2025 £'000	2024 £'000
Interest Receivable	280	254
Interest on net Defined Benefit Pension asset (note 20)	805	1,347
Fundraising and Donations	24	32
Other income	33	34
	1,142	**1,667**

7. OPERATING DEFICIT

Operating deficit is arrived at after charging:

	2025 £'000	2024 £'000
Depreciation of freehold housing property	342	323
Depreciation of other fixed assets	456	457
Auditor's remuneration (excluding VAT):		
Fees payable for the financial statement audit	55	55
Total audit services *	**55**	**55**
Tax compliance services	-	-
Total non-audit services	**-**	**-**
Operating leases		
- Land & buildings	416	255
- Other	376	220

*Audit services relate only to St Anne's Community Services.
St Anne's Trading Ltd (note 21) reported :

	2025 £'000	2024 £'000
Audit services: fees payable for financial audit	5	4
Non-audit services: Tax compliance services	2	2
VAT services	-	-
	7	6

8. TANGIBLE FIXED ASSETS – Housing Properties

	Social housing properties held for letting
	£'000
Cost	
Balance at 1 April 2024	15,170
Additions to existing properties	408
Transfers from freehold properties	-
Disposals	(29)
Balance at 31 March 2025	**15,549**
Depreciation	
Balance at 1 April 2024	(5,179)
Charge for the year	(342)
Transfers from freehold properties	-
Disposals	-
Balance at 31 March 2025	**(5,520)**
Net book value at 31 March 2025	**10,028**
Net book value at 31 March 2024	**9,991**

	2025	2024
	£'000	£'000
Expenditure on works to existing properties:		
Improvement works capitalised	408	334
Amount charged to income and expenditure account	511	265
	919	**599**

8. TANGIBLE FIXED ASSETS – Social Housing Grant Assistance	2025	2024
	£'000	£'000
Balance at 1 April	7,161	7,355
Received in year	-	-
Amortised within Statement of Comprehensive Income	(164)	(194)
Released on disposal	-	-
Balance at 31 March	**6,997**	**7,161**
Recognised in:		
Creditors: amounts falling due within one year	163	194
Creditors: amounts falling due after more than one year	6,834	6,967
	6,997	**7,161**

Social Housing Grants are receivable from the Homes and Communities Agency. Grants received for properties under construction are classified as creditors falling due within one year. Once properties have been completed, the grant is classified as a creditor falling due after more than one year and is amortised over the life of the structure of those properties.

9. TANGIBLE FIXED ASSETS – Other fixed assets

	Other freehold properties	Computer Equipment	Furniture fixtures and fittings	Intangible assets	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Balance at 1 April 2024	7,855	604	405	155	9,019
Additions	243	118	129	153	643
Disposals	(519)	(2)	(11)	-	(532)
Balance at 31 March 2025	**7,579**	**720**	**523**	**308**	**9,130**
Depreciation					
Balance at 1 April 2024	1,739	331	279	140	2,489
Charge for the year	158	168	109	21	456
On disposals	(182)	(2)	(10)	-	(194)
Balance at 31 March 2025	**1,715**	**497**	**378**	**161**	**2,751**
Net book value					
Net book value at 31 March 2025	**5,864**	**223**	**145**	**147**	**6,379**
Net book value at 31 March 2024	**6,116**	**273**	**126**	**15**	**6,530**

10. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2025	2024
	£'000	£'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	4	2
Net book value at 31 March	**4**	**2**

Investment Fund Plans	£'000
Market value at 1 April 2024	2
Disposals	-
Additions	-
Change in market value	2
Market value at 31 March 2025	**4**

Interest in subsidiary

The organisation owns the whole share capital (two £1 ordinary shares) of St Anne's Trading Limited; a company registered in England and Wales.
The trading results are consolidated numbers of St Anne's Community Services and St Anne's Trading Limited, whose results are presented and audited in their own Annual Report. The financial statements of St Anne's Trading Limited can be obtained from the registered office at Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£'000	£'000
Arrears of rent	560	1,009
Less: Provision for bad and doubtful debts	(277)	(325)
	283	**684**
Invoiced debtors	4,429	3,684
Other debtors	220	268
Prepayments and accrued income	1,127	810
Amounts owed by subsidiary company	-	10
	6,059	**5,456**

12. CURRENT ASSET INVESTMENT

	2025	2024
	£'000	£'000
Money market deposits	4,957	4,285
Current asset investments	**4,957**	**4,285**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£'000	£'000
Trade creditors	1,829	2,147
Pension contributions	218	194
Other creditors	170	161
Accruals and deferred income	2,689	2,058
Other taxation and social security	739	689
Deferred capital grant income	239	276
	5,884	**5,525**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Deferred Grant Income:	**2025**	**2024**
	£'000	**£'000**
At 1 April	9,654	9,930
Received in year	-	-
Repaid in year	(329)	-
Released to income	(239)	(276)
At 31 March	**9,086**	**9,654**
Released in one year	239	276
Released in more than one year	8,847	9,378
	9,086	**9,654**

Of the £9.1m deferred grant £7.0m relates to Social Housing Assistance.

15. NET CASH USED IN OPERATING ACTIVITIES

	2025	**2024**
	£'000	**£'000**
Surplus /(Deficit) for the year	5,595	(46)
Adjustments for non-cash items:		
Depreciation in year	798	780
Amortisation/Release of grants	(239)	(276)
(Increase) / Decrease in debtors	(603)	(863)
Increase / (Decrease) in creditors	395	239
WYPF Exit credit received	(5,533)	-
Adjustments for investing activities:		
Disposal of fixed assets	35	(196)
Interest Receivable and Similar Income	(1,142)	(1,667)
	(694)	**(2,029)**

16. CAPITAL COMMITMENTS

At 31 March 2025, St Anne's did not have any capital commitments (2024: £nil)

17. PROVISION

At 31 March 2025, following a review by Management, and in accordance with Accounting Standards, there were £nil provisions (2024: £nil).

18. CONTINGENT LIABILITIES

In accordance with FRS 102 St Anne's recognises contingent liabilities where management (and their legal representatives) has assessed those potential liabilities as being possible (and would make a provision where such potential liabilities have been assessed as being probable). At the year-end management believe no such possible liabilities exist and as such no contingent liabilities have been disclosed (2024: £nil).

19. LEASING COMMITMENTS

The future minimum lease payments to be made by the organisation are as follows:

	2025		2024	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring:				
In one year or less	396	161	240	105
Between one and five years	20	216	15	115
	416	**377**	**255**	**220**

The future minimum lease receipts due to the organisation are as follows:

	2025	2024
	Land and buildings	Land and buildings
	£'000	£'000
Leases expiring:		
In one year or less	34	44
Between one and five years	129	-
	163	**44**

20. PENSIONS

In November 2024 the Peoples Pension and Scottish Widows schemes were closed and replaced with the Standard Life scheme. The organisation exited the West Yorkshire Pension Fund in September 2024. This was a defined benefit scheme; membership was closed to new employees with effect from 31 March 2012. The organisation now utilises two pension schemes: National Health Service (NHS) Pension scheme and Standard Life. We have a number of TUPE staff who are members of the NHS Pension Scheme.

NHS Pension Scheme

The NHS Pension Scheme is a multi-employer defined benefit scheme. The scheme is unfunded. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers and, due to the nature of the scheme, the income and expenditure account charge for the period under FRS102 represents the employer contribution payable.

Employer contributions were made at the rate of 14.38% during the accounting period. Payments to the scheme in the period amounted to £74k (2024: £93k). Members' contributions are banded according to earnings. The scheme is subject to full valuations every four years (previously every five years). The last valuation took place as at 31 March 2020. Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published every October. These accounts can be viewed on the NHS Pension Agency website at www.nhspa.gov.uk.

Standard Life auto enrolment pension scheme:

The Scottish Widows scheme was closed in year and employees were transferred to Standard Life. Contributions were made at 3%, 6%, and 8% (10% for the small number of members that are at senior level personnel).

The total payments to the Standard Life auto enrolment pension scheme during the period from November 2024 were £1,004k with £1,037k to Scottish Widows and £41k to the People's Pension during April 2024 to October 2024 (2024: £1,988k to Scottish Widows and £71k to the Peoples Pension).

West Yorkshire Pension Fund

The West Yorkshire Pension Fund (WYPF) is a multi-employer scheme with more than one participating employer, which is administered by the City of Bradford Metropolitan District Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit credit method.

The organisation exited one WYPF scheme in September 2024 and received £5.5m exit credit from WYPF.

There are two remaining WYPF pension schemes – Whiteoaks scheme and a TUPE scheme.

Contributions:

The employers' regular contributions to the WYPF by St Anne's for the year ended 31 March 2025 at 36.2% of pensionable pay were £10k (2024: £37k). The employers' contribution rate has been fixed at 36.2% of pensionable pay for the year ending 31 March 2026.

On the TUPE scheme, employees' contribution rates have been fixed at rates between 5.5% and 8.5% dependent on salary levels. No Employer contributions are required at this time.

On Whiteoaks scheme, Employees' contribution rates have been fixed at rates between 5.5% and 5.8% dependent on salary levels. Employer contributions for year ending 31/03/2025 are 16.5%. Employer contributions paid were £13k

Assumptions
The major assumptions used by the actuary in assessing scheme liabilities on an FRS 102 basis were:

	09-Sep-24	31-Mar-24	31-Mar-23	31-Mar-22
	% per annum	% per annum	% per annum	% per annum
Rate of increase in salaries	3.8	3.9	4.0	2.2
Rate of increase in pensions in payment	2.5	2.6	2.7	3.0
Discount rate	4.9	4.8	4.7	2.7
Inflation assumption - CPI	2.5	2.6	2.7	3.0

Mortality assumptions

The post-retirement mortality assumptions are based on the actual mortality experience of members within the Fund based on analysis carried out as part of the 2022 Actuarial Valuation, and allow for expected future mortality improvements.
Sample life expectancies at age 65 in normal health resulting from these mortality assumptions are shown below.

	09-Sep-24	2024
Retiring today:		
Males	20.8	21
Females	24	24.2
Retiring in 20 years:		
Males	21.7	22.3
Females	24.7	25.2

Amounts recognised in the Statement of financial position

	09-Sep-24 £'000	2024 £'000
Present value of funded obligations	-	(73,295)
Fair value of plan assets	-	111,585
Net pension asset / (liability)	**-**	**38,290**
Less notional surplus not recognised	-	(38,290)
Net pensions recognised in the Statement of financial position	-	-

Amounts recognised in surplus or deficit

	09-Sep-24 £'000	2024 £'000
Current service cost	8	20
Past service cost	-	(2)
Settlement cost	35,179	
Amounts charged to operating costs	**35,187**	**18**
Interest on net defined benefit (asset)/liability	(805)	(1,347)
Amounts charged to other finance costs	**(805)**	**(1,347)**

Amounts recognised in other comprehensive income

	09-Sep-24 £'000	2024 £'000
Actuarial gains on liabilities	3,030	3,587
Actuarial gains / (losses) on assets	(1,416)	4,605
Adjustment gain/(loss) due to restriction of surplus	38,291	(9,745)
Net amount recognised in other comprehensive income	**39,905**	**(1,553)**

Changes in present value of defined benefit obligations:

	09-Sep-24 £'000	2024 £'000
Opening defined benefit obligation	73,295	76,666
Current service cost	8	20
Past service cost	-	(2)
Interest cost	1,524	3,526
Actuarial (gains) / losses on liabilities	(3,030)	(3,587)
Benefits/transfers paid	(1,630)	(3,335)
Member contributions	2	7
Settlements	(70,169)	-
Closing defined benefit obligation	**0**	**73,295**

Reconciliation of opening and closing balances of the fair value of scheme assets:

	09-Sep-24 £'000	2024 £'000
Opening fair value of assets	111,585	105,211
Interest income on scheme assets	2,329	4,873
Actuarial gains/(losses) on assets	(1,416)	4,605
Contributions by employer	(5,522)	224
Member contributions	2	7
Net benefits paid	(1,630)	(3,335)
Settlements	(105,348)	-
Closing defined benefit obligation	**0**	**111,585**

Major categories of plan assets as a percentage of total plan assets:

	09-Sep-24	2024
Equities	77.6%	79.4%
Property	2.70%	2.80%
Government Bonds	8.80%	8.50%
Corporate Bonds	4.00%	4.20%
Cash	4.30%	1.80%
Other	2.60%	3.30%
	100.00%	**100.00%**

	09-Sep-24 £'000	2024 £'000
Interest income on assets	2,329	4,873
Gain/(loss) on assets	(1,416)	4,605
Actual return on assets	**913**	**9,478**

Admission Agreement for admission to West Yorkshire Pension Fund

In connection with a contract between City of Bradford Metropolitan Council and the organisation, an agreement for admission to a new section of WYPF was entered into with effect from 20 December 2011. The agreement is specific to eligible staff transferred to St Anne's by virtue of the contract and will terminate on the expiry or earlier termination of the contract. This section of the WYPF was fully funded at the start of the agreement. Subject to the organisation complying with specific clauses in the agreement, any deficit relating to this section of the fund will be subsumed by the council.

Due to the subsumption arrangements in place, assets and liabilities relating to this section of the WYPF have not been included in the organisation's balance sheet.

The McCloud judgement

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members of public sector pension schemes as part of reforms to those schemes amounted to unlawful discrimination, as a result an allowance should be made for the McCloud Judgement in accounts, however the allowance is highly dependent on the salary increase assumption. As the assumed rate of CPI for St Anne's salary increases is less than CPI, McCloud will not have an impact, and no allowance is therefore included in these financial statements.

21. RELATED PARTY TRANSACTIONS

The organisation paid £37k (2024: £52k) during the year as a management recharge to St Anne's Trading Ltd, (see note 10). St Anne's Trading made a Gift Aid Distribution of profits to St Anne's Community Services of £18k (2024: £20k). There were no monies due from St Anne's Trading Ltd to St Anne's Community Services at the year-end (2024: £10k).

In the year to 31 March 2025, the organisation paid the Voluntary Organisations Disability Group (VODG) membership of £4k (2024: £4k). The CEO of St Anne's Community Services is also a board member of VODG.

There were no other related party transactions in the year.

22. CATEGORIES OF FINANCIAL ASSETS AND LIABILITES

	2025	2024
	£'000	£'000
Financial Assets at amortised cost		
Rent and Service Charges receivable	465	684
Invoiced Debtors	4,247	3,694
Other debtors	220	268
Accrued Income	540	329
	5,472	**4,975**
Financial liabilities at amortised cost		
Trade creditors	1,829	2,147
Other creditors	170	161
Deferred capital grant	239	276
Accruals and deferred income	2,689	2,058
Other taxation and social security	739	689
Pension contributions	218	194
	5,884	**5,524**

ST ANNE'S COMMUNITY SERVICES

England & Wales - Charity number 502224

Accounts

COMPANY NO: 1089026

CHARITY NO: 502224

RSH NO: H3158

St Anne's Community Services

Annual Report and Financial Statements

For the Year Ended 31 March 2024

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COMPANY INFORMATION

The Trustees, who are Directors of St Anne's Community Services, have pleasure in presenting their Annual Report and Financial Statements for the year ended 31 March 2024. The Financial Statements have been prepared in accordance with Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 2018 for registered social housing providers preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider regulated by the Regulator of Social Housing (RSH). Details of the Trustees and other corporate information are set out below:

Board of Trustees who served during the year:

A Sully (Chair resigned 03 March 2024)
J Cleland (Chair) (appointed 01 March 2024)
B Machin (Vice Chair) (appointed 04 February 2020)
J Adams (appointed 01 August 2022 resigned 11 September 2023)
C Ashton appointed 26 October 2022)
M Bardle (appointed 06 September 2022 resigned 08 May 2024)
G Dalton (appointed 28 January 2020)
L Hancock (appointed 01 August 2022 resigned 31 January 2024)
A Leech (appointed 16 March 2021)
A Topping (appointed 26 October 2022 resigned 26 April 2023)
M Turnbull (appointed 08 February 2020)
T Watters (appointed 04 February 2020)
C Day (appointed 01 March 2024)
A Micklethwaite (appointed 01 March 2024)

Company Registered Number	1089026
Charity Commission Number	502224
External Auditors	Forvis Mazars LLP 5th Floor, 3 Wellington Place, Leeds, LS1 4AP
Bankers	Unity Trust Bank plc Four Brindley Place, Birmingham, B1 2JB
Solicitors	DAC Beachcroft LLP 23 Park Square South, Leeds, LS1 2ND Bevan Brittan LLP 7th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

Pensions and Investment Advisors	First Actuarial LLP Trafford House Chester Road Manchester M32 0RS
	Purple Wealth Management LLP 50 Burley Hill Business Centre Burley Road Leeds LS4 2PU

CHAIR'S WELCOME

I had the privilege to join St Anne's as Chair of the Trustees in March 2024. I would like to extend my thanks to my predecessor, Anthea Sully who served for 3 years. I look forward to building on the excellent work of Anthea with my fellow Trustees and the Executive Leadership team (ELT).

Since joining I have been enormously impressed with the important work that St Anne's does to deliver adult care across a wide range of services in a very challenging environment.

2023/24 is the third year in the life of our five-year strategic plan. Underpinning that plan and at the heart of the way we conduct ourselves as an organisation are our PROUD values and our purpose of 'making a difference every day' by providing the highest quality, person centred care and support. Not only is this central to our current strategy, it has been at the core of St Anne's philosophy since St Anne's was formed in 1971 and will therefore remain omnipresent.

We are very aware that this year has been another year of change and exceptional challenge. On behalf of the Board and St Anne's wider stakeholders I would particularly like to thank all our colleagues for their continued dedication and commitment to our clients in these times.

Our people are the key to everything we do at St Anne's. We are committed to the continuous development of our staff and investing in their training and support. We have revised our staff recognition and awards and continually review them to recognise the efforts of our colleagues. St Anne's aspires to reward staff with the Real Living Wage, although whether we fulfil this ambition is critically dependent on our commissioning bodies and the level of funding they provide. This is turn goes to the heart of how much we as a society (and as a political priority) value adult social care.

Our clients are at the centre of everything we do, and it is pleasing to report that our Care Quality Commission (CQC) ratings are ahead of the national sector averages, with the majority of our CQC rated services scoring Good or Outstanding. However, we are not complacent and know that we have to continually review and improve our performance in this important area.

St Anne's can only continue to deliver its charitable purpose into the future if it is financially sustainable. Our financial performance for 2023/24, described in the following pages, reflects the challenges of the year. The continuing impact of the reduction in the national social care workforce has led to delays in client referrals with a consequent effect on room void management, exacerbating an already difficult cost environment. St Anne's is facing its challenges and is continually evolving to best continue to support our staff and clients, reinvest in our current services and develop new services to meet the changing needs of the most vulnerable people in our society.

During 2023/24 St Anne's ELT has seen a change in its Director of Operations, Director of Housing and Estates and Head of Governance, I want to thank the previous post holders of these positions for their contribution in making St Annes what it is today. The Board and ELT are focused on delivering on our strategy and implementing significant projects that will help to shape St Anne's resilience and support to clients in future years.

Our Board of Trustees has seen several new high calibre Trustees join it in 2023/24 in accordance with previous plans to further strengthen the Board of Trustees and Trustee representation on our committees. The Trustee role carries significant responsibility and so I am grateful to all the Trustees for assuming that responsibility and for their commitment to St Anne's during the past year.

The Trustees are very grateful for the support of those who have supported St Anne's this year. The Board is looking forward to 2024/25 with cautious optimism, knowing that as an organisation we will be able to face the coming year with confidence, fortified by the excellence and dedication of our colleagues and with the overarching objective of providing the highest possible quality of support to all of our clients.

John Cleland
John Cleland (Aug 8, 2024 07:48 GMT+1)

John Cleland
Chair of Board of Trustees

CHIEF EXECUTIVE'S WELCOME

2023/24 has been another challenging year, the entire social care sector has seen the impact of continued high living costs, inflation, funding restrictions and recruitment challenges.
I am proud that through the dedication and resilience of all our colleagues, St Anne's has continued to provide quality support and care to our clients.

Despite facing significant challenges, we have continued to grow and support more vulnerable people. We have incorporated new services, including Whiteoak a respite service in Bradford and new individual support services in Gateshead. I welcome the new colleagues to St Anne's.

I would like to thank all our colleagues for their continued commitment and support to our clients throughout the year - we wouldn't be able to continue to do the great work we do at St Anne's without your dedication.

2023/24 has been the third year of our five-year strategy – "A Life Without Limits". St Anne's is committed to enabling people to live their best life and we take a client focused approach to our strategy and operations.
We have refreshed our Seven group to engage more clients and staff across the whole organisation. Through working with client representative groups, seeking out and listening to client feedback, we have continued to develop the organisation to adapt to the needs of our clients and enhance the services we provide.

A tenant's satisfaction survey was carried out in the year, where staff across the organisation had the opportunity to engage with tenant's face to face. The survey produced an overall positive satisfaction of 77%, with 80% of tenants feeling safe in their own home and 83% of tenants happy with the repair service. Whilst this survey produced very positive results compared to other similar providers, we continue to strive to improve tenant experience.

During the year we have focused on further improving our Quality Assurance Framework achieved great results, with staff and managers feeling even more supported by our Quality and Continuous Improvement Team. St Anne's continues to develop as an organisation and over the past year we have continued to maintain high quality standards with the vast majority of our services being rated good or outstanding from the CQC, this can only be achieved through the skill, dedication, and commitment of our staff.

As part of our strategic commitment to digital transformation, we have identified and are implementing a new case management system and a new people and payroll system. This will benefit our client care and help ensure client needs are met, improving capacity, quality, and connectivity.

We have undertaken property options appraisal reviews for all properties, to ensure that our properties are compliant with our strategic objectives and meets our client's needs.
The asset management strategy has been rolled out, particularly looking at how we invest in our properties for the benefit of our clients, further developing our approach to quality, focusing on social value, and securing funding to allow further growth in the services we provide.

As we look forward to 2024/25, we are optimistic that the year will be a positive one as we build on everything we have achieved in 2023/24.

I would also like to take this opportunity to thank the Trustees for their diligence and the support they have given to St Anne's over the past year. These voluntary roles carry significant responsibility and they have continued to give a considerable amount of support and devotion to the organisation throughout this challenging year.
I would like to thank Anthea who served 3 years as Chair and other Trustees who have retired this year. I welcome the new Chair John and new Trustees.



Azra Kirkby
Chief Executive Officer

REPORT OF THE TRUSTEES (incorporating the Strategic Report)

The Trustees, who are the Directors for the purpose of company law, present their report along with the financial statements of St Anne's Community Services for the year ended 31 March 2024.

St. Anne's Community Services Board

St. Anne's Community Services Board is committed to achieving the highest standards of corporate governance in its oversight of the delivery of St. Anne's Community Service's strategic plan and priorities, risk management, values, and ethics. During the financial year, we followed corporate governance best practice and complied with the Charity Governance Code for Large Charities which promotes good practice and good governance through its seven principles. A Board of nine Trustees currently governs the organisation, supported by four committees; remuneration and nomination, audit and risk and assurance, finance and business, and quality and people, with day-to-day management delegated to the executive team. The chairs of each of the four committees hold positions as Trustees on the Board.

Introduction: St Anne's - Making a difference every day

St Anne's was founded 53 years ago, in 1971, as a daytime shelter for homeless men in Leeds. From these small beginnings we have gradually expanded over the years to become the organisation we are today, with around 1,300 employees supporting people across the North of England.

Our very first service was shaped around people's needs and wishes and we have maintained this ethos, with the people we support at the centre of all our work, throughout all the services we provide.

We provide housing and accommodation-based support in partnership with other housing providers and deliver a range of community-based services across the North of England. We are proud to support people with learning disabilities, mental health, substance misuse and homelessness issues and to help them achieve their aspirations.

Much of our work is undertaken in partnership with local authority adult social care departments, clinical commissioning groups and community safety partnerships. We also work extensively with people whose support is funded via a direct payment or an individual service fund.

We have for many years made the case alongside membership organisations such as the Voluntary Organisations Disability Group (VODG), The Association for Real Change (ARC) and Learning Disability England (LDE) for significant government investment in the social care sector. Disappointingly funding for children and adults with learning disabilities remains inadequate and local authorities continue to face significant funding pressures.

Our current services include:

- Supported living services.
- Residential care, including nursing care.
- Specialist detoxification and rehabilitation (alcohol and substance misuse).
- Respite care.
- Domiciliary care.
- Floating outreach.
- Carers' support.
- Day services.
- Shared Lives.
- Community mental health and substance misuse services.
- Housing with support (long and short term).
- Homelessness services.
- Women's hub (an emergency safe place to stay for women with complex needs who are street homeless or vulnerably housed).

This range and diversity of provision means that if people's needs and goals change, they can continue to be supported by St Anne's.

We work predominantly in the following areas:

North-East: Durham, Gateshead, Middlesbrough, Newcastle upon Tyne, North Tyneside, South Tyneside and Sunderland.

Yorkshire & the Humber: Bradford, Calderdale, City of York, East Riding, Hull, Kirklees, Leeds, North Yorkshire, Sheffield and Wakefield.

Continuing to focus on the needs of the people we support, we:

- Develop services where we know they are needed.
- Focus on continuous improvement and demonstrating value for money.
- Regularly review our services with the people we support and work together to meet changing needs.

Purpose, Vision and Values:
The Board of St Anne's sets the purpose, vision and values of the Charity and these are set out below:

Our Purpose (also expressed as "Objects" in St Anne's Articles of Association):

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing and education support; and
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

Our Current Strategic Purpose:

- To 'make a difference every day' – providing high quality care and support to enable people to lead independent and fulfilled lives. 'Making a difference every day' is a philosophy that is strongly interwoven into the cultural fabric of St Anne's. It is part of who we are – we do this by providing the highest quality, person centred care and support.

Our Current Strategic Vision:

- A life without limits for the people we support. 'A life without limits' embodies our ambition to enable the people we support to have greater choice and opportunities to lead their best life.

Our Values – PROUD:

- **P**erson Centred - We place people at the centre of everything we do and think about how our decisions affect them. We promote choice and we treat people as individuals.
- **R**espectful - We respect each other's opinions and beliefs and treat everyone with dignity. We ensure an inclusive environment, and we celebrate diversity.
- **O**pen - We communicate in an open, honest, and transparent way and we share information with each other. We act with integrity, and we do what we say we will.
- **U**nderstanding - We are understanding of the needs of others, and we work in a caring and compassionate way. We are kind and we support each other.
- **D**edicated - We are dedicated to improving the lives of the people we support every day and delivering quality services.

Our strategic commitments
Our three strategic commitments through to 2026, and the pillars supporting each commitment, are as follows:

Strategic Commitment 1: Our commitment to our people, communities, and the environment
Pillar 1: Enabling our clients – To ensure that the people we support are at the centre of everything we do, creating strong, individual pathways for people to live their best life.

Pillar 2: Empowering our People – We are a people organisation – people supporting people, and we want to be recognised as a greater place to work, an 'employer of choice' to our employees and to people outside of our organisation.

Pillar 3: Delivering Social Value to our Communities – To increase, measure and evidence our social impact for people, local communities, and the environment.

Strategic Commitment 2: Our commitment to excellence and innovation in service delivery
Pillar 4: 'Good to Great' Quality and Continuous Improvement – To be an exemplar of high-quality and best practice within the social care sector – from 'good to great' – delivering great services and achieving great outcomes.

Pillar 5: Consolidation, Innovation & Expansion – To consolidate our existing range of services, develop innovative and creative services that support pathways for people and expand our offer to new localities.

Pillar 6: An Integrated Housing Solution – To develop and invest in our housing and assistive technology offer. Offering a truly integrated approach that will enable greater access to high quality, affordable homes that meet evolving individual needs.

Strategic Commitment 3: Our commitment to business sustainability, value for money and digital transformation
Pillar 7: Digital Transformation – To make systems and processes more efficient and to use technology to build greater connectivity, quality, and capacity within the organisation.

Pillar 8: Organisational Resources and Sustainability – To ensure that everything we do considers and represents value for money, and we operate in a way which is financially sustainable in both the short and long term.

Structure, Governance and Management:

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider, regulated by The Regulator of Social Housing.

It is governed by its Articles of Association, which set out the charitable purposes for public benefit in the following terms:

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug, and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing, and education support.
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

St Anne's governance arrangements include the Board, Board committees, and working groups that provide focus on key areas, and a suite of procedures that are designed to ensure our charitable objectives are met. Our Articles of Association meet the needs of our current structures and incorporate flexibility to allow for future development.

Our Board of Trustees

The Board of Trustees are charity Trustees as defined by section 177 of the Charities Act 2011. The Board comprises the legal directors of St Anne's, and holds all the charity's powers and authorities under St Anne's Community Services' Articles of Association. The Board of Trustees meets quarterly with additional ad hoc meetings for exceptional business reasons or decision making.

There are clear distinctions between the roles of the Board of Trustees and the Executive Leadership Team (executives employed by the organisation). The Trustees are ultimately responsible for the overall control and strategic direction of the organisation and for the protection of its assets. Day-to-day management is the responsibility of the Chief Executive and the other members of the Executive Leadership Team (ELT). Matters such as strategy, policy and budgets are prepared by the ELT for consideration and approval by the Trustees, who then monitor their operation and implementation.

Under the current Articles of Association, members of the Board of Trustees serve an initial term of between 3 and 4 years and can then be reappointed for further such terms but may not serve for more than 9 years unless otherwise agreed by the Board for specific reasons. New Trustees are selected through an open recruitment process, which includes advertising in the national press and online, and if appropriate, a targeted recruitment search.

The Board is the governing body of St Anne's and conducts its business in accordance with the Charity's Articles, statutory requirements, and the requirements of the relevant regulatory bodies which include the Charity Commission, Companies House, the Regulator of Social Housing, the Care Quality Commission, the Health and Safety Executive, the Information Commission and HMRC and other regulatory bodies.

The Board sets the Charity's overall direction and strategy in line with its charitable purposes, and:

- The Board sets financially sustainable plans to ensure that St Anne's has the resources it needs to deliver its strategy and meet the needs of its customers.

- The Board gives specific consideration in setting such plans to value for money, financial sustainability, carbon neutrality and environmental sustainability, and social sustainability.

- The Board sets and actively drives St Anne's charitable purpose, culture and values, and through these take steps to embed within the organisation an overriding focus on customers and residents. It also ensures a clear organisational focus on equality, diversity and inclusion, integrity, openness and accountability.

- The Board is also responsible for establishing a risk management framework, setting the risk appetite and establishing and overseeing the internal control framework, which enables risks to be assessed and managed so that the Charity can operate effectively and meet its strategic goals.

Committees

Audit Risk and Assurance Committee

The Audit Risk and Assurance Committee is a committee of the Board of Trustees of St Anne's. The role of the Committee is to provide assurance to the Board on the adequacy and effectiveness of the systems of internal control and risk management (including but not limited to compliance in the areas of health and safety, data protection, procurement, insurance, etc) and to seek assurance regarding compliance with all relevant regulators, including the Charities Commission.

Finance and Business Committee

The Finance and Business Committee provide assurance to the Board on the adequacy and effectiveness of the systems of evaluation and control of St Anne's financial performance and planning. The Committee provides oversight and assurance to the Board in relation to St Anne's business development activities, ensuring that these are carried out in line with St Anne's strategy, values and mission and for the benefit of its current and future residents and tenants.

Quality and People Committee
The Quality and People Committee support the Board in providing oversight and assurance in the delivery of St Anne's strategies and services to customers and to promote an ethos of innovation and continuous improvement in the quality of our services. The Committee also ensures that services delivered by St Anne's are focussed on the needs of the people that St Anne's supports and are designed to meet their diverse needs. It also considers the adequacy of safety and safeguarding procedures to protect customers, staff, and volunteers.

Remuneration and Nominations Committee
The role of the Committee is to oversee and plan for Board and Committee governance arrangements related to membership, succession, composition, skills, training, diversity and appraisal of St Anne's Trustees and Chief Executive Officer (CEO). It is responsible for monitoring and ensuring an effective Board composition, including identifying and recommending new members of the Board, succession planning, trustee skills assessment and mapping of skills to corporate needs. The Committee also ensures that key policies, and action plans relevant to the Committee's remuneration and nominations remit are in place to meet the ambitions set out in St Anne's Strategy.

Trustee training and Board Effectiveness Reviews
St Anne's has developed and issued to Trustees an annual training plan, to address any areas identified by the Trustees as needing improved knowledge and skills and which are material to the delivery of St Anne's strategic objectives. This year, this also included a revised and improved induction programme, based on mandatory training but also tailored to the governance obligations.

Board Effectiveness Self-Assessment Evaluation
As required by the Charity Code of Governance, St Anne's carried out a Board effectiveness self-assessment. Outcomes from these reviews shall be brought to the Board for consideration and for required action to be agreed if necessary.

The Chair of the Board will also complete formal individual Trustee appraisals each year, the results of which will be reported to the Board and will inform the contents of the annual Trustee training plan.

St Anne's have appointed 3 new Trustees in the last year, who have undertaken their induction programme. All Trustees are provided with training opportunities to help them meet their responsibilities. Our new Trustees have been appointed to the appropriate committees in line with their strengths and they are already making significant contributions.

The Charity Governance Code recommends that an internal evaluation of the Board takes place on an annual basis. The questionnaire was designed to provide opportunity for the St, Anne's Community Services Board of Trustees to review its own performance and to establish what the Board members do well and identify what could be improved. Good governance is essential to a successful organisation. A trustee Board that is aware of its powers, duties and responsibilities and the impact it can have on the sustainability of an organisation is better placed to lead St. Anne's Community Services to achieve its stated objects and making the intended positive impact on society.

The Board Effectiveness Review questionnaire was anonymously completed by the Trustees by way of completing a Microsoft Form.

Trustees were asked to complete the questionnaire on a self-assessment basis, providing a response that was requested based on a scale of 1-4 as follows:
1 Strongly Disagree
2 Disagree
3 Agree
4 Strongly Agree

Trustees were asked to provide their responses across the following sections;

- Organisational purpose and culture.
- Strategy and financial viability.
- Risk, internal control and assurance; and behaviours.
- Accountability and effectiveness.

Each section contained a series of statements, and the Trustees were asked to indicate their preferred response against each statement. There were 25 statements in total and eight Trustees, which was the full Board at the time, completed the questionnaire. Each section provided a space for comments.

Overall, the review was positive with Trustees feeling confident, assured and well-informed in their roles.

Diversity Objectives

St. Anne's Community Services aims to cultivate a Board composition that reflects the diversity of our clients, tenants and stakeholders, enhances decision-making, and fosters an inclusive culture.
In order to achieve this, the organisation has consulted with clients and tenants to discuss co-production within the Board and the Committees, and the Board is considering the next steps to take within the forthcoming Board cycle. St Anne's aims to be recognised as a diverse and inclusive organisation by its customers, staff, and partners, with the following objectives:

- St Anne's is a thriving and inclusive employer where everyone can be themselves and feel that they belong.
- We aim to attract, retain, and develop diverse talent at every level (with particular focus on improving diversity on our Board, executive and wider leadership team).
- We develop knowledge and awareness throughout our organisation, making sure that everyone is clear about their personal responsibility to support a culture of inclusion and respect.
- Our ways of working, policies and practices consider a wide range of needs and positively contribute to our inclusive culture.
- Staff and people considering a career at St Anne's have confidence that discrimination in any form is not tolerated in the organisation. We aim to develop trust with our staff and to develop the right skills, training, policies and processes to prevent discrimination and tackle related issues quickly.
- We aim to provide inclusive services which meet the diverse needs of our customers.

With regards to the Board and Executive Leadership Team composition, the representation is as follows:

Representation	Board	Executive Leadership Team
Gender	20% female, 80% male	33% female, 66% male
Ethnicity/Race	100% White British	50% BAME, 50% White British
Age	10% under 50, 90% over 50	50% under 50, 50% over 50

Recruitment and Nomination

With regards to creating a diverse candidate pool, we ensured that all Board recruitment processes included a diverse slate of candidates at every stage. Staff involved in the nomination and selection process undertook diversity and inclusion training and priority was given to diverse candidates.

Inclusive Environment

We strive to create an Inclusive Environment. We have a Boardroom environment where all members feel comfortable expressing their opinions, regardless of background and welcome diverse Perspectives, encouraging and valuing the unique perspectives brought by Board members from diverse backgrounds. We provide regular opportunities for Board members to learn about diversity and inclusion issues, and we conduct an annual assessment of the Board's diversity and inclusion progress, making adjustments as needed.

Customer Engagement

Clients and tenants' representation are involved in policy reviews, particularly those with direct impact on their care, support, or accommodation. They are brought to the St Anne's Expert Voices and Experience Network (SEVEN) for discussion and commentary. This process happens before forwarding the amended documentation to the staff Policy Working Group (PWG) and clients are now partaking as part of the PWG. SEVEN group is formed of client representation and is continuing to further its presence across all services and partake in service audits. SEVEN group also reports to Quality and People Committee with direct access to Trustees.

Resident engagement is an increasing objective at St Anne's, with a new Resident Forum channelling the voice of our tenants and creating opportunities for tenants to coproduce property and maintenance standards. The Tenant Satisfaction Measures, required by the Social Housing Regulator, will be completed annually and inform our priorities and planning.

The Statement of Governance Compliance

Introduction

St. Anne's is committed to maintaining the highest standards of governance, transparency, and accountability. As an organisation co-regulated by the Care Quality Commission (CQC), the Charity Commission, and the Regulator of Social Housing (RSH), we recognise the importance of adhering to the respective codes of governance and regulatory frameworks of each body. This statement outlines our compliance with these codes and demonstrates our commitment to good governance practices.

Care Quality Commission (CQC)

The Organisation is committed to providing safe, effective, caring, responsive, and well-led services, as outlined in the CQC's fundamental standards. We have implemented robust systems and processes to ensure that we meet these standards and continuously improve the quality of care we provide.

Our compliance with the CQC's governance requirements includes:

- A clear governance structure with defined roles and responsibilities for the board of trustees, senior management, and staff.
- Regular board meetings to review performance, risks, and strategic direction.
- Effective systems for identifying, managing, and learning from risks.
- A culture of openness, transparency, and continuous improvement.
- Regular staff training and development to ensure competency and compliance.
- Robust safeguarding procedures to protect vulnerable individuals.

Charity Commission

The Organisation is committed to upholding the public trust and confidence in charities, as outlined in the Charity Commission's code of governance. We have adopted a values-based approach to governance, ensuring that our decisions and actions are guided by our charitable purpose and the needs of our beneficiaries.

Our compliance with the Charity Commission's governance requirements includes:

- A clear charitable purpose that is regularly reviewed and updated.
- A board of trustees that is diverse, skilled, and committed to the organisation's mission.
- Effective financial controls and risk management procedures.
- Regular reporting to the Charity Commission, including annual accounts and reports.
- Open and transparent communication with stakeholders, including beneficiaries, funders, and the public.

Regulator of Social Housing (RSH)

The Organisation is committed to providing good quality, affordable housing and maintaining the financial viability of our operations, as outlined in the RSH's regulatory standards. We have implemented robust systems and processes to ensure that we meet these standards and continuously improve our performance.

Our compliance with the RSH's governance requirements includes:

- A clear governance structure with defined roles and responsibilities for the board of trustees, senior management, and staff.
- Regular board meetings to review performance, risks, and strategic direction.
- Effective financial controls and risk management procedures.
- Regular reporting to the RSH, including financial returns and performance data.
- Open and transparent communication with tenants and stakeholders.

Conclusion

St. Anne's is committed to maintaining the highest standards of governance, transparency, and accountability. We have significantly reviewed our Charity Code and Housing Code and are continuing this work noting and recognising the regulatory and legal changes that have come about because of changes in legislation regarding the Housing Ombudsman, changes with the Regulator of Social Housing and changes with Companies House. We have reviewed and created an improved Governance Framework, to ensure the detail of the interrelated relationships and factors, as well as touching on other elements that influence the organisation. Importantly, our Framework sets out the respective roles and responsibilities of the management structure, by reference to policy, systems and processes used across the organisation, and importantly identifies points of accountability and escalation, risks and risk management.

St Anne's is undertaking a significant review of its Information Governance Framework, and continues to strive for excellence in governance, committing to both internal and external audits, themed on risk areas, each year. We will continue to review and improve our governance practices to ensure that we meet the evolving requirements of our regulators and the needs of our beneficiaries and stakeholders.

Modern Slavery Act 2015

We are committed to understanding modern slavery risks and complying with our legal and statutory responsibilities. We have a statement of compliance with the Act's requirements, which details our actions to ensure that slavery and human trafficking do not exist in any part of the group or supply chain. The Board reviews the statement annually, and it is available on our website

Our performance and achievements

Throughout 2023/24, St Anne's has continued to consolidate services where appropriate, and grow both organically and through bids and tenders. We have seen clients and colleagues fully embrace the opportunities for engagement in the post Covid world and it has been a pleasure to support them across our many services.

Our clients:

- Getting back out into the community. We have clients who are once again engaging fully in the places they live and want to visit, experiencing all the opportunities connections with others bring.
- Holding social events and being able to see their friends, loved ones and families again. We have seen some great events experienced by our Clients over Pride, Halloween, Christmas, Valentine's, and themed days out which we have shared to encourage further involvement.
- The new Client Involvement Officer has given fresh life to the SEVEN group, and it is once again holding face to face meetings, at their request, and influencing policy and procedure at St Anne's. This continues to make a positive difference to how we do things allowing us to engage with the people who are at the centre of what we are all about.

Our tenants:

- We completed a tenants satisfaction survey which complies with the new Regulator of Social Housing's new Tenant Satisfaction Measures standard. Overall satisfaction with St Annes was 77% and complaints were highlighted as a key area of focus. An improvement plan is being

developed using the TSM results and tenants forum will have substantial involvement in this process and in monitoring delivery of the plan.

- Our tenants forum is now well established and we recently aligned meetings of the forum to coincide with Board and committee meetings as a foundation for amplifying the tenants voice through the governance structures of St Annes. We are also working to recruit tenants to our Quality & People committee.
- The tenants forum assisted in drafting a revised complaints policy which complies with the Housing Ombudsman's new complaints code.

Our staff:

- Successful TUPE of new services in Bradford, building on our ambitious growth targets, whilst ensuring the best care for our new client groups.
- Significant increase in operational recruitment to meet the increased demand.
- Successful revamp of the ED&I support groups.
- Re-launch of our PROUD awards, our biggest annual recognition event involving both clients and staff.
- Became a sponsorship employer, sponsoring 50 staff over the past 12 months.
- Increased training compliance across the whole of the organisation.
- Shortlisted for the top employer of the year award, Investors in People.

Our services:

- Successfully won and mobilised the contract at Redwood Glades in Hull
- Opened the new Boulevard mental health service in Hull.
- Refurbishment of Fox View Respite Centre to provide 'Safe Beds' for clients in emergencies for Kirklees ICB (Integrated Commissioning Board)
- Increased the staffing levels and numbers of clients as part of the Forward Leeds Partnership
- Opened a new service in York providing outreach hours for independent forensic clients.
- Successfully re-tendered for the Bradford Outreach contract
- Won a tender for a new client in South Tyneside with highly complex needs.
- Won a tender for a new respite service in Bradford called Whiteoak.

Our systems and processes:

We have developed a new Quality Assurance Framework to give improved operational oversight of all our care services and supported housing services. The framework provides monthly operational compliance updates, identifies trends, or patterns within compliance and allows St Anne's to identify team learning, training needs or actions and provide organisational assurance and that the service can meet the challenge of external regulation. Our internal Quality and Continuous Improvement team support our services to maintain and improve quality outcomes through our new internal framework.

The CQC have changed their regulatory framework significantly and this new methodology will prove a challenge for all social care providers. St Anne's needs to be in the best possible position to be ready for the changes and we have been adapting our Quality Assurance Framework to meet this new challenge.

Corporate Social Responsibility

Our Commitment to Corporate Social Responsibility (CSR) continues across the work we do with clients and beyond with partners of all size across the local communities in which we are based. This year we will take this one step further by developing our ESG strategy, further integrating CSR into our core purpose and supported by evidence and data. This year we relaunched our Volunteering Policy enabling our colleagues two half days paid volunteering to undertaken service and community-based projects that make a real difference to the lives of the people we support and their communities.

Assuring the Quality of our Assets

St Anne's is obliged to ensure compliance with the regulations of the Regulator of Social Housing the Health and Safety at Work Act 1974 and the recently introduced Building Safety Act 2022.

We continue to invest in our homes in line with our stock condition survey, local intelligence and the needs of our tenants and clients and this is beginning to have a positive impact in reducing reactive maintenance spend.

An external review of our procurement and contract management policies, procedures and practices is expected to realise additional value and efficiency in the delivery of our repairs and maintenance service as well as improving client and tenant satisfaction in this critical area of service provision.

We have been preparing for the additional scrutiny and emphasis on safety the new consumer regulations being introduced by the Regulator of Social Housing will bring by commissioning an external audit of building safety compliance. The Board retains a clear commitment to ensuring that our properties are safe and have the appropriate investment, to make better homes for people. We have a roadmap in place to set us on a path to provide the additional assurance the Board needs around building safety and continue to invest in new systems and processes to achieve this.

Our property options appraisal, a key strand of the asset management strategy, has been completed and will be used to inform asset investment, consolidation, and disposal decisions.

Our Finances

Overall, St Anne's experienced growth while facing significant cost pressures.
We continue our commitment to financial sustainability, while planning for future investments to focus on client support, improving living environments, as well as looking at opportunities to grow and support more clients.

Our income for the year 2023/24 was £51.4m, an increase on the previous year of £6.0m (13%).
We retained all existing contracts and during December 2023 we successfully commissioned Whiteoak, a new respite service in Bradford. However, our operating costs have increased by £5.3m (11%) on the previous year, with increases in the National Living Wage and recruitment challenges leading to an increase in the use of agency staff.

For a second time we have seen a notional actuarial gain from the pension scheme of £8.2m, (£29.1m in prior year) which would give rise to an asset of £38.3m. The significant change in the valuation of the pension asset is mainly due to a change in the discount rate used to value the pension liabilities which reflects movements in the yields on corporate bonds.
We have considered the current economic environment, in particular the volatile interest and inflation rates, and remained consistent with the decision not to recognise a pension asset, as any asset recognised may be transitory and will not be reflected in a reduction of contributions.

The impact of the pension asset over the year, has given rise to interest due to St Anne's of £1.3m.
This has a positive impact on our operating surplus, reporting £1.5m, compared to a deficit of £(977)k last year.

In the year our reserves and net assets have remained stable at £14.2m.

Additionally, our cash position as an organisation remains strong with £7.1m in cash and investments, albeit that is a £1m drop from the previous year mostly due to on-going investments in the organisation, particularly in our properties.

Looking ahead to 2024/25 we are committed to operating in a way which is financially sustainable and ensures everything we do considers and represents value for money.

Comprehensive income for the five years ended 31 March 2024

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Turnover	51,430	45,417	43,641	44,685	42,877
Operating costs	(51,849)	(46,562)	(43,138)	(45,097)	(43,311)
Controllable (Deficit)/ Surplus for the year	**(419)**	**(1,145)**	**503**	**(412)**	**(434)**

Statement of financial position for the five years ended 31 March 2024

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Tangible fixed assets	16,522	16,494	15,539	13,210	13,452
Fixed asset investments	2	2	2	2	1,509
Net current assets	7,033	7,401	10,037	12,844	12,441
Total assets, less current liabilities	**23,557**	**23,897**	**25,578**	**26,056**	**27,402**
Creditors due after more than 1 year	(9,378)	(9,672)	(10,008)	(10,693)	(11,151)
Net Pension liability	0	0	(874)	(20,367)	(15,424)
Total net assets/(liabilities)	**14,179**	**14,225**	**14,696**	**(5,004)**	**828**
Restricted funds	128	-	-	-	-
Investment revaluation	-	-	-	-	8
Revenue reserves	14,051	14,225	15,570	15,363	16,244
FRS 102 pension asset /(liability)	0	0	(874)	(20,367)	(15,424)
Total Reserves	**14,179**	**14,225**	**14,696**	**(5,004)**	**828**

Value for Money Statement

Value for Money is a key focus for the Board and as an organisation we are continuously striving to improve the way we work so that we can provide better services for the people we support. Value for Money is central to this and underpins our strategy.

Value for money is a multifaceted concept. In Social Care and Supported Housing, it goes beyond simply cost effectiveness. It encompasses:

- **Outcomes:** The positive impact on the well-being and quality of life of our tenants and clients.
- **Efficiency:** Delivering services with minimal waste and maximizing resources.
- **Effectiveness:** Services meeting the specific needs of tenants and clients as individuals.
- **Equity:** Fair access to services for all individuals regardless of background.

Framework for Assessing Value for Money

We take a balanced approach to Value for Money that considers performance and investment through three lenses:

- **Financial value:** The value to the charity. This could be savings through efficiencies, increased income, or delivering more with the same resource.
- **Client value:** The value for the people we support. This could be direct savings, or similarly reducing clients' dependency on benefits.
- **Social value:** The value to the wider society and the economy. This could be savings to the public purse or benefits to the community and local environment. We are committed to our charitable purpose and determined to meet our cost savings targets while continuing to have a positive impact on the people we support and our social value.

Our assets provide the foundation for our success. These include our hard-working staff, and our homes and infrastructure, which enable us to provide services efficiently and run the business. Improved asset utilisation and management of voids are key projects that have continued from the previous financial year.

By ensuring we manage our assets effectively and efficiently, we provide high quality services, which means we serve our clients well, remain competitive and have the financial strength and resilience to mitigate financial risks now and in the foreseeable future.

St Anne's is committed to embedding a value for money culture in the organisation.

During the year there have been several initiatives which have ensured St Anne's continues to review its Value for money impact.

IT Infrastructure

During the year, the IT department has demonstrated its commitment to delivering value for money by a consistent focus on optimising costs, improving services, and aligning with strategic goals. Through a combination of restructuring, vendor negotiations, and proactive cost management, the IT department has delivered tangible value to St Annes, achieving cost savings of approximately £285k.
The savings have been delivered via:

- **IT Team Restructure:** A strategic reorganisation of the IT team resulted in improved escalation routes, clearer career development paths, and the introduction of dedicated IT training with a new IT Trainer role. This initiative has led to annual savings of over £20k while simultaneously enhancing staff development and service delivery.
- **Printer Estate Optimisation:** A thorough needs assessment and renegotiation with a new supplier led to a significant reduction in the number of printers, lower cost per print, and reduced service fees. These actions have resulted in approximately £150k in savings compared to the previous contract.
- **Mobile Phone Contract Consolidation:** By consolidating multiple mobile phone contracts into a single agreement, the IT department negotiated better pricing and unlimited data plans. This strategic move has achieved approximately £95k in annual savings.

- **Microsoft Licensing Optimisation:** Through a new Enterprise Agreement with Microsoft, the IT department has secured protection against rising software costs, leading to an estimated £20k in savings compared to the previous contract.

Beyond the substantial cost savings, these initiatives have also yielded additional benefits:

- **Improved Service Levels:** The IT team restructure has improved response times and issue resolution, leading to greater user satisfaction.
- **Enhanced Cybersecurity:** The Enterprise Agreement with Microsoft includes enhanced security features, bolstering the SACS defences against cyber threats.
- **Futureproofing:** The proactive approach to licensing and vendor negotiations ensures cost predictability and protects against unexpected price increases.

Digitalisation

Implementation of a new HR / Payroll system is underway. The system will improve the flow and accuracy of information, generating efficiencies for all our St Anne's colleagues.

A care records management system has also been approved. This will be rolled out in the first half of 2024/25. The system will put our clients at the centre of their care and provide enhanced oversight of client care to our colleagues, whilst ensuring information is quicker to access.

Financial Viability

External consultants were appointed during the year to confirm our compliance with the rent setting standard and to ensure that St Anne's is recovering the costs it is entitled to within services charges.

It was pleasing to receive confirmation of compliance. Some additional costs were identified which St Anne's can recover, these funds have been agreed with local authorities, and will provide additional resources to ensure we support our clients to live their best lives.

Other value for money reviews, have included the business rates payable on our offices across all regions we support. We have reviewed bills to ensure that charitable relief is being received across the organisation. As a result of these reviews, we have received refunds from Local Authorities of £19k spanning from 2018 to the current year.

St Anne's Value for Money metrics

St Anne's continues to monitor two key social housing performance metrics, rents arrears and voids. Additional metrics have been identified during the year, which will help monitor and drive performance, and provide a more comprehensive picture of St Anne's ability to deliver value across all our services.

Value for Money Summary

Our Metrics	Actual 22/23	Actual 23/24	23/24 Target	24/25 Target	Peer Median 22/23	Housing Median 22/23
Social Housing Rent Arrears	5.7%	6.0%	6.0%	5.5%	6.4%	6.3%
Social Housing Voids	7.2%	6.7%	6.0%	5.5%	3.5%	1.7%
Rent collected : Supported Housing	102.5%	103.5%	n/a	106.0%		
Rent collected : residential and nursing care	104.1%	103.6%	n/a	106.0%		
Invoiced debtor days	48	38	n/a	30		
Creditor days	32	29	n/a	30		

Social Housing Rent Arrears

The majority of our tenants are fully funded by Housing Benefit, so we would expect St Anne's rent arrears to be below the housing median rate. Only 10 tenants are fully self-funding, with 2 tenants partially funded by Housing Benefit.

Non-communal services are ineligible for Housing benefit and tenants are responsible for paying these costs.

It is pleasing to report that we are also performing better than our peers, who would have a similar tenant profile.

However, our arrears have increased by 0.3% from the prior year.

We are actively working to further improve our processes and reduce rent arrears. This includes collaboration with the following groups:

- **Housing Benefit:** We are working closely with Housing Benefit to ensure tenants receive timely assistance when needed. We have improved our process to ensure that Housing Benefit are notified of changes to tenancies, in a timely manner. We are enhancing relationships with Housing Benefit to ensure payment queries are resolved quickly.
- **Internal Housing Team**: Our internal housing team is proactively engaging with tenants to identify any potential difficulties and develop solutions to prevent arrears.
- **Tenants:** We are committed to open communication with tenants and providing them with the resources and support they need to meet their rental obligations.

Social Housing Voids

Void rates are higher for supported housing than for general needs housing because of the complexities of matching tenant's needs to suitable properties. For St Anne's this figure is elevated to our peers, due to the challenges of managing shared accommodation and hostel services.

The teams have responded to the 2023/24 budget challenge to lower voids, and our voids performance has improved by 0.5%

We will continue to address and reduce our voids by:

- **Considering tenant feedback and reasons for refusal:** this can give insights into understanding tenant need and potential improvements that make properties more appealing.
- **Strategically managing long-term voids:** review properties that are consistently void, to consider refurbishment, conversion into different bed spaces or hand back if they are managed by St Anne's on behalf of other landlords.
- **Streamlining our process:** Improving coordination between our internal housing and maintenance teams with external contractors to get properties ready for new tenants quicker.

Rent Collected

These metrics have been introduced during 2023/24. The metrics measure how effectively rent is being collected from tenants and clients. Rent collection is crucial income to St Anne's so we can maintain properties, provide essential services to tenants and clients and fund investment into future service delivery.

We have separated the metrics into two streams, Rent collected for Supported Housing, and Rent collected for Residential and Nursing Care.

Separating the metrics provides transparency for reporting, helps to target resources and improvement efforts and provides clarity in decision making.

Social Housing Rent Collected: The metric shows that we are collecting more rent arrears than we have previously, our rent collection has increased from last year by 1%, to 103.5% which includes arrears collection.

This supports the reduction in the rent arrears metric and reflects the increased engagement of our Housing and Incomes teams with both our tenants and Housing Benefit.

Residential and Nursing Care Rent Collected: The collection rate shows we are still collecting arrears thus has reduced by 0.5% to the prior year.

We have recognised the need to improve debt collection from funders. By taking a more proactive approach, we can prevent delays in payments and resolve issues swiftly, ensuring a more reliable cashflow.

We will improve our rent collection by:

- **Early Engagement and Communication:** maintain regular communication with funders to anticipate and resolve potential payment delays.
- **Strengthen Internal Processes:** to ensure timely submission of all necessary paperwork as per the contract to avoid payment hold-ups. Implement a system for tracking submissions and deadlines.

Invoiced Debtor Days: This is a new metric for 2023/24 which shows how long it typically takes for St Anne's to collect payment from its funders and invoiced debtors. A lower number of days indicates effectiveness in debt collection and is beneficial to cash flow.

The number of days to collect income has reduced from 48 in the prior year to 38. The rent collection approaches referred to above, will reduce the number of debtor days. We are targeting the number of days to collect income in the coming year, to 30 days.

Creditor Days: This metric shows how long it typically takes for St Anne's to make payments to its suppliers. It provides an indication of how efficient we are in processing invoices. The majority of St Anne's suppliers are on 30-day payment terms. It's important to St Annes that we pay our suppliers on time, not only to maintain supplier relationships but also to ensure suppliers can rely on their cashflow and continue to provide reliable goods and services.

Regulator Value for Money Metrics

Value for money metrics were introduced by the Regulator of Social Housing in 2018, to capture performance across the social housing sector in a fair and comparable way.

These metrics are used to assess the financial health of all organisations across the sector. However, it is acknowledged that these metrics are more applicable to the traditional general needs housing providers rather than providers which are more focused on Health and Social care.

St Anne's provides a diverse range of care and support services, all our stock is used to provide either supported housing or specialist care. Supported housing routinely incurs more void units, and costs are significantly higher with greater expenditure on reactive and voids maintenance, with time and cost invested to ensure the property is suitable for the client's specific needs.

The stock profile of traditional housing associations consists mostly of general needs housing. This means that when benchmarking St Anne's performance against the Housing median, the costs and performance are not easily comparable due to the very different services provided.

It is challenging to match the range of care services provided by St Anne's, to other regulated housing associations, but we have endeavoured to select a similar range of peers to benchmark to. Even within the selected peers there are still significant differences in housing support and care provision and operations, which again make a like for like comparison difficult.

Regulator Metrics

The table below shows the metrics that were introduced by the Regulator of Social Housing in April 2018.

Regulator Metrics	Actual 22/23	Peer Median	Housing Median	Target 23/24	Actual 23/24	24/25 Target
Reinvestment	6.2%	6.1%	6.7%	9.0%	9.3%	6.1%
New Supply	0.0%	1.0%	1.3%	0.0%	0.0%	0.0%
Gearing	N/A	10.8%	45.3%	N/A	N/A	N/A
EBITDA MRI Interest Cover %	N/A	187.0%	128.4%	N/A	N/A	N/A
Headline Social Housing Cost (Total)	£72,230	£8,799	£4,586	£81,338	£82,399	£80,000
Operating Margin: Social Housing %	1.3%	7.0%	19.8%	6.1%	2.9%	5.0%
Operating Margin: Overall %	-2.5%	5.9%	18.2%	0.3%	-0.8%	5.0%
ROCE%	-4.8%	2.1%	2.8%	>2.0%	-1.8%	>2.0%

Reinvestment
This metric looks at the investment in properties, as a percentage of the value of total properties held. We invest in our properties for the benefit of our tenants, to improve the standards of housing and meet and exceed the decent homes standard.

Investment in our properties during the year once again exceeded both the peer median and the housing median, this was expected as we are actively investing to improve on historic under investments and ensure that our assets are well maintained and meet our client's needs.

New Supply
This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units.

There was no development of new supply in the year and development of new housing stock does not form part of strategy for 2024/25, although we will continue to look at opportunities to enhance our offer.

Gearing and EBITDA Interest Cover
These metrics assess the degree of dependence on debt finance and liquidity and investment capacity of the provider. St Anne's does not have finance in place, therefore gearing and interest cover are not applicable.

Headline Social Housing Cost
The unit cost metric assesses the headline social cost per unit as defined by the Regulator, the metric is calculated by dividing specified social housing costs by total social housing units owned or managed.

Inflation escalation has increased the housing median social housing cost to £4,586 in 2022/23. In December 2023, Housemark reported that during the current year inflation for planned works had increased by 16%, and 17% for responsive repairs.

St Anne's is also subject to these inflationary increases and has seen the headline social housing cost increase by 14% during 2023/24.
It is recognised by the Regulator, that the cost per unit for supported housing providers is considerably higher than for general needs providers.

St Anne's is further removed from supported housing providers, as we also support some clients in their own homes, we provide outreach, residential day care and homeless services. This means there is no direct correlation between the number of units we manage and the number of clients that we support.
In addition, the nature of our services and the requirement to meet our clients' specific individual needs means our spend is much higher than both the median and the peer group.

Of the £41m costs the Regulator specifies to include in the calculation, £24m relate to services provided which do not have a corresponding social housing unit. Adjusting for these costs would decrease the headline social housing cost to £35k.

St Anne's also provides enhanced housing management services to our supported housing and supported living clients, again this is a service which a general needs landlord would not provide. The cost of providing this service in the year was £794k. The impact of these costs is not considered within the social housing cost per unit, meaning the cost for St Anne's is higher than the housing median.

In additional to providing enhanced housing support, St Anne's provides specialist care services in our respite and care settings. Our care is focused on the needs of our clients. Some of our clients have very complex needs and can require one to one, or sometimes even two to one care. Providing high levels of quality care and support requires higher staffing levels, this impacts the costs of our organisation when compared to the housing median and peers.

The social care and support sector continues to report difficulties in recruiting and retaining staff. It is common practice throughout the sector that there is a reliance on agency staff to fill staff vacancies, these agency staff incur a cost premium. Again, this is an additional cost which would not be replicated by a traditional housing provider. St Anne's has undertaken initiatives during the year to reduce reliance

on agency staff and to retain colleagues. We have successfully secured a Sponsorship Licence with the Home Office and are now approved sponsors. This will improve recruitment and retention, thus reducing the reliance on agency staff in the future.

Operating margins

The operating margin demonstrates the profitability of operating assets before exceptional expenses are considered. Increasing margins are one way to improve the financial efficiency of a business.

Housemark reports that operating margins in the sector as a whole have dropped for three quarters of landlords, with 1 in 4 recording a drop of more than 5 percentage points in the benchmark period, due to rising interest rates and price inflation.

While inflation is set to reduce over the next 24 months, Registered Provider income is unlikely to rise in real terms and, with increased expenditure on stock and regulation coming forward, the sector's margins will remain tight through to the mid-late 2020s.

The Regulator recognises that operating margins in our specialist care and support sector sit well below those of general needs housing providers.

St Anne's specialised care offer in particular will be lower than the Housing median and peers, due to the staffing levels which are necessary to provide quality care.

During 2023/24 St Anne's has improved its Social Housing operating margin by 1.6%, from 1.3% in 2022/23 to 2.9%. The overall operating margin has improved by 1.7%. from (2.5)% to (0.8)%. Whilst this is positive, we are committed to improving the margins further in the coming year, by continuing to target voids and agency use, there is also an increased focus on rent and income collection and maximisation.

Return on capital employed (ROCE) %

This metric compares the operating surplus to total assets less current liabilities. It is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric supports registered providers with a wide range of capital investment programmes.

The return on capital employed was targeted to be a positive value for the year, however the underperformance of voids and agency spend have contributed to a negative ROCE. Whilst this is still an improvement on last year's position, we expect that the ROCE will return to a positive position in the next year.

Reserves policy
In the year, the Executive Leadership Team (ELT) and Board of Trustees have reviewed the reserves policy to both ensure this meets the organisation's long-term objectives, and that the current level of reserves is sufficient for any day-to-day variation in operational need.

The Trustees have considered financial risks, sources of income and variability of costs and agreed the target level of free reserves before pensions, should be maintained at over £7m.
This represents approximately two months of expenditure.

As shown in the table below, free reserves, which are defined as unrestricted reserves, excluding functional assets and the long-term pension asset, were £7.2m at 31 March 2024.

	31-Mar-2024 £'000	31-Mar-2023 £'000
Unrestricted reserves	14,051	14,225
Exclude functional assets	(16,522)	(16,494)
Exclude deferred grants relating to functional assets	9,654	9,930
Exclude pension asset /(liability)	0	0
Free reserves	**7,183**	**7,662**

It is recognised that any pension liability/asset is longer-term and will fluctuate over time both up and down, and therefore is not taken into account in calculating free reserves. The Trustees are of the view that, based on the current valuation, the reserves are sufficient for the next twelve months, when a further assessment will be made.

Investment policy and performance
Our investment policy is designed to support the reserves policy. The organisation has adopted a prudent investment policy to balance potential returns with appropriate levels of risk. The key objectives of our investment policy are to:

- Seek the best financial return within an acceptable level of risk.
- The investment objective for any short-term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Finance and Business Committee will continue to monitor the achievement of these objectives and to make any investment recommendations it deems appropriate to the Board.

Subsidiary
St Anne's Community Services has only one subsidiary: St Anne's Trading Limited, a company registered in England and Wales. St Anne's Community Services owns all the issued share capital of St Anne's Trading Limited.

Principal risks and uncertainties

The Board of Trustees has responsibility for ensuring that there is effective risk management, and that internal control systems and processes are in place to manage the organisation's strategic risks and to support the achievement of its strategic objectives.

This responsibility continues to be exercised through an annual review of the effectiveness of our risk management framework including the following:

- Ensuring that the identified risks strike a balance between taking risks and reducing them.
- Recognising that whilst being risk averse is a safe option, it will not necessarily allow the achievement of rewards or opportunities that managing risks well could do.
- Ensuring effective and meaningful risk management adds value, depth, and breadth of quality both for learning and for business growth.

Risk management design:
Through our risk management framework, we continue to demonstrate our ability to identify and manage risks across the organisation, from Board to service delivery level. It supports the business, and both underpins and promotes confidence in growth and development.

Key points:
- Risks are identified and recorded in detail at an operational level, as well as being reported and as necessary escalated to an organisational level.
- Key risks are identified and presented to the Board with a detailed narrative explaining the context and the thinking behind the judgement.
- A risk movement narrative report is maintained and explains the movement and rationale of risks where they have reduced or have been increased.
- The risk management framework is meaningful and effective.

Our approach is consistent and aims for continuous improvement:
- Strong and effective governance which monitors and reviews performance as well as owning and reviewing policy and process.
- Identification of risks and opportunities from both internal and external perspectives, reflecting regulatory, strategic, operational, IT, legal, environmental, and financial issues.
- Detailed measurement and assessment of risk that reviews specific and aggregate exposure, clarifies our risk appetite, and confirms our overall risk profile.
- Applying a three-level approach to risk mitigation to reduce or minimise the impact of risks.
- Providing detailed reporting through ELT, on to committees, and through to Board.

We therefore believe we have a robust and well-developed risk management process, with departmental risk registers feeding into a corporate risk register that identifies and assesses the likelihood and impact of potential risks as well as setting out how the organisation plans to mitigate against those risks. These are organic documents which are reviewed monthly by ELT, all risks are allocated to a Committee and those Committees scrutinise their allocated risks before they are fed into the Corporate Risk Register which then forms part of the compliance documents for the Board. The following are the significant risks St Anne's is currently facing:

Recruitment: Across the sector recruitment continues to be a challenge and St Anne's is no different, our ability to recruit sufficient and suitably qualified nurses and support workers has the potential to impact our ability to support our clients, therefore recruitment remains one of our top priorities.

Funding: Funding is another challenge in the sector and given St Anne's works closely with a relatively small number of commissioning customers we are reliant on their ability to fund the services we provide.

Whilst this could be a risk for St Anne's, as part of our strategy there is a focus on growing our offer with those commissioners and also expanding the services we provide to new commissioning customers. This growth should therefore help to mitigate against any reliance on a few commissioning customers or any other restrictions in funding. In addition we monitor financial performance of all the services we provide and look to pro-actively discuss any funding issues with commissioners.

Pensions: The West Yorkshire Pension Fund is a historic St Anne's pension scheme which we recognise on our balance sheet, the scheme is expensive to run and the volatility around the pension's valuation has the potential to have a significant impact on our financial statements, and our ability to tender for new work. To reduce the impact of this at the start of 2021/22 St Anne's vastly reduced the membership of the scheme which has significantly reduced the on-going costs. At the same time, we continue to monitor the pensions valuation and take any appropriate action, whilst noting the long-term nature of the pension liability.

Security: St Anne's uses a number of core systems across the organisation to support both back office and front-line processes. We use cloud-based servers and as a result are able to benefit from the security they provide. We have invested in additional security and conduct external and internal testing of our network. St Anne's proactively addresses the human element of cybersecurity through security awareness training and phishing simulations, educating employees about threats and best practices. Microsoft Defender provides endpoint protection, while Lansweeper facilitates vulnerability management. Additionally, cyber insurance has been acquired to mitigate financial risks, and a third-party risk register is maintained.
The implementation of a well-defined incident response plan, data loss prevention (DLP) solutions from Microsoft and Censornet, regular penetration testing (internal and external), and network segmentation further strengthens St Anne's security posture.
These combined measures demonstrate a thorough and proactive approach to cybersecurity, addressing both technical and human factors to minimise the risk of cyber threats and protect sensitive data.

Our People
Empowering our people is one of the key pillars to St Anne's strategy of delivering "A Life Without Limits". St Anne's recognises that by valuing, supporting, protecting, and empowering its people, it sustains its reputation for high quality care and support. In the most challenging of years, social care has been shown to be of key importance to society and a sector which plays a vital role in ensuring the safety and welfare of the most vulnerable.

With the cost-of-living crisis, the impact of inflation has been felt by all our colleagues and even more so for the lowest paid. We have worked closely with Local Authorities and innovatively within our financial constraints to ensure the best pay outcomes for our people and have proportionately given the biggest rises to those lowest paid staff. St. Anne's continues to explore different financial and non-financial support packages to assist colleagues over the year.

The passion and dedication shown to improving the lives of others is something that defines the people within St Anne's. Our values are created by our people, and they are lived out every day in our services. Being Person Centred, showing Respect, being Open, Understanding and Dedicated in everything we do is at the heart of what our people do. In the last year we were proud to have made the shortlist of the Investors in People (IiP) top employer of the year award, which was a major achievement.

We are, as we have always been, incredibly proud of all of our people.

As of 31st March 2024, St Anne's employed 1,464 members of staff made up of: 1,179 Support Workers, 63 Nurses, 64 Deputy Managers, 58 Service or Area Managers working at operational and front-line level in our services, supported by 100 staff in our central support functions or other roles.

In addition to our permanent workforce, St. Anne's has 164 active casuals who support across the organisation and are an integral part of our daily operations in support of our many clients.

As with many social care providers, recruitment and retention remains a high priority. Great strides have been made to increase recruitment through slicker processes, better training and values based recruitment. Retention remains an area of concern with increased support given to managers in order to address this.

Our commitment to ensuring a fair and competitive pay and reward structure has seen the organisation continue to ensure that all its staff are paid above the National Living Wage rate, in addition to reviewing other benefits such as the introduction of the Blue Light Card scheme for all staff and partnership with the Care Workers Charity. We recognise the importance of ensuring an attractive employee value proposition and continue to work hard to make St Anne's an employer of choice in the areas we operate. There has also been a large focus on enhancing the employee voice throughout the year by introducing various all staff engagement sessions on a number of topics, ranging from pay and terms and conditions to sponsorships. A newly formed Senior Management Team has been a means to increase engagement and channels of communication, with the aim to co-produce and effectively translate our strategy into action.

Work is ongoing to revamp our training programme with an emphasis on our induction programme, employee journey and Leadership Academy, which will see all managers, new and current going through this within a 6 month period. A focus on increasing apprenticeships has seen a 60% rise in colleagues on the apprenticeship programme which we would like to keep growing. A review of our face to face vs eLearning model has determined a need to tip the balance more towards face to face training which will be addressed in the coming year.

Equality, Diversity, and Inclusion (EDI)
Recognising and celebrating our diversity in an inclusive environment for our staff and clients is, and will continue to be, a priority for St Anne's.
We continue to embed the Skills for Care 'confident with difference' approach to supporting everybody at St Anne's. This year we have recommitted to efforts to maintaining the Mindful Employer, Disability Confident and Stonewall Diversity Champions standards. These standards have all been reviewed and retained throughout the course of the year.

The Board of Trustees plays a key role in the organisations EDI approach. Recruitment to the Board is widely advertised and actively encourages applications from a diverse range of candidates. All Trustees have undertaken the organisation wide EDI training and there are Trustee sponsors on our diversity groups.

We remain committed to enhancing the voice of underrepresented groups across St Anne's and importantly have been able to rejuvenate our Race Equality Network and LGBTQ+ Network, bringing colleagues back together after meeting virtually for many months. These networks are instrumental in guiding and refining our calendar of days of remembrance and celebration, as well as continually reviewing our supportive resources. Our policies and procedures ensure that we are inclusive and fit for purpose for diverse workforce and client groups. Their design and review ensure that a 'check and challenge' approach is maintained, along with our equality impact assessment processes.

Remuneration Policy
We recognise that the skills, knowledge, and experience of our people is a huge contributor to the delivery of high-quality services. In support of our objective to attract, recruit and retain quality staff, we are committed to ensuring that we pay fair and competitive salaries.

Our policy on remuneration is to ensure that St Anne's remains sustainable whilst also offering an attractive reward package that includes both financial and non-financial benefits. Our rates of pay are informed by sector-wide benchmarking through participation in benchmarking studies and comparison with charity and social care sector data. St Anne's has a well-defined and repeatable job evaluation framework, providing a mechanism to score and compare job roles to ensure they sit at the appropriate salary point internally, whilst using benchmarking data from the sector to assess competitiveness.

We continue to invest in our workforce and whilst still in collective bargaining negotiations we have ensured the wider workforce remains informed of progress through regular all colleague communications and question and answer sessions. St Anne's ensures that all its permanent workforce is at a rate which is at least the National Living Wage Foundation rate. Our offer ensures St Anne's retains competitive rates of pay in Yorkshire and the North-East when compared to its other care sector competitors. St. Anne's has also committed to increasing pay further mid-year in recognition of the external financial strains facing our colleagues if our in year financial targets are met.

The Board are consulted on, and approve, decisions on overall pay awards, taking account of affordability, benchmarking, and economic trends in the sector. Remuneration of the executive team is determined by the Remuneration and Nominations Committee, a committee of the Board. No Trustees are paid, although they can claim reasonable expenses.

The organisation complies with its requirements under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is committed to eliminating gender pay inequality. In March 2024, St Anne's published its most recent gender pay gap report, showing a marginal 3.3% mean pay gap and median of 3.3% in favour of male staff.

Compliance with Regulator of Social Housing standards

The Board considers that St Anne's complies with the Governance and Financial Viability Standards for registered social housing providers. Our system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests. Our self-assessment framework contains stress testing of risks and assumptions to ensure objectives and viability are fully deliverable.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which includes the regular evaluation and assessment of the nature and extent of risks to which the organisation is exposed.

The Registered Social Housing regulatory returns, such as financial forecasts, statistical data, and disposal returns, are submitted in an accurate and timely manner. The Board also considers that effective controls are in place to ensure security of assets, the proper, accountable, and transparent use of public funds and that effective systems are in place to monitor and accurately report delivery of our plans. Any risks to the successful delivery of financial plans are identified and effectively managed.

The Board is committed to reviewing our self-assessment of the Regulator of Social Housing standards, this has been completed for all standards demonstrating we substantially comply with each of those standards. The Chief Finance Officer monitors compliance with the Economic Standards, and the Director of Housing monitors compliance with the Consumer Standards. Reports for both are also presented to the relevant Committees and Board. There is effective management and scrutiny in place including cost control and improving Value for Money, with regular reporting to the Finance and Performance Committee and the Board.

We will continue to review the regulatory self-assessments again during 2024/25.

Compliance with the NHF Code of Conduct 2022

The NHF's Code of Conduct sets out standards for housing associations that are members of the NHF. It is for use by individual housing association staff, Board members and certain involved residents, and sets out guidance according to four key themes:

1. Acting in the best interest of the housing association and its residents.
2. Behaving with integrity.
3. Conducting yourself professionally and treating others well.
4. Protecting yourself, others and the environment.

The Board considers that St Anne's acts in compliance with the Code.
St Anne's PROUD values embed a culture which supports compliance, this begins at the recruitment and selection stage, is reinforced at induction training for new colleagues and continues throughout our colleagues' journey with St Anne's.
Policies and procedures are in place which are underpinned by regular mandatory trainings to ensure awareness is entrenched and transparent to all of St Anne's colleagues.
Some examples of this are the Code of Conduct policy, Health and Safety trainings, guidance on managing and reporting conflicts of interests, GDPR training, Whistleblowing and Freedom to speak up training, and EDI training.

Streamlined Energy and Carbon Reporting (SECR)

St. Anne's has followed and used robust and accepted methods to calculate the required information for this SECR Report including the HM Government Environmental Reporting Guidelines 2019, the Governments Sustainability Reporting Guidance 2023/24, the Greenhouse Gas (GHG) Reporting Protocol, and the UK Government's Greenhouse Gas Reporting Conversion Factors 2023.

Based on this our emissions and energy usage for the financial year were:

UK Greenhouse Gas emissions and energy use data for the period 1 April 2023 to 31 March 2024	23/24	22/23
Data used to calculate emissions		
Gas (kWh)	4,987,174	4,817,595
LPG (kWh)	77,710	67,833
Electricity (kWh)	1,485,211	1,281,178
Transport (kWh)	238,178	266,243
Transport (miles)	337,778	320,914
Scope 1 GHG Emissions (kg CO2e)		
Gas (Natural)	912,298	881,277
LPG	16,669	14,550
Company / Fleet Vehicles - Diesel	44,327	51,174
Company / Fleet Vehicles - Petrol	11,697	11,570
Total Scope 1 Emissions (kg CO2e)	**984,991**	**958,571**
Scope 2 GHG Emissions (kg CO2e)		
Electricity (Grid Supplied)	307,549	265,299
Total Scope 2 Emissions (kg CO2e)	**307,549**	**265,299**
Scope 3 GHG Emissions (kg CO2e)		
Grey Fleet	97,605	89,918
Total Scope 3 Emissions (kg CO2e)	**97,605**	**89,918**
Total GHG Emissions (kg CO2e)	**1,390,144**	**1,313,789**
Emissions Intensity Ratio		
Total kg CO2e per £1.00 of Total Income	**0.027**	**0.029**

Intensity Measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per £1 of total income.

Energy Efficiency Action

St. Anne's recognises the importance of becoming more energy efficient. To minimise our overall energy footprint, we continue to explore energy reduction approaches.

Focused energy reduction actions have been implemented within our IT Infrastructure and interfaces including:

- Ensuring all new pieces of hardware are more energy-efficient and use power management where possible. During 2023/24 we have replaced many of our older laptops to a model known for its improved power management features.
- E-waste recycling ensures old devices are recycled in an environmentally friendly manner.
- We have reduced the amount of data stored and number of storage devices used, to decrease power consumption.
- We have streamlined our printing infrastructure, reducing the number of printers across the organisation. Reducing demand for consumables and also replacing the old printers with more energy efficient models. The new printers also form part of the Toshiba carbon offset scheme, which offsets the carbon footprint of the machines.

Other activities during the year include:

- 3 Electric vans are in use by our maintenance team.
- When replacing light fittings, all are replaced with more efficient LED's.
- Ensuring more energy efficient units are fitted when replacing windows and doors. We have replaced windows at 5 services.
- Where possible we install electric cookers and fires rather than gas.
- We Investigate the costs involved to improve energy efficiency of our properties further, particularly focusing on properties with an EPC rating above C.
- When feasible, maintenance workers plan their travel routes to be more efficient.

Internal controls assurance

As part of the internal audit programme St Anne's worked with RSM UK Risk Assurance Services LLP, as our independent internal auditors. For 2024/25, the Audit and Risk and Assurance Committee agreed a programme of internal audits focused around key risk areas which look to further support strong corporate governance and demonstrate robust and effective controls across the organisation.

In addition to the internal audit programme, assurance is also gained from other controls that have been put in place across the organisation in the year. These include:

- Enhancements to periodic reporting across the organisation, but also specifically for committees and Board meetings.
- Risk registers reviewed periodically, with owners assigned to each risk and the relevant risks discussed at each committee and Board meeting.
- The implementation of deep-dive service reviews to understand the financial and operational drivers behind each of our services.
- A timely budget process with full involvement and engagement from stakeholders to ensure the budget and by default our costs and income are better understood.

The programme in 2023/2024 has demonstrated some overall improvements in terms of organisational design and effectiveness compared to the audit areas from the previous years, and a number of examples of good practice. However, they equally identified some key areas and recommendations where further improvements can be made, and action plans to address these have been drawn up with progress monitored by the relevant committee.

Considering the above points, Trustees consider that these collectively offer sufficient assurance to be able to regard the internal controls position as satisfactory overall, as well as identifying additional opportunities for improvement.

Compliance with s172 of the Companies Act 2006
The Trustees confirm their compliance with s172 of the Companies Act 2006. Set out below are several examples of compliance, and many others are included in relevant sections throughout this report.

The Trustees recognise the need for the organisation to operate in a way that considers, and is fair to, all of its stakeholders, which is similarly recognised through its charitable purpose and embedded within the culture and values of the organisation (see page 8).

The organisation takes account of the longer-term impacts of its decisions, and in 2020/21 we launched our next 5-year strategy, setting out our strategic commitments, and supporting plans through to 2026 (see pages 7-8). This in particular focuses on our longer-term commitments to; our people; excellent service delivery; and being financial sustainable and delivering value for money.

Employee interests are also at the heart of what we do, as is demonstrated by Person Centred being one of our organisational values and with Empowering our People being one of the pillars within our strategic commitments for the next 5 years (see page 9). Our approach to people, diversity and inclusion and remuneration also has significant focus within St Anne's (see page 12). The organisation has a strong regard for both the communities it works within and the environment as set in our Corporate Social Responsibility statement (see page 15) and with both communities and the environment forming part of one of our three strategic commitments for the next 5 years (see page 8).

The Trustees also confirm the organisation's continued drive to maintain a reputation for high standards as demonstrated in the report on the section on strengthening our governance (see page 11), our committee structure (see pages 10-11) and specifically in terms of compliance with the Charity Governance Code and the Code for Governance for Housing Associations (see pages 13-14).

Statement of Public Benefit
The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The organisation's charitable objects are enshrined within its Articles of Association and as such the Trustees ensure that the organisation's activities are carried out for the public benefit through the setting and implementation of its strategic priorities. This report also allows us to show how our charitable funds are spent.

Any fundraising activities we conduct are compliant with the Charity Commission's guidance on fundraising.

Statement of Trustees' Responsibilities
The Trustees (who are also directors for the purposes of company law) are responsible for preparing the annual report, which incorporates the strategic report and financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the organisation, and of the incoming and outgoing resources and application of resources, including income and expenditure for the period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Housing Statement of Recommended Practice (SORP).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the organisation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislation in other jurisdictions.

The Trustees confirm that, in so far as they are aware:

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

External auditors
Forvis Mazars LLP is eligible to act as an auditor under the relevant section of the Companies Act 2006.

By order of the Board

John Cleland
John Cleland (Aug 8, 2024 07:48 GMT+1)

John Cleland
Chair of Board of Trustees
7 August 2024

Independent auditor's report to the members of St Anne's Community Services

Opinion

We have audited the financial statements of St Annes Community Services (the 'charity') for the year ended 31 March 2024 which comprise Statement of Comprehensive Income, Statement of Changes in Reserves, Cash Flow Statement and Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees which includes the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included in the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of Trustees

As explained more fully in the trustee' responsibilities statement set out on page 32, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements such as employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud.
- Gaining an understanding of the internal controls established to mitigate risks related to fraud.
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

Michael Speight
Michael Speight (Aug 9, 2024 12:54 GMT+1)

Michael Speight (Senior Statutory Auditor) for and on behalf of Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place

Leeds

LS1 4AP

09-Aug-2024

Statement of Comprehensive Income
For the year ended 31 March 2024

	Notes	2024 £'000	2023 £'000
Turnover	2	51,430	45,417
Operating costs	2	(51,849)	(46,562)
		(419)	**(1,145)**
Gain on disposal of housing properties	5	273	1
Deficit on loss of revaluation of investments	5a	(14)	(33)
Operating Deficit	**7**	**(160)**	**(1,177)**
Interest receivable and other income	6	1,667	219
Interest payable and financing costs	20	-	(19)
Surplus / (Deficit) for the year		**1,507**	**(977)**
Other Comprehensive Income			
Actuarial (loss) /gain in respect of pension schemes	20	(1,553)	506
Total Comprehensive Deficit for the year		**(46)**	**(471)**

The organisation's results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 7 August 2024 and signed on its behalf by:

John Cleland
John Cleland (Aug 8, 2024 07:48 GMT+1)

Mr J Cleland, Chair of Board of Trustees

Caroline Ashton
Caroline Ashton (Aug 8, 2024 12:14 GMT+1)

Mrs C Ashton, Trustee and Chair of Audit Risk and Assurance Committee

Company Registration Number 1089026

Statement of Changes in Reserves

	Income and expenditure reserve	Restricted reserve	Total
	£'000	£'000	£'000
Balance as at 1 April 2022	**14,696**	**0**	**14,696**
Deficit for the year	(471)	0	(471)
For year ended 31 March 2023	**14,225**	**0**	**14,225**
(Deficit)/Surplus for the year	(174)	128	(46)
For year ended 31 March 2024	**14,051**	**128**	**14,179**

Restricted funds	Opening balance	Income	Expenditure	Closing balance
	£'000	£'000	£'000	£'000
Leeds Mind	-	1	1	-
Nourish project - various councils	-	104	1	103
Leeds Christian community	-	11	-	11
Mayor safety fund	-	30	22	8
Leeds Council	48	36	79	6
Humankind	-	208	208	-
Totals	**48**	**391**	**311**	**128**

Humankind fund is a Leeds based project, of addiction prevention workers.

Nourish is a new case management system that is funded by a number of councils.

Statement of Cash Flows
For year ended 31 March 2024

	Note	2024 £'000	2023 £'000
Net cash used in operating activities	15	(2,029)	(1,298)
Cash flow from investing activities			
Acquisition and construction of housing properties		(334)	(1,069)
Purchase of other tangible fixed assets		(547)	(751)
Purchase of intangible fixed assets		(4)	0
Proceeds from sale of fixed assets		273	0
Capital Grants received		0	67
		(612)	**(1,753)**
Interest received and similar income		1,667	219
Net change in cash, cash equivalents and money market deposits		**(974)**	**(2,832)**
Cash, cash equivalents and money market deposits at beginning of the year		**8,076**	**10,908**
Cash, cash equivalents and money market deposits at end of the year		**7,102**	**8,076**

The accompanying notes form part of these Financial Statements

Statement of Financial Position

For year ended 31 March 2024	Note	2024	2023
		£'000's	£'000
Fixed Assets			
Housing Properties	8	9,991	9,595
Other Tangible Fixed assets	9	6,516	6,858
Intangible Fixed assets	9	15	41
Fixed asset investments	10	2	2
		16,524	**16,496**
Current assets			
Trade & other debtors	11	5,456	4,593
Investments	12	4,285	4,562
Cash and Cash Equivalents		2,817	3,514
		12,558	**12,669**
Creditors: amounts falling due within one year	13	(5,525)	(5,268)
Net Current Assets		**7,033**	**7,401**
Total assets less current liabilities		**23,557**	**23,897**
Creditors: amounts falling due after more than one year	14	(9,378)	(9,672)
Net pension asset / (liability)	20	-	-
Total net assets		**14,179**	**14,225**
Reserves			
Income and expenditure reserve		14,051	14,225
Restricted reserve		128	-
Total reserves		**14,179**	**14,225**

The accompanying notes form part of these Financial Statements

The financial statements were approved by the Board on 7 August 2024 and signed on its behalf by:

John Cleland
John Cleland (Aug 8, 2024 07:48 GMT+1)

Mr J Cleland, Chair of Board of Trustees

Caroline Ashton
Caroline Ashton (Aug 8, 2024 12:14 GMT+1)

Mrs C Ashton, Trustee and Chair of Audit Risk and Assurance Committee

Company Registration Number 1089026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Legal status

St Anne's Community Services is a registered housing provider, a charity and a company limited by guarantee. The registered office is Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG. The organisation is incorporated in England and Wales, company registration number 1089026.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The financial statements are presented in Sterling (£). St Anne's Community Services is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on the historical cost basis except where specified in the accounting policies.

Going concern

The organisation's business activities, its current financial position and factors likely to affect its future development are set out in the report of the Trustees (incorporating the strategic report). The organisation has cash and investment balances which provide adequate resources to finance the organisation's day to day operations and committed expenditure. The organisation has a plan which shows that these resources are sufficient to continue to fund operations.

Our planning processes, including financial projections, take into consideration the current economic climate. The Audit Committee and the Board have carefully considered the relevant conditions and performed an assessment. The Trustees have concluded, based on a review of forecasts and budgets, that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the organisation to continue as a going concern.

On this basis, the Board has a reasonable expectation that the organisation 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 financial statements are signed. For this reason, the organisation continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of depreciable assets – management reviews its estimate of the useful economic lives of depreciable assets at each reporting date based on the expected use of the assets. Uncertainties in these estimates primarily relate to changes in improvement programmes for components and the Decent Homes Standards, which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2024 was £7.7m.

Defined benefit obligation – management's estimate of the defined benefit pension valuation is based on several critical underlying assumptions such as the standard rate of inflation, mortality, discount rate and anticipation of future salary increases. Variations in these assumptions may significantly impact on the valuation of the defined benefit obligation and the annual defined benefit expenses. The notional defined benefit pension asset at 31 March 2024 was £38,290k (2022: £28,545k). No pension scheme asset has been recognised in this financial year due to concerns given the current economic environment, in particular volatile interest rates and inflation rates, any asset recognised may be transitory and will not be reflected in a reduction of contributions. Further details and explanations are in note 20.

Basis of consolidation

The organisation has taken advantage of the exemption from preparing group financial statements contained in Section 402 of the Companies Act 2006 on the grounds that its subsidiary undertaking is immaterial to the Group under section 405(2) of the Act. Details of the subsidiary undertaking are set out in note 10.

Turnover and revenue recognition

Turnover comprises rental income receivable, fees and grants from central and local government activities. Revenue grants are recognised as income when the conditions for receipt of grant funding have been met and/or they no longer meet the criteria to allow them to be retained on the balance sheet**.** Rental income is recognised when properties become available for letting, net of any voids.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings and development costs.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Depreciation of Housing Properties

The organisation separately identifies the major components which comprise its properties held for social housing and non-social housing lettings and charges depreciation, so as to write down the cost of each component to its estimated realisable value, on a straight-line basis, over its estimated useful economic life.

The organisation depreciates the major components of its properties held for social and non-social housing lettings using the following useful lives:

Structure	75 years
Roof	50 years
Electrics	40 years
Heating, ventilation and plumbing	30 years
Windows	30 years
Boilers, kitchens & bathrooms	15 years

Other fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged by equal monthly instalments over the expected useful lives of the assets. The useful economic lives applied are as follows:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Computer equipment	3 years
Motor vehicles	4 years
Office and workshop equipment	5 years
Software	5 years

Government Grants

Government Grants include grants receivable from Homes England, local authorities, and other government organisations, these are recognised in income over the life of the asset under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the organisation will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Other Grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the organisation is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Annually, housing properties are assessed for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken, comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the organisation, its recoverable amount is its fair value less costs to sell.

Investments

Non-quoted investments are accounted for on a historical cost basis less any provision for impairment. Quoted investments are accounted for at market value at the balance sheet date. Any upward movement in valuation is taken to the investment revaluation reserve and shown in the Statement of Comprehensive Income except to the extent that an upward revaluation is in respect of a previous reduction charged as impairment to the Income and Expenditure account. In this event, the upward revaluation is credited to the Income and Expenditure account to the extent of the previously impaired value. Any reduction in investments value is charged to the investment reserve and shown in the statement of total recognised surpluses and deficits, to the extent that there has been a previous upward valuation. Any excess reduction in market value over previous upward valuations is charged to the income and expenditure account. Money market investments are held with HSBC and a deposit account with Close Brothers Savings.

Financial Instruments

Basic and non-basic financial instruments (as defined in Section 11 of FRS102) are shown at market value (for quoted investments) or at transaction value less any provision for impairment. The organisation has not adopted hedge accounting for any financial instruments.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the organisation as a percentage of income.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organisation. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed at below market rate, and, where material, the balance is shown at the present value, discounted at a market rate.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits within financial institutions. The terms of the deposit is no more than 90 days.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Creditor balances arising through contracts will be held on the balance sheet for six years from the point they have arisen, or from the point our records show they have arisen, whichever is the later, on the basis this is a reasonable limitation period. However, such balances will be looked at on a case-by-case basis and if based on management judgement they believe there is still a reasonable chance of a valid claim against a creditor balance they may be held on the balance sheet for a longer period of time.

Provision for liabilities

Provisions are recognised when the organisation has an obligation as a result of a past event. The organisation recognises a provision for future losses on contracts entered into before the year end. The amount recognised as a provision is the best estimate of the expected losses over the remaining term of these contracts.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The organisation recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pensions

The organisation participates in two funded multi-employer defined benefit schemes, the National Health Service Pension Scheme ("NHS Pension Scheme") and the West Yorkshire Pension Fund ("WYPF"). For the National Health Service Pension, the scheme does not allow identification of the share of underlying assets and liabilities belonging to individual participating employers. The income and expenditure charge includes the employer contribution payable to the scheme for the accounting period. The NHS Pension Scheme is in respect of those specific employees who have transferred their employment into the organisation via a TUPE agreement agreed with commissioners in relation to specific contractual and legal agreements.

For WYPF, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high-quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the organisation through reduced contributions or through refunds from the plan. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised

in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

The government introduced auto enrolment pension schemes when employers were phasing out their provision of pension schemes for employees due to cost. The auto enrolment scheme allows eligible employees access to a pension scheme that is contributed to by their employer as well as themselves. Scottish Widows is the auto enrolment pension scheme for the organisation's contracted staff with The People's Pension chosen as the provider for our non-contracted (casual) staff. Eligibility to be automatically enrolled on the Scottish Widows scheme is that the member of staff must be over 21 years old but under state pension age and be paid over £10k per annum. Contributions to the scheme are three per cent from St Anne's and five per cent from the employee. Eligible staff will automatically be enrolled but with the option to opt out. Any employee that exercises their option to opt out of the scheme will be automatically re-enrolled every three years (as part of the tri-annual assessment) if they are eligible, to allow them the opportunity to become a member of a pension scheme and make a provision for their retirement through this route. They will be given the option to opt out each time.

2. TURNOVER, COST OF SALES, OPERATING COSTS AND OPERATING SURPLUS

For year ended 31 March 2024	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
SOCIAL HOUSING ACTIVITIES			
Income and expenditure from social housing lettings	16,872	(16,384)	488
OTHER SOCIAL HOUSING ACTIVITIES			
St Anne's Centre	280	(263)	16
Respite Services	1,218	(950)	268
Tenancy Support -Other funding	18,569	(18,834)	(265)
Funded projects	1,337	(1,450)	(113)
Other	2,321	(2,960)	(639)
Total other social housing activities	**23,724**	**(24,458)**	**(734)**
NON SOCIAL HOUSING ACTIVITIES			
Income and expenditure from lettings	10,081	(10,167)	(86)
Other income and expenditure	752	(839)	(87)
	10,833	**(11,006)**	**(173)**
	51,430	**(51,849)**	**(419)**

For year ended 31 March 2023	Turnover	Operating Costs	Operating surplus / (deficit)
	£'000	£'000	£'000
SOCIAL HOUSING ACTIVITIES			
Income and expenditure from social housing lettings	15,267	(15,063)	204
OTHER SOCIAL HOUSING ACTIVITIES			
St Anne's Centre	245	(292)	(47)
Respite Services	876	(732)	144
Tenancy Support -Other funding	17,152	(18,045)	(893)
Funded projects	1,216	(1,212)	4
Other	823	(1,058)	(235)
Total other social housing activities	**20,312**	**(21,339)**	**(1,027)**
NON SOCIAL HOUSING ACTIVITIES			
Income and expenditure from lettings	9,238	(9,275)	(37)
Other income and expenditure	600	(885)	(285)
	9,838	**(10,160)**	**(322)**
	45,417	**(46,562)**	**(1,145)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

For year ended 31 March 2024	Hostels & Supported housing	Residential Care Homes	2024	2023
			Total	Total
	£'000	£'000	£'000	£'000
TURNOVER FROM SOCIAL HOUSING LETTINGS				
Rent receivable net of identifiable service charges	1,293	116	**1,409**	1,274
Service charge income	1,370	53	**1,422**	1,286
Charges for support services	794	-	**794**	718
Net rental income	**3,458**	**169**	**3,626**	**3,279**
Other income	4,378	8,677	**13,055**	11,804
Amortised government grants	93	99	**191**	185
Turnover from social housing lettings	**7,928**	**8,944**	**16,872**	15,267
EXPENDITURE ON LETTING ACTIVITIES				
Management and care	(5,595)	(8,111)	**(13,707)**	(12,638)
Service charge costs	(738)	(539)	**(1,278)**	(1,235)
Routine maintenance	(663)	(344)	**(1,007)**	(831)
Bad debts	(42)	(32)	**(73)**	(86)
Depreciation of housing properties	(213)	(106)	**(319)**	(273)
OPERATING EXPENDITURE ON SOCIAL HOUSING LETTINGS	**(7,251)**	**(9,133)**	**(16,384)**	**(15,063)**
OPERATING SURPLUS ON SOCIAL HOUSING LETTINGS	**677**	**(189)**	**488**	**204**
Loss due to voids	**(473)**	**(658)**	**(1,131)**	**(1,105)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation in management was as follows:

	2024 No.	New Units	Units taken out of use	2023 No.
Social housing				
Supported housing and hostels	272	-	(1)	273
Residential care homes	129	-	(10)	139
Total owned	**401**	**-**	**(11)**	**412**
Accommodation managed for others	98	22	-	76
Total managed	**499**	**22**	**(11)**	**488**
Non-social housing				
Registered nursing homes	89	6	-	83
Total owned	**89**	**6**	**-**	**83**
Accommodation managed for others	-	-	-	-
Total managed	**89**	**6**	**-**	**83**

2. FUNDRAISING

	2024 £'000	2023 £'000
Gifts and donations received	66	122
Direct charitable expenditure	0	0
Transfer to general charity fund	**66**	**122**

3. KEY MANAGEMENT PERSONNEL

	2024 £'000	2023 £'000
Emoluments of the organisation's key management personnel (salary, pension contributions, employer's national insurance and benefits in kind)	1,003	916
Compensation for loss of office	0	0
Emoluments of the highest paid employee (excluding pension contributions)	188	175

The full-time equivalent number of staff members who received emoluments (salary, pension contributions and benefits in kind)

	2024 No.	2023 No.
£60,001 - £70,000	2	3
£70,001 - £80,000	2	1
£80,001- £90,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	3	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	1
£180,001 - £190,000	-	1
£200,001 - £210,000	1	-

During the course of the year there were 8 different people included as part of the Executive Leadership Team. The ELT is made up of the following roles: CEO, CFO, Director of Operations, HR Director, Housing Director, and Director of Business Development.

The highest paid director in the year was the Chief Executive Officer.

Total expenses reimbursed to the directors of the organisation were £92 (2023: nil).
The Trustees (all of whom are directors) receive only essential expenses.

4. EMPLOYMENT INFORMATION

Average monthly number of employees expressed in full time equivalent of 37.5 hours:	2024	2023
	No.	No.
Finance and administration staff	75	68
Maintenance and housing staff	8	8
Care staff	1,223	1,025
	1,306	**1,101**

Headcount average:	2024	2023
	No.	No.
Finance and administration staff	66	72
Maintenance and housing staff	8	8
Care staff	1,126	1,219
	1,200	**1,299**

Employee costs:	2024	2023
	£'000	£'000
Staff costs		
Wages and salaries	38,616	34,574
Social security costs	2,775	2,509
Other pension costs	993	984
	42,384	**38,067**

5. SURPLUS ON DISPOSAL OF HOUSING PROPERTIES

	2024	2023
	£'000	£'000
Disposal proceeds	273	1
Carrying value of asset	-	-
	273	**1**

5a. DEFICIT ON REVALUATION OF INVESTMENTS	(14)	(33)
	(14)	(33)

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024	2023
	£'000	£'000
Interest Receivable	254	96
Interest on net Defined Benefit Pension asset (note 20)	1,347	-
Fundraising and Donations	66	123
	1,667	**219**

7. OPERATING DEFICIT

Operating deficit is arrived at after charging:

	2024 £'000	2023 £'000
Depreciation of freehold housing property	323	280
Depreciation of other fixed assets	457	451
Auditor's remuneration (excluding VAT):		
Fees payable for the financial statement audit	55	53
Overprovision for previous year	-	(16)
Fees for other audit services: audit of subsidiary accounts	-	4
Total audit services *	**55**	**41**
Tax compliance services	-	13
Total non-audit services	**-**	**13**
Operating leases		
- Land & buildings	255	216
- Other	220	255

*Audit services relate only to St Anne's Community Services.
St Anne's Trading Ltd (note 21) reported :

	2024 £'000	2023 £'000
Audit services: fees payable for financial audit	4	4
Non-audit services: Tax compliance services	2	2
VAT services	-	-
	6	6

8. TANGIBLE FIXED ASSETS – Housing Properties

	Social housing properties held for letting
	£'000
Cost	
Balance at 1 April 2023	15,928
Additions to existing properties	334
Transfers from freehold properties	692
Disposals	(1,784)
Balance at 31 March 2024	**15,170**
Depreciation	
Balance at 1 April 2023	(6,333)
Charge for the year	(323)
Transfers from freehold properties	(255)
Disposals	1,732
Balance at 31 March 2024	**(5,179)**
Net book value at 31 March 2024	**9,991**
Net book value at 31 March 2023	**9,595**

	2024	2023
	£'000	£'000
Expenditure on works to existing properties:		
Improvement works capitalised	334	1069
Amount charged to income and expenditure account	265	590
	599	**1,659**

8. TANGIBLE FIXED ASSETS – Social Housing Grant Assistance	2024	2023
	£'000	£'000
Balance at 1 April	7,355	7,540
Received in year	0	0
Amortised within Statement of Comprehensive Income	(194)	(185)
Released on disposal	0	0
Balance at 31 March	**7,161**	**7,355**
Recognised in:		
Creditors: amounts falling due within one year	194	185
Creditors: amounts falling due after more than one year	6,967	7,169
	7,161	**7,355**

Social Housing Grants are receivable from the Homes and Communities Agency. Grants received for properties under construction are classified as creditors falling due within one year. Once properties have been completed, the grant is classified as a creditor falling due after more than one year and is amortised over the life of the structure of those properties.

9. TANGIBLE FIXED ASSETS – Other fixed assets

	Other freehold properties	Capital work in progress	Office and workshop equipment	Computer Equipment	Furniture fixtures and fittings	Intangible assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
Balance at 1 April 2023	8,775	380	240	1,160	3,251	151	13,957
Additions	231	-	-	215	101	4	550
Transfers	(311)	(380)	-	-	-	-	(692)
Disposals	(839)	-	(240)	(771)	(2,947)	-	(4,797)
Balance at 31 March 2024	**7,855**	**-**	**-**	**604**	**405**	**155**	**9,019**
Depreciation							
Balance at 1 April 2023	2,664	-	240	948	3,096	110	7,058
Charge for the year	143	-	-	154	130	30	457
Transfers	(255)	-	-	-	-	-	(255)
On disposals	(813)	-	(240)	(771)	(2,947)	-	(4,771)
Balance at 31 March 2024	**1,739**	**-**	**-**	**331**	**279**	**140**	**2,489**
Net book value							
Net book value at 31 March 2024	**6,116**	**-**	**-**	**273**	**126**	**15**	**6,530**
Net book value at 31 March 2023	**6,111**	**380**	**-**	**212**	**155**	**41**	**6,899**

10. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2024 £'000	2023 £'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	2	2
Net book value at 31 March	**2**	**2**

Investment Fund Plans	**£'000**
Market value at 1 April 2023	2
Disposals	-
Additions	-
Change in market value	-
Market value at 31 March 2024	**2**

Interest in subsidiary

The organisation owns the whole share capital (two £1 ordinary shares) of St Anne's Trading Limited, a company registered in England and Wales.
The trading results are consolidated numbers of St Anne's Community Services and St Anne's Trading Limited, whose results are presented and audited in their own Annual Report. The financial statements of St Anne's Trading Limited can be obtained from the registered office at Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG .

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£'000	£'000
Arrears of rent	1,009	871
Less: Provision for bad and doubtful debts	(325)	(188)
	684	**683**
Invoiced debtors	3,684	3,177
Other debtors	268	157
Prepayments and accrued income	810	574
Amounts owed by subsidiary company	10	2
	5,456	**4,593**

12. CURRENT ASSET INVESTMENT

	2024	2023
	£'000	£'000
Money market deposits	4,285	4,070
Listed investment fund	-	492
Current asset investments	**4,285**	**4,562**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£'000	£'000
Trade creditors	2,147	1,977
Pension contributions	194	13
Other creditors	161	213
Accruals and deferred income	2,058	2,247
Other taxation and social security	689	560
Deferred capital grant income	276	258
	5,525	**5,268**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Deferred Grant Income:	**2024**	**2023**
	£'000	**£'000**
At 1 April	9,930	10,254
Received in year	0	67
Repaid in year	0	(133)
Released to income	(276)	(258)
At 31 March	**9,654**	**9,930**
Released in one year	276	258
Released in more than one year	9,378	9,672
	9,654	**9,930**

Of the £9.7m deferred grant £7.2m relates to Social Housing Assistance.

15. NET CASH USED IN OPERATING ACTIVITIES

	2024	**2023**
	£'000	**£'000**
Surplus /(Deficit) for the year	(46)	(471)
Adjustments for non-cash items:		
Depreciation in year	780	732
Amortisation/Release of grants	(276)	(258)
(Increase) / Decrease in debtors	(863)	302
Increase / (Decrease) in creditors	239	(510)
FRS102 Pension Adjustment	0	(874)
Adjustments for investing activities:		
Surplus on disposal of fixed assets	(196)	0
Interest Receivable and Similar Income	(1,667)	(219)
	(2,029)	**(1,298)**

16. CAPITAL COMMITMENTS

At 31 March 2024, St Anne's did not have any capital commitments (2023: £nil)

17. PROVISION

At 31 March 2024, following a review by Management, and in accordance with Accounting Standards, there were £nil provisions (2023: £nil).

18. CONTINGENT LIABILITIES

In accordance with FRS 102 St Anne's recognises contingent liabilities where management (and their legal representatives) has assessed those potential liabilities as being possible (and would make a provision where such potential liabilities have been assessed as being probable). At the year-end management believe no such possible liabilities exist and as such no contingent liabilities have been disclosed (£nil).

19. LEASING COMMITMENTS

The future minimum lease payments to be made by the organisation are as follows:

	2024		2023	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring:				
In one year or less	240	105	204	154
Between one and five years	15	115	12	102
	255	**220**	**216**	**255**

The future minimum lease receipts due to the organisation are as follows:

	2024	2023
	Land and buildings	Land and buildings
	£'000	£'000
Leases expiring:		
In one year or less	44	44
Between one and five years	0	122
	44	**166**

20. PENSIONS

The organisation utilises four pension schemes: National Health Service (NHS) Pension scheme, Peoples Pension, Scottish Widows and the West Yorkshire Pension Fund. The West Yorkshire Pension Fund is a defined benefit scheme. Membership of the West Yorkshire Pension Fund was closed to new employees with effect from 31 March 2012. We have a number of TUPE staff who are members of the NHS Pension Scheme.

NHS Pension Scheme

The NHS Pension Scheme is a multi-employer defined benefit scheme. The scheme is unfunded. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers and, due to the nature of the scheme, the income and expenditure account charge for the period under FRS102 represents the employer contribution payable.

Employer contributions were made at the rate of 14.38% during the accounting period. Payments to the scheme in the period amounted to £146k (2023: £165k). Members' contributions are banded according to earnings. The scheme is subject to full valuations every four years (previously every five years). The last valuation took place as at 31 March 2020. Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published every October. These accounts can be viewed on the NHS Pension Agency website at www.nhspa.gov.uk.

The People's Pension auto enrolment pension scheme

Contributions were made at 3% during 2023-24. The total payments to The People's Pension auto enrolment pension scheme during the period were £71k (2023: £54k).

Scottish Widows auto enrolment pension scheme

Contributions were made at 3% and 6% (10% for the small number of members of the Scottish Widows Group Personal Pension that preceded the auto enrolment scheme). The total payments to the Scottish Widows auto enrolment pension scheme during the period were £1,988k (2023: £1,880k).

West Yorkshire Pension Fund

The West Yorkshire Pension Fund (WYPF) is a multi-employer scheme with more than one participating employer, which is administered by the City of Bradford Metropolitan District Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit credit method.

Contributions

The employers' regular contributions to the WYPF by St Anne's for the year ended 31 March 2024 at 36.2% of pensionable pay were £51k (2023: £61k). The employers' contribution rate has been fixed at 36.2% of pensionable pay for the year ending 31 March 2025. Employees' contribution rates have been fixed at rates between 5.5% and 8.5% dependent on salary levels.

As the scheme is closed to new members, under the projected unit method of valuation, the current service cost will increase as the members of the scheme approach retirement.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on an FRS 102 basis were:

	31-Mar-24 % per annum	31-Mar-23 % per annum	31-Mar-22 % per annum	31-Mar-21 % per annum
Rate of increase in salaries	3.9	4.0	2.2	3.0
Rate of increase in pensions in payment	2.6	2.7	3.0	2.7
Discount rate	4.8	4.7	2.7	2.1
Inflation assumption - RPI	-	-	-	-
Inflation assumption - CPI	2.6	2.7	3.0	2.7

Mortality assumptions

The post-retirement mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. The sample life expectancies at age 65 resulting from these mortality assumptions are:

	2024	2023
Retiring today:		
Males	21.0	21.6
Females	24.2	24.6
Retiring in 20 years:		
Males	22.3	22.9
Females	25.2	25.7

Amounts recognised in the Statement of financial position

	2024 £'000	2023 £'000
Present value of funded obligations	(73,295)	(76,666)
Fair value of plan assets	111,585	105,211
Net pension asset / (liability)	**38,290**	**28,545**
Less notional surplus not recognised	(38,290)	(28,545)
Net pensions recognised in the Statement of financial position	-	-

Amounts recognised in surplus or deficit

	2024 £'000	2023 £'000
Current service cost	20	54
Past service cost	(2)	-
Amounts charged to operating costs	**18**	**54**
Interest on net defined benefit (asset)/liability	(1,347)	19
Amounts charged to other finance costs	**(1,347)**	**19**

Amounts recognised in other comprehensive income

	2024 £'000	2023 £'000
Actuarial gains on liabilities	3,587	30,398
Actuarial gains / (losses) on assets	4,605	(1,347)
Unrecognised Surplus	(9,745)	(28,545)
Net amount recognised in other comprehensive income	**(1,553)**	**506**

Changes in present value of defined benefit obligations:

	2024 £'000	2023 £'000
Opening defined benefit obligation	76,666	106,981
Current service cost	20	54
Past service cost	(2)	0
Interest cost	3,526	2,851
Actuarial (gains) / losses on liabilities	(3,587)	(30,398)
Benefits/transfers paid	(3,335)	(2,832)
Member contributions	7	10
Closing defined benefit obligation	**73,295**	**76,666**

Reconciliation of opening and closing balances of the fair value of scheme assets:

	2024 £'000	2023 £'000
Opening fair value of assets	105,211	106,107
Interest income on scheme assets	4,873	2,832
Actuarial gains/(losses) on assets	4,605	(1,347)
Contributions by employer	224	441
Member contributions	7	10
Net benefits paid	(3,335)	(2,832)
Closing defined benefit obligation	**111,585**	**105,211**

Major categories of plan assets as a percentage of total plan assets:

	2024	2023
Equities	79.4%	81.3%
Property	2.80%	3.30%
Government Bonds	8.50%	6.00%
Corporate Bonds	4.20%	4.30%
Cash	1.80%	2.90%
Other	3.30%	2.20%
	100.00%	**100.00%**

	2024 £'000	2023 £'000
Actual return on plan assets	**9,478**	**1,485**

Admission Agreement for admission to West Yorkshire Pension Fund

In connection with a contract between City of Bradford Metropolitan Council and the organisation, an agreement for admission to a new section of WYPF was entered into with effect from 20 December 2011. The agreement is specific to eligible staff transferred to St Anne's by virtue of the contract and will terminate on the expiry or earlier termination of the contract. This section of the WYPF was fully funded at the start of the agreement. Subject to the organisation complying with specific clauses in the agreement, any deficit relating to this section of the fund will be subsumed by the council.

Due to the subsumption arrangements in place, assets and liabilities relating to this section of the WYPF have not been included in the organisation's balance sheet.

The McCloud judgement

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members of public sector pension schemes as part of reforms to those schemes amounted to unlawful discrimination, as a result an allowance should be made for the McCloud Judgement in accounts, however the allowance is highly dependent on the salary increase assumption. As the assumed rate of CPI for St Anne's salary increases is less than CPI, McCloud will not have an impact and no allowance is therefore included in these financial statements.

21. RELATED PARTY TRANSACTIONS

The organisation paid £52k (2023: £36k) during the year as a management recharge to St Anne's Trading Ltd, (see note 10). St Anne's Trading made a Gift Aid Distribution of profits to St Anne's Community Services of £25k (2023: £21k). There were no other related party transactions in the year. There was £10k due from St Anne's Trading Ltd to St Anne's Community Services at the year-end (2023: £2k).

22. CATEGORIES OF FINANCIAL ASSETS AND LIABILITES

	2024	2023
	£'000	£'000
Financial Assets at amortised cost		
Rent and Service Charges receivable	684	683
Invoiced Debtors	3,694	3,177
Other debtors	268	157
Accrued Income	329	170
	4,975	**4,187**
Financial liabilities at amortised cost		
Trade creditors	2,147	1,977
Other creditors	161	213
Deferred capital grant	276	258
Accruals and deferred income	2,058	2,247
Other taxation and social security	689	560
Pension contributions	194	13
	5,524	**5,268**

ST ANNE'S COMMUNITY SERVICES

England & Wales - Charity number 502224

Accounts

COMPANY NO: 1089026

CHARITY NO: 502224

RSH NO: H3158

St Anne's Community Services

Annual Report and Financial Statements

For the Year Ended 31 March 2023

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COMPANY INFORMATION

The Trustees, who are Directors of St Anne's Community Services, have pleasure in presenting their Annual Report and Financial Statements for the year ended 31 March 2023. The Financial Statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with our governing document, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 2018 for registered social housing providers preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider regulated by the Regulator of Social Housing (RSH). Details of the Trustees and other corporate information are set out below:

Board of Trustees who served during the year:

A Sully (Chair) (appointed 16 March 2021)
B Machin (Vice Chair) (appointed 04 February 2020)
J Adams (appointed 01 August 2022 resigned 11 September 2023)
C Ashton (appointed 26 October 2022)
M Bardle (appointed 06 September 2022)
P Brown (resigned 31 July 2022)
I Currell (resigned 31 July 2022)
G Dalton (appointed 28 January 2020)
P Garnett (resigned 31 July 2022)
L Hancock (appointed 01 August 2022)
O Laird (resigned 30 December 2022)
A Leech (appointed 16 March 2021)
J Riley (resigned 01 August 2022)
A Topping (appointed 26 October 2022 resigned 26 April 2023)
M Turnbull (appointed 08 February 2020)
T Watters (appointed 04 February 2020)

Company Registered Number	1089026
Charity Commission Number	502224
External Auditors	Mazars LLP 5th Floor, 3 Wellington Place, Leeds, LS1 4AP
Bankers	Unity Trust Bank plc Four Brindley Place, Birmingham, B1 2JB
Solicitors	DAC Beachcroft LLP 23 Park Square South, Leeds, LS1 2ND Bevan Brittan LLP 7th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

Pensions and Investment Advisors	First Actuarial LLP Trafford House Chester Road Manchester M32 0RS
	Purple Wealth Management LLP 50 Burley Hill Business Centre Burley Road Leeds LS4 2PU

CHAIR'S WELCOME

2022/23 is the second year of our new five-year strategy, underpinning the strategy are our PROUD values and our purpose of 'making a difference every day' by providing the highest quality, person centred care and support. Whilst this forms part of our strategy, this has been at the core of St Anne's philosophy since St Anne's began in 1971 and will therefore continue to be so.

We are all very aware that this year has been another year of change and challenge. We have continued to face unprecedented challenges during the year brought about by the Covid-19 pandemic, but in spite of these challenges we have continued to see our front-line staff carry out their roles with an amazing amount of dedication and resilience. On behalf of the Board and St Anne's wider stakeholders I would particularly like to thank all our staff for their continued dedication and commitment to our clients in another exceptionally challenging year.

Our clients are at the centre of everything we do, and it is pleasing to report that our Care Quality Commission (CQC) ratings, with the vast majority of our CQC rated services scoring Good or Outstanding, are ahead of the national sector averages.

Our people are our key to everything we do at St Anne's. We are committed to the continuous development of our staff and investing in their training and support. St Anne's aspires to reward staff with the national Real Living Wage, although this is hugely dependent on our commissioning bodies.

St Anne's can only continue to deliver its charitable purpose into the future if it is financially sustainable. Our financial performance for 2022/23, described in the following pages, reflects the challenges of the year as St Anne's recovers from the Covid-19 pandemic. Covid-19 funding ended in 2021/22 and the financial impact of this has been significant in the year. The further impact of the reduction in the national workforce has led to delays in referrals with an effect on void management, exacerbating an already costly and difficult process. St Anne's is facing its challenge and is continually evolving to best continue to support our staff and clients, reinvest in our current services and develop new services to meet the changing needs of the most vulnerable people in our society.

During 2022/23 St Anne's Senior Management Team has seen a change in its Director of People and Chief Finance Officer. The Board and SMT are focused on moving our strategy forward and deliver on a number of larger projects that will help to shape St Anne's in the years to come.

Our Board of Trustees has seen several new Trustees this year in accordance with previous plans to further strengthen the Board of Trustees and Trustee representation on our committees in 2022/23. The Trustee role carries significant responsibility and so I am grateful to all the Trustees for assuming that responsibility and for their commitment to St Anne's during the past year.

To all of those who have supported us this year, the Trustees offer their thanks. The Board is looking forward to 2023/24 with cautious optimism, knowing as an organisation we will be able to face any challenges headlong and continue to provide the highest possible support to all our clients.

Anthea Sully (Sep 28, 2023 18:19 GMT+1)

Anthea Sully,
Chair of Board of Trustees

CHIEF EXECUTIVE'S WELCOME

The year has continued to be a challenging one for St Anne's, with the end of Covid-19 funding and faced with unprecedent inflation; therefore, continuing to put our clients at the centre of what we do is more important than ever, and we have only been able to do this through the continued dedication and resilience of our wonderful and dedicated colleagues.

I would like to thank all of our staff for their continued commitment and support to our clients throughout the year - we wouldn't be able to continue to do the great work we do at St Anne's without you.

2022/23 has been the second year of our five-year strategy – "A Life Without Limits". During the year we have focused on further improving our Quality Assurance Framework achieved great results, with staff and managers feeling even more supported by our Quality and Continuous Improvement Team. St Anne's continues to develop as an organisation and over the past year we have continued to maintain high quality standards with the vast majority of our services being rated good or outstanding from the CQC and again this can only be achieved through the skill, dedication, and commitment of our staff.

We have undertaken significant groundwork for the property investment and asset management strategy, particularly looking at how we invest in our properties for the benefit of our clients, further developing our approach to quality, focusing on social value, and securing funding to allow further growth in the services we provide. Post Covid-19 we have had the opportunity to review our systems and data flows and are working towards implementing improvements with a significant systems investment.

The unprecedented inflation levels within the UK have been challenging, with property repairs costs being significantly affected. The National Living and Real Living Wages have increased wages to a level more supportive for our colleagues, however the challenges from Local Authority funding remain a concern.

Financially, the entire social care sector has faced a real challenge. With the removal of Covid-19 funding, previous Commissioner funding has again been exposed. This year we face a deficit position, however we have plans in place to improve our financial position over the forthcoming year. We have a significant pension revaluation this year which belies last year's performance.

Despite the financial challenges we face, we believe it is important to recognise the importance of our staff and we continue to set a remuneration level above the National Minimum Wage. Recruitment challenges in the sector are equal to that of the funding challenge we hope that we continue to attract new people to St Anne's and retain our existing staff so that we can continue to deliver great outcomes for our clients who are some of the most vulnerable people in society.

I would also like to take this opportunity to thank the Trustees for their diligence and the support they have given to St Anne's over the past year. Their voluntary roles carry significant responsibility and they have continued to give a considerable amount of support and devotion to the organisation throughout this challenging year.

As we look forward to 2023/24, we are optimistic that the year will be a positive one as we return to some normality after the Covid-19 pandemic and build on from everything we have achieved in 2022/23.

Azra Kirkby
Azra Kirkby (Sep 28, 2023 12:17 GMT+1)

Azra Kirkby,
Chief Executive Officer

REPORT OF THE TRUSTEES (incorporating the Strategic Report)

The Trustees, who are the Directors for the purpose of company law, present their report along with the financial statements of St Anne's Community Services for the year ended 31 March 2023.

Introduction: St Anne's - Making a difference every day

St Anne's was founded 52 years ago, in 1971, as a daytime shelter for homeless men in Leeds. From these small beginnings we have gradually expanded over the years to become the organisation we are today, with around 1,300 employees supporting people across the North of England.

Our very first service was shaped around people's needs and wishes and we have maintained this ethos, with the people we support at the centre of all our work, throughout all the services we provide.

We provide housing and accommodation-based support in partnership with other housing providers and deliver a range of community-based services across the North of England. We are proud to support people with learning disabilities, mental health, substance misuse and homelessness issues and to help them achieve their aspirations.

Much of our work is undertaken in partnership with local authority adult social care departments, clinical commissioning groups and community safety partnerships. We also work extensively with people whose support is funded via a direct payment or an individual service fund.

Our current services include:

- Supported living services.
- Residential care, including nursing care.
- Specialist detoxification and rehabilitation (alcohol and substance misuse).
- Respite care.
- Domiciliary care.
- Floating outreach.
- Carers' support.
- Day services.
- Shared Lives.
- Community mental health and substance misuse services.
- Housing with support (long and short term).
- Homelessness services.
- Women's hub (an emergency safe place to stay for women with complex needs who are street homeless or vulnerably housed).

This range and diversity of provision means that if people's needs and goals change, they can continue to be supported by St Anne's.

We work predominantly in the following areas:

North-East: Durham, Gateshead, Middlesbrough, Newcastle upon Tyne, North Tyneside, South Tyneside and Sunderland.

Yorkshire & the Humber: Bradford, Calderdale, City of York, East Riding, Hull, Kirklees, Leeds, North Yorkshire, Sheffield and Wakefield.

Continuing to focus on the needs of the people we support, we:

- Develop services where we know they are needed.
- Focus on continuous improvement and demonstrating value for money.
- Regularly review our services with the people we support and work together to meet changing needs.

Our Vision

A life without limits for the people we support.

Our Purpose
To make a difference every day. Providing high quality care and support to enable people to lead independent and fulfilled lives.

Making a difference every day is a philosophy that is strongly interwoven into the cultural fabric of St Anne's. It is part of who we are. We do this by providing the highest quality, person centred care and support.

Our Values
We are PROUD to make a difference every day.

Person Centred: We place people at the centre of everything we do and think about how our decisions affect them. We promote choice and we treat people as individuals.

Respectful: We respect each other's opinions and beliefs and treat everyone with dignity. We ensure an inclusive environment, and we celebrate diversity.

Open: We communicate in an open, honest, and transparent way and we share information with each other. We act with integrity, and we do what we say we will.

Understanding: We are understanding of the needs of others, and we work in a caring and compassionate way. We are kind and we support each other.

Dedicated: We are dedicated to improving the lives of the people we support every day and delivering quality services.

Our strategic commitments
Our three strategic commitments through to 2026, and the pillars supporting each commitment, are as follows:

Strategic Commitment 1: Our commitment to our people, communities, and the environment
Pillar 1: Enabling our clients – To ensure that the people we support are at the centre of everything we do, creating strong, individual pathways for people to live their best life.

Pillar 2: Empowering our People – We are a people organisation – people supporting people, and we want to be recognised as a greater place to work, an 'employer of choice' to our employees and to people outside of our organisation.

Pillar 3: Delivering Social Value to our Communities – To increase, measure and evidence our social impact for people, local communities, and the environment.

Strategic Commitment 2: Our commitment to excellence and innovation in service delivery
Pillar 4: 'Good to Great' Quality and Continuous Improvement – To be an exemplar of high-quality and best practice within the social care sector – from 'good to great' – delivering great services and achieving great outcomes.

Pillar 5: Consolidation, Innovation & Expansion – To consolidate our existing range of services, develop innovative and creative services that support pathways for people and expand our offer to new localities.

Pillar 6: An Integrated Housing Solution – To develop and invest in our housing and assistive technology offer. Offering a truly integrated approach that will enable greater access to high quality, affordable homes that meet evolving individual needs.

Strategic Commitment 3: Our commitment to business sustainability, value for money and digital transformation

Pillar 7: Digital Transformation – To make systems and processes more efficient and to use technology to build greater connectivity, quality, and capacity within the organisation.

Pillar 8: Organisational Resources and Sustainability – To ensure that everything we do considers and represents value for money, and we operate in a way which is financially sustainable in both the short and long term.

Our performance and achievements

Throughout 2022/23, St Anne's has continued to consolidate services where appropriate, and grow both organically and through bids and tenders. Covid-19 levels, and infection control guidance, have reduced, and our services are opening up again. It has been great to see our clients able to get back out into the community, as they are always our top priority.

Our clients:

- Getting back out into the community. We have clients who are once again going to coffee mornings, day centres, schools and weekly discos.
- Having joint parties with our St Anne's services, and able to see their friends again. These have occurred over Halloween, Christmas and Valentine's Day.
- The new Client Involvement Officer has given fresh life to the SEVEN group, and it is once again holding face to face meetings, at their request, and influencing policy and procedure at St Anne's.

Our tenants:

- We have undertaken significant work in relation to resident satisfaction, supported by our new Client Engagement Officer.
- We undertook a tenant satisfaction survey focussing on the tenant satisfaction measures contained in the Social Housing Bill currently going through Parliament. Overall satisfaction with St Anne's as a landlord was 85%.
- The Tenant Engagement Strategy was approved and subsequently we have held our first Tenant Forum.
- We also have scheduled our first tenant scrutiny session, focussing on repairs.

Our staff:

- Successful TUPE of new services in Hull, creating greater collaboration between teams in order to make this a success.
- Registered Nurse won Leeds Care Awards – Social Care Nurse of the Year award.
- Significant increase in operational recruitment and a reduction in vacancy rates to 10%.
- Continued focus on internal development with variety of promotions filled internally.
- Successful accreditation to Investors in People Standard.

Our services:

- Successfully won and mobilised the contract at Redwood Glades in Hull.
- Opened the new Boulevard mental health service in Hull.
- Refurbishment of Fox View Respite Centre to provide 'Safe Beds' for clients in emergencies for Kirklees ICB.
- Increased the staffing levels and numbers of clients as part of the Forward Leeds Partnership.
- Opened a new service in York providing outreach hours for independent forensic clients.
- Successfully re-tendered for the Bradford Outreach contract.
- Won a tender for new clients in North Tyneside with highly complex needs.
- Won a tender for new clients in South Tyneside with highly complex needs.
- Placed on seven new frameworks covering supported living and complex care services.
- Won a significant tender, developing an innovative complex care service.

Our systems and processes:

- We developed a new Quality Assurance Framework to give improved operational oversight of all our care services and supported housing services. The framework gives monthly operational compliance updates, identifies any trends or patterns within compliance and allows St Anne's to close that feedback loop by looking at any training needs or solutions to the compliance issue. The Framework also focuses on the quality of provision at a service, and services can be awarded a Bronze, Silver or Gold rating, which incorporates CQC ratings for those that are registered services, dependent on the level of evidence proving they have met the 8 Quality Standards to which St Anne's work.

Corporate Social Responsibility

Our Commitment to Corporate Social Responsibility (CSR) continues across the work we do with clients and beyond with partners of all size across the local communities in which we are based. Covid-19 has presented us with an opportunity to do things differently which has meant that we have had to find different ways of working and delivering CSR in ways that are still meaningful and add value.

Strengthening our Governance

We have significantly reviewed our Charity Code and Housing Code and are continuing this work going forward. St Anne's Community Services continues to adopt the Charity Governance Code for Large Charities and promotes good practice and good governance through its seven principles. Furthermore, we also recognise the 2020 Code of Governance. St Anne's has enlisted a governance consultant to independently review our Charity and Housing Codes and all Frameworks. This is a significant undertaking and highlights the importance and good governance St Anne's places on good governance.

St Anne's is also continuing to review its key governance documents; The Governance Framework, the Risk Management Framework, and the Information Governance Framework, aiming to further refine them, ensuring they continue to provide the framework and structure, whilst detailing the interrelated relationships and factors, as well as touching on other elements that influence the organisation. Importantly, our Frameworks set out the respective roles and responsibilities of the management structure, and reference to policy, systems and processes used across the organisation, and importantly identifying points of accountability and escalation, risks and risk management.

St Anne's is also undertaking a significant review of its Information Governance Framework, utilising a multi-disciplinary team, to be independently reviewed in 2022/23.

St Anne's continues to strive for excellence in governance and commits to both internal and external audits, themed on risk areas, every year.

This year we again published our Modern Slavery Statement, which explains our continued commitment and approach to Modern Slavery across the following areas:

1. Organisation structure and supply chains.
2. Policies in relation to slavery and human trafficking.
3. Due diligence processes that we have in place.
4. Key performance indicators that measure the steps we are taking.
5. Training on modern slavery and trafficking.

Assuring the Quality of our Assets

St Anne's is obliged to ensure compliance with the regulations of the Regulator of Social Housing the Health and Safety at Work Act 1974 and the recently introduced Building Safety Act 2022.

This is the first full year of implementing the stock condition survey, which combined with improved local intelligence means the investment in our homes is more targeted than ever before. We have also renewed a number of Fire Risk Assessments and have fitted carbon monoxide detectors in line with recent legislation. The Board is committed to ensuring that our properties are safe and have the appropriate investment, to make better homes for people. Where we have properties that are no longer

fit for purpose, we have commenced a reprovision programme. During 2023/24 all properties will go through a full property option appraisal as part of the new Asset Management Strategy.

St Anne's is committed to continued improvement and, as a result, is carrying out a full review of the repairs and maintenance operation to ensure it continues to deliver high-quality, value for money service.

Our Finances

Our income for the year 2022/23 was £45.4m, an increase on the previous year of £1.8m (4%). During the year we mobilised several new services including our Redwood Glades extra care service in Hull which has increased our presence in the area which is something we will continue to build on. There were no significant contract losses during the year, although funding remains a challenge and the prior year included some Covid related funding which has not been repeated. However, our operating costs have increased by £3.4m (8%) on the previous year, with increases in the National Living Wage and recruitment challenges have led to an increase in the use of agency staff.

This year we have incurred an operating deficit of £(977)k before the actuarial gain on our pension schemes, this is compared to a surplus of £128k last year.

In the year we have seen a large actuarial gain from the pension scheme of £29.1m, which would give rise to an asset of £28.5m. The significant change in the valuation of the pension asset is mainly due to a change in the discount rate used to value the pension liabilities which reflects movements in the yields on corporate bonds.
We have given consideration to the current economic environment, in particular to the volatile interest and inflation rates, and taken the decision not to recognise a pension asset, as any asset recognised may be transitory and will not be reflected in a reduction of contributions.

In the year our reserves and net assets have reduced to £14.2m compared to a £14.7m reserves and net assets last year.

Additionally, our cash position as an organisation remains strong with £8.1m in cash and investments, albeit that is a £2.8m drop from the previous year mostly due to on-going investments in the organisation, particularly in our properties including a new head office.

Looking ahead to 2023/24, which is the third year of our 5-year strategy, we will look to continue supporting our clients in the best way possible and particularly invest in the environments in which they are living, as well as looking at opportunities to grow and support more clients. Underpinning all of that will be ensuring that we do so in a financially sustainable way.

Comprehensive income for the five years ended 31 March 2023

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Turnover	45,417	43,641	44,685	42,877	44,833
Operating costs	(46,562)	(43,138)	(45,097)	(43,311)	(45,214)
Pension adjustments*	(387)	(337)	(532)	491	793
Controllable Surplus/(Deficit) for the year	**(1,532)**	**166**	**(944)**	**57**	**412**

**Pension service costs are included within operating costs and so are excluded here to give an underlying controllable surplus/(deficit) position.*

Statement of financial position for the five years ended 31 March 2023

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Tangible fixed assets	16,494	15,539	13,210	13,452	13,619
Fixed asset investments	2	2	2	1,509	1,510
Net current assets	7,401	10,037	12,844	12,441	11,856
Total assets, less current liabilities	**23,897**	**25,578**	**26,056**	**27,402**	**26,985**
Creditors due after more than 1 year	9,672	10,008	10,693	11,151	12,310
Net Pension liability	0	874	20,367	15,424	6,679
Total net assets/(liabilities)	**14,225**	**14,696**	**(5,004)**	**828**	**7,996**
Reserves: General Charity Fund	227	127	161	127	161
Investment revaluation	-	-	-	8	8
Revenue reserves	13,998	15,444	15,202	16,117	14,506
FRS 102 pension asset /(liability)	0	(874)	(20,367)	(15,424)	(6,679)
Total Reserves	**14,225**	**14,696**	**(5,004)**	**828**	**7,996**

Value for Money

Value for Money is a key focus for the Board and as an organisation we are continuously striving to improve the way we work so that we can provide better services for the people we support. Value for Money is central to this and underpins our strategy.

There are three components to Value for Money:

- Economy relates to keeping down the cost of inputs.
- Efficiency relates to the transformation of inputs to outputs (quantity & quality).
- Effectiveness relates to achieving desired outcomes. Outcomes are what matter to our clients and incorporated into our strategy.

We take a balanced approach to Value for Money that considers performance and investment through three lenses:

- Financial value: The value to the charity. This could be savings through efficiencies, increased income, or delivering more with the same resource,
- Client value: The value for the people we support. This could be direct savings, or similarly reducing clients' dependency on benefits, and
- Social value: The value to the wider society and the economy. This could be savings to the public purse or benefits to the community and local environment. We are committed to our charitable purpose and determined to meet our cost savings targets while continuing to have a positive impact on the people we support and our social value.

Our assets provide the foundation for our success. These include our hard-working staff, and our homes and infrastructure, which enable us to provide services efficiently and run the business. Improved asset utilisation and management of voids are key projects that have continued from the previous financial year.

By ensuring we manage our assets effectively and efficiently, we provide high quality services, which means we serve our clients well, remain competitive and have the financial strength and resilience to mitigate financial risks now and in the foreseeable future.

Regulator Value for Money Metrics

Value for money metrics were introduced by the Regulator of Social Housing in 2018, to capture performance across the social housing sector in a fair and comparable way.

These metrics are used to assess the financial health of all organisations across the sector. However, it is acknowledged that these metrics are more applicable to the traditional general needs housing providers rather than providers which are more focused on Health and Social care.

St Anne's provides a diverse range of care and support services, all our stock is used to provide either supported housing or specialist care. Supported housing routinely incurs more void units, and costs are significantly higher with greater expenditure on reactive and voids maintenance, time and costs are invested to ensure the property is suitable for the client's specific needs.

The stock profile of traditional housing associations consists mostly of general needs housing. This means that when benchmarking St Anne's performance against the Housing median, the costs and performance are not easily comparable due to the very different services provided.

It is challenging to match the range of care services provided by St Anne's, to other regulated housing associations, but we have endeavoured to select a similar range of peers to benchmark to. Even within the selected peers there are still significant difference in care provision and operations, which again make a like for like comparison difficult.

Regulator Metrics

The table below shows the metrics that were introduced by the Regulator of Social Housing in April 2018.

Regulator Metrics	Actual 21/22	Peer Median	Housing Median	Target 22/23	Actual 22/23	23/24 Target
Reinvestment	13.5%	5.8%	6.4%	8.7%	17.3%	16.8%
New Supply	0.0%	2.2%	1.3%	0.0%	1.5%	0.0%
Gearing	N/A	11.6%	44.7%	N/A	N/A	N/A
EBITDA MRI Interest Cover %	N/A	119.7%	147.0%	N/A	N/A	N/A
Headline Social Housing Cost (Total)	£71,258	£10,254	£4,076	£70,000	£78,535	£81,338
Operating Margin: Social Housing %	6.9%	8.8%	23.7%	6.9%	0.9%	6.1%
Operating Margin: Overall %	1.2%	9.5%	21.5%	0.2%	(2.5%)	0.3%
ROCE%	2.0%	3.9%	3.2%	>2.0%	(4.8%)	>2.0%

Reinvestment
This metric looks at the investment in properties as a percentage of the value of total properties held. We invest in our properties for the benefit of our clients, to improve the standards of housing and meet and exceed the decent homes standard.

Investment in our properties during the year exceeded both the peer median and the housing median, this was expected as we are actively investing in our properties, to improve on historic under investments.

Increased investment has been budgeted for the coming year at 16.8%, to ensure that our assets are well maintained, exceed the decent homes standard and meet our client's needs.

New Supply
This metric sets out the number of new social housing and non-social housing units that have been acquired or developed in the year as a proportion of total social housing units.

During the year, 6 new respite units were purchased at Aachen Brook care home, this equates to 1.5% of our total stock.

There was no development of new supply in the year and development of new housing stock does not form part of strategy for 2023/24, although we will continue to look at opportunities to enhance our offer.

Gearing and EBITDA Interest Cover
These metrics assess the degree of dependence on debt finance and liquidity and investment capacity of the provider. We do not have finance in place and therefore gearing and interest cover are not applicable.

Headline Social Housing Cost
The unit cost metric assesses the headline social cost per unit as defined by the Regulator, the metric is calculated by dividing specified costs by total social housing units owned or managed.

The nature of our services and the requirement to meet our clients' specific individual needs means our spend is much higher than both the median and the peer group.

This metric is not representative of the services provided by St Annes as there is no direct correlation between the number of units we manage and the number of clients that we support. We support some clients in their own homes, we provide outreach, residential day care and hostel support.

Of the £38m costs the Regulator specifies to include in the calculation, £20m relate to services provided which do not have a corresponding social housing unit.

The specialist care services we provide are dependent on the needs of our clients. Some of our clients have very complex needs and can require one to one, or sometimes even two to one care. Providing high levels of quality care and support requires higher staffing levels, this impacts the costs of our organisation when compared to the Housing median and peers.

The social care and support sector continues to report difficulties in recruiting staff. St Anne's has been particularly impacted by this during the year to 31 March 2023 and there has been more reliance on the use of agency staff, to provide care to our clients. Again, this is an additional cost which would not be replicated in by a traditional housing provider. We are working proactively to reduce the use of agency staff and forecast that this will improve in the coming year.

As a supported housing and care provider St Anne's pays for services on behalf of our clients and tenants and recover this through services charges, something that a general needs landlord would not do. There is also an element of staff costs which are recharged to our supported housing tenants, for the intensive housing management services which we provide to meet our clients' needs.
The recovery of these costs is not considered within the social housing cost per unit.

We also manage 76 units of accommodation on behalf of other landlords. Whilst these units are included within the denominator, they are subject to a management fee payable back to the landlord. This impacts our average cost per unit. During the year the management fees were total cost of £187k, the corresponding income does not form part of the calculation to offset the cost.

Operating margins
The operating margin demonstrates the profitability of operating assets before exceptional expenses are considered. Increasing margins are one way to improve the financial efficiency of a business.

The Regulator recognises that operating margins in our specialist care and support sector sit well below those of general needs housing providers.

The impact of increased voids is evident when comparing the 0.9% operating margin for social housing lettings to the prior year margin of 6.9%. Weekly void meetings have been actioned between senior management and service managers to address voids and improve our operations. The social housing operating margin is budgeted to increase to 6.1% during 2023-2024

The overall operating margin has been impacted by both voids and agency costs. We would expect this margin to be lower than the Housing median and peers due to the staffing levels which are necessary to provide quality care. Budget challenges have been set for the coming year for voids and agency use we expect the operating margin to move to a positive position.

Return on capital employed (ROCE) %
This metric compares the operating surplus to total assets less current liabilities. It is a common measure in the commercial sector to assess the efficient investment of capital resources. The ROCE metric supports registered providers with a wide range of capital investment programmes.

The return on capital employed was targeted to be a positive value for the year, however the underperformance of voids and agency spend have contributed to a negative ROCE. It is expected that the ROCE will return to a positive position in the next year.

St Anne's Value for Money metrics

During the coming financial year, management are committed to developing tailored key performance indicators which will enhance St Annes' ability to monitor and assess performance. Management will develop metrics which underpin and demonstrate the service delivery to our clients, to ensure we can challenge our current performance and continue to make a difference to our client's lives.

St Anne's is committed to embedding a value for money culture in the organisation.

To ensure our staff can influence and drive value within the organisation, all service managers have been involved in the 2023-2024 budget process.

During the coming year we will also undertake a review of our IT contracts and services, to ensure we are achieving best value for the organisation's needs.

For consistency with prior years and whilst additional metrics are being developed, St Anne's continues to monitor two key performance metrics, rents arrears and voids.

Our Metrics	Housing Median 21/22	Actual 22/23	23/24 Target
Rent arrears	6.2%	6.4%	6.0%
Voids	5.2%	7.6%	6.0%

Rent arrears are 0.2% above the housing median, this is driven primarily by housing benefit arrears. We receive housing benefit directly for the majority of our social housing clients and this is paid 4 weekly in arrears.
After a long period of being understaffed, we now have a fully resourced income team. This will enable more focus on income collection, which will have a positive impact on both arrears and our cash position.

Void rates are generally higher for supported housing than for general needs housing because of the complexities of matching clients' needs to suitable properties. Again, this figure is elevated to peers due to the voids at our hostel service.
The budget challenge to lower voids in the coming year should reduce the percentage of void rates from 7.6% to 6.0% or below.

Reserves policy
In the year, the Senior Management Team (SMT) and Board of Trustees have reviewed the reserves policy to both ensure this meets the organisation's long-term objectives, and that the current level of reserves is sufficient for any day-to-day variation in operational need.

The Trustees have considered financial risks, sources of income and variability of costs and agreed the target level of free reserves before pensions, should be maintained at over £7m.
This represents approximately two months of expenditure.

As shown in the table below, free reserves, which are defined as unrestricted reserves, excluding functional assets and the long-term pension asset, were £7.7m at 31 March 2023.

	31-Mar-23 £'000	31-Mar-22 £'000
Unrestricted reserves	14,225	14,696
Exclude functional assets	16,494	15,539
Exclude deferred grants relating to functional assets	(9,930)	(10,254)
Exclude pension asset /(liability)	0	(874)
Free reserves	**7,661**	**10,285**

It is recognised that any pension liability/asset is longer-term and will fluctuate over time both up and down, and therefore is not taken into account in calculating free reserves. The Trustees are of the view that, based on the current valuation, the free reserves are sufficient for the next twelve months, when a further assessment will be made.

Investment policy and performance
Our investment policy is designed to support the reserves policy. The organisation has adopted a prudent investment policy to balance potential returns with appropriate levels of risk. The key objectives of our investment policy are to:

- Seek the best financial return within an acceptable level of risk.

- The investment objective for any short-term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Pensions and Investments Committee will continue to monitor the achievement of these objectives and to make any investment recommendations it deems appropriate to the Board.

Subsidiary
St Anne's Community Services has only one subsidiary: St Anne's Trading Limited, a company registered in England and Wales. St Anne's Community Services owns all the issued share capital of St Anne's Trading Limited.

Principal risks and uncertainties

The Board of Trustees has responsibility for ensuring that there is effective risk management, and that internal control systems and processes are in place to manage the organisation's strategic risks and to support the achievement of its strategic objectives.

This responsibility continues to be exercised through an annual review of the effectiveness of our risk management framework including the following:

- Ensuring that the identified risks strike a balance between taking risks and reducing them.
- Recognising that whilst being risk averse is a safe option, it will not necessarily allow the achievement of rewards or opportunities that managing risks well could do.
- Ensuring effective and meaningful risk management adds value, depth, and breadth of quality both for learning and for business growth.

Risk management design:
Through our risk management framework, we continue to demonstrate our ability to identify and manage risks across the organisation, from Board to service delivery level. It supports the business, and both underpins and promotes confidence in growth and development.

Key points:
- Risks are identified and recorded in detail at an operational level, as well as being reported and as necessary escalated to an organisational level.
- Key risks are identified and presented to the Board with a detailed narrative explaining the context and the thinking behind the judgement.
- A risk movement narrative report is maintained and explains the movement and rational of risks where they have reduced or have been increased.
- The risk management framework is meaningful and effective.

Our approach is consistent and aims for continuous improvement:
- Strong and effective governance which monitors and reviews performance as well as owning and reviewing policy and process.
- Identification of risks and opportunities from both internal and external perspectives, reflecting regulatory, strategic, operational, IT, legal, environmental, and financial issues.
- Detailed measurement and assessment of risk that reviews specific and aggregate exposure, clarifies our risk appetite, and confirms our overall risk profile.
- Applying a three-level approach to risk mitigation to reduce or minimise the impact of risks.

- Providing detailed reporting through SMT, on to committees, and through to Board.

We therefore believe we have a robust and well-developed risk management process, with departmental risk registers feeding into a corporate risk register that identifies and assesses the likelihood and impact of potential risks as well as setting out how the organisation plans to mitigate against those risks. These are organic documents which are reviewed monthly by SMT, all risks are allocated to a Committee and those Committees scrutinise their allocated risks before they are fed into the Corporate Risk Register which then forms part of the compliance documents for the Board. The following are the significant risks St Anne's is currently facing:

Recruitment: Across the sector recruitment continues to be a challenge and St Anne's is no different, our ability to recruit sufficient and suitably qualified nurses and support workers has the potential to impact our ability to support our clients, therefore recruitment remains one of our top priorities.

Funding: Funding is another challenge in the sector and given St Anne's works closely with a relatively small number of commissioning customers we are reliant on their ability to fund the services we provide.

Whilst this could be a risk for St Anne's, as part of our strategy there is a focus on growing our offer with those commissioners and also expanding the services we provide to new commissioning customers. This growth should therefore help to mitigate against any reliance on a few commissioning customers or any other restrictions in funding. In addition we monitor financial performance of all the services we provide and look to pro-actively discuss any funding issues with commissioners.

Pensions: The West Yorkshire Pension Fund is a historic St Anne's pension scheme which we recognise on our balance sheet, the scheme is expensive to run and the volatility around the pension's valuation has the potential to have a significant impact on our financial statements, and our ability to tender for new work. To reduce the impact of this at the start of 2021/22 St Anne's vastly reduced the membership of the scheme which has significantly reduced the on-going costs. At the same time, we continue to monitor the pensions valuation and take any appropriate action, whilst noting the long-term nature of the pension liability.

Cyber Security: St Annes uses a number of core systems across the organisation to support both back office and front-line processes. We use cloud-based servers and as a result are able to benefit from the security they provide. We have invested in additional security and conduct external and internal testing of our network.

Structure, governance, and management

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider, regulated by The Regulator of Social Housing.

It is governed by its Articles of Association, which set out the charitable purposes for public benefit in the following terms:

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug, and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing, and education support.
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

St Anne's governance arrangements include the Board, several Board committees, and working groups that provide focus on key areas, and a suite of procedures that are designed to ensure our charitable objectives are met. Our Articles of Association meet the needs of our current structures and incorporate flexibility to allow for future development.

Our Board of Trustees

The Board of Trustees are charity trustees as defined by section 177 of the Charities Act 2011. The Board comprises the legal directors of St Anne's, and holds all the charity's powers and authorities under St Anne's Community Services' Articles of Association. The Board of Trustees meets quarterly with additional ad hoc meetings for exceptional business reasons or decision making.

There are clear distinctions between the roles of the Board of Trustees and the Senior Management Team (executives employed by the organisation). The Trustees are ultimately responsible for the overall control and strategic direction of the organisation and for the protection of its assets. Day-to-day management is the responsibility of the Chief Executive and the other members of the Senior Management Team (SMT). Matters such as strategy, policy and budgets are prepared by the SMT for consideration and approval by the Trustees, who then monitor their operation and implementation.

Under the current Articles of Association, members of the Board of Trustees serve an initial term of between 3 and 4 years and can then be reappointed for further such terms but may not serve for more than 9 years unless otherwise agreed by the board for specific reasons. New Trustees are selected through an open recruitment process, which includes advertising in the national press and online, and if appropriate a targeted recruitment search.

St Anne's have appointed 4 new Trustees in the last year, who have undertaken an induction programme based on mandatory training but also tailored to their areas of expertise and governance obligations. All Trustees are provided with training opportunities to help them meet their responsibilities. Our new trustees have been appointed to the appropriate committees in line with their strengths and they are already making significant contributions. The board of St Anne's evaluates the performance of all trustees annually to ensure its overall effectiveness.

Our Committees

The Board has delegated specific responsibilities to several committees, each of which reports to the Board and has detailed terms of reference, which are reviewed annually. The committees meet regularly throughout the year, in accordance with their terms of reference. The committees are:

- Audit and Risk
- Finance and Performance
- Health and Safety
- Pensions and Investments
- Quality and Safeguarding
- Remuneration, Nominations and Governance

Audit and Risk Committee

The Audit and Risk Committee provides the Board with an independent and objective review of the organisation's financial and risk management systems. Financial systems are reviewed through the committee by oversight of the internal audit programme and ensuring compliance with laws and regulations governing the organisation through review of the external audit process. Risks are reviewed in relation to monitoring, checking, and challenging the risk registers and providing assurance that they are being effectively managed.

Finance and Performance Committee

The Finance and Performance Committee exists to oversee and make recommendations to the Board on financial and operational performance issues. It also provides assurance that these are being effectively managed.

Health and Safety Committee

The Health and Safety Committee exists to oversee and make recommendations to the Board on all health, safety, and wellbeing policy issues as well as other health and safety matters. It also provides assurance around issues of statutory compliance ensuring that these are being effectively managed and monitored.

Pensions and Investments Committee

The Pensions and Investments Committee exists to oversee and make recommendations to the Board on all pension and investment matters. It also provides assurance that these are being effectively managed.

Quality and Safeguarding Committee
The Quality and Safeguarding Committee has prime responsibility for advising the Board on the suitability and adequacy of the organisation's quality management systems and processes. It also supports the effective implementation of the governance framework and risk management framework by ensuring the monitoring and reviewing of the impact of their implementation through associated departmental risks and key performance indicators.

Remuneration, Nominations and Governance Committee
The Remuneration, Nominations and Governance Committee provides an oversight role for St Anne's governance.

The Committee regularly reviews the membership of the Board, undertakes a skills gap analysis, and oversees processes for recruiting and appointing potential new Trustees to the Board. It reflects the diversity of the board and hopes to match the diversity of the staff and clients it represents.

The Committee also determines the remuneration and benefits of the Chief Executive and other members of SMT after undertaking a bench marking exercise. Any annual inflationary review for SMT is less than or equal to the inflationary review for all staff.

Our People
Empowering our people is one of the key pillars to St Anne's strategy of delivering "A Life Without Limits". St Anne's recognises that by value, supporting, protecting, and empowering its people, it sustains its reputation for high quality care and support. In the most challenging of years, social care has been shown to be of key importance to society and a sector which plays a vital role in ensuring the safety and welfare of the most vulnerable.

With the cost-of-living crisis, the impact of inflation has been felt by all our colleagues and even more so for the lowest paid. Throughout our staff have ensured standards and quality of care has remained as high as ever. We have worked closely with Local Authorities to ensure the best pay outcomes for our people and have proportionately given the biggest rises to those lowest paid staff. St. Anne's has implemented a variety of different financial and non-financial support packages to assist colleagues over the year.

The passion and dedication shown to improving the lives of others is something that defines the people within St Anne's. Our values are created by our people, and they are lived out every day in our services. Being Person Centred, showing Respect, being Open, Understanding and Dedicated in everything we do is at the heart of what our people do. In the last year we have achieved re-accreditation by Investors in People, with positive feedback on our values and how these are evidenced across all of our services.

We are, as we have always been, incredibly proud of all of our people.

As of 31st March 2023, St Anne's employed 1,350 members of staff made up of: 1,099 Support Workers, 51 Nurses, 46 Deputy Managers, 67 Service or Area Managers working at operational and front-line level in our services, supported by 87 staff in our central support functions or other roles.

In addition to our permanent workforce, St. Anne's has 106 active casuals who support across the organisation and are an integral part of our daily operations in support of our many clients.

As with many social care providers, recruitment and retention remains a high priority. Great strides have been made to increase recruitment which is evident in our current vacancy rates which are significantly lower than industry averages. However, retention is an area which will be given greater focus as we move into the new year.

We are proud of the care and kindness shown by our colleagues throughout the pandemic as they helped the people we support navigate the daunting prospect of repeated Covid-19 vaccinations and to adapting to changes in legislation and guidance. In general, our workforce embraced the requirement to become vaccinated to protect the people they support, which embodies the selflessness of those in social care. The hundreds of examples of dedicated, compassionate, and inspirational support are evidenced by the number of our colleagues nominated in our 2023 PROUD Awards.

Our commitment to ensuring and fair and competitive pay and reward structure has seen the organisation continue to ensure that all its staff are paid at least the Real Living Wage Foundation rate, in addition to reviewing other benefits such as our car allowance structure. We recognise the importance of ensuring an attractive employee value proposition and continue to work hard to make St Anne's an employer of choice in the areas we operate. There has also been a large focus on enhancing the employee voice throughout the year with the launch of our new engagement surveying tool and the introduction of our Freedom to Speak Up Guardians.

Throughout the pandemic St Anne's remained dedicated to ensuring that opportunities for learning and development were not lost. We have now transition back to face to face training delivery and concluded our first Leadership Development Programme for over 3 years. This has now progressed to our Deputy Manager and Aspiring Leaders Programme, which has seen over 20 leaders of the future undertake a tailored training programme to support their development. We have also maintained our delivery of apprenticeships whilst expanding our training and development support for our Housing function and remodelling training requirements across our operational services to reflect the diversity of delivery across St Anne's.

Equality, Diversity, and Inclusion (EDI)
Recognising and celebrating our diversity in an inclusive environment for our staff and clients is, and will continue to be, a priority for St Anne's.

We continue to embed the Skills for Care 'confident with difference' approach to supporting everybody at St Anne's. This year we have recommitted to efforts to maintaining the Mindful Employer, Disability Confident and Stonewall Diversity Champions standards. These standards have all been reviewed and retained throughout the course of the year.

The Board of Trustees plays a key role in the organisations EDI approach. Recruitment to the Board is widely advertised and actively encourages applications from a diverse range of candidates. All Trustees have undertaken the organisation wide EDI training and there are Trustee sponsors on our diversity groups.

We remain committed to enhancing the voice of underrepresented groups across St Anne's and importantly have been able to rejuvenate our Race Equality Network and LGBTQ+ Network, bringing colleagues back together after meeting virtually for many months. These networks are instrumental in guiding and refining our calendar of days of remembrance and celebration, as well as continually reviewing our supportive resources. Our policies and procedures ensure that we are inclusive and fit for purpose for diverse workforce and client groups. Their design and review ensure that a 'check and challenge' approach is maintained, along with our equality impact assessment processes.

St Anne's EDI Officer role has also been developed to specifically incorporate and lead on wellbeing across the organisation alongside our Health and Wellbeing group, FRESH. Our focus on supporting the holistic wellbeing of our staff has seen us train additional Mental Health First Aiders, provide our line managers with additional training on supporting wellbeing and mental health and create resources to help our staff manage their financial wellbeing.

Remuneration Policy
We recognise that the skills, knowledge, and experience of our people is a huge contributor to the delivery of high-quality services. In support of our objective to attract, recruit and retain quality staff, we are committed to ensuring that we pay fair and competitive salaries.

Our policy on remuneration is to ensure that St Anne's remains sustainable whilst also offering an attractive reward package that includes both financial and non-financial benefits. Our rates of pay are informed by sector-wide benchmarking through participation in benchmarking studies and comparison with charity and social care sector data. St Anne's has a well-defined and repeatable job evaluation framework, providing a mechanism to score and compare job roles to ensure they sit at the appropriate salary point internally, whilst using benchmarking data from the sector to assess competitiveness.

We continue to invest in our workforce and by concluding our collective bargaining negotiations much earlier than previous years and engaged and kept the wider workforce informed of progress. St Anne's ensures that all its permanent workforce is at a rate which is at least the National Living Wage Foundation rate. We now pay our Support Workers £10.60 per hour after probation, a rate which ensures St Anne's retains competitive rates of pay in Yorkshire and the North-East when compared to its other care sector competitors. St. Anne's has also committed to increasing pay further mid-year in recognition of the external financial strains facing our colleagues. The organisation also offers a range of key terms including above statutory sick pay and annual leave, life assurance, pay enhancements for applicable shifts, a salary exchange pension scheme and a suite of staff benefits.

The Board are consulted on, and approve, decisions on overall pay awards, taking account of affordability, benchmarking, and economic trends in the sector. Remuneration of the executive team is determined by the Remuneration and Nominations Committee, a committee of the Board. No Trustees are paid, although they can claim reasonable expenses.

The organisation complies with its requirements under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is committed to eliminating gender pay inequality. In March 2023, St Anne's published its most recent gender pay gap report, showing a marginal 3.0% mean pay gap and median of 1.3% in favour of male staff.

Compliance with the Charity Governance Code and the 2020 NHF Code of Governance for Housing Associations

Good governance is a key influence on the organisation's behaviour and culture, as well as facilitating the Board's role in monitoring activities and developments. We always aim for continuous improvement, development and strengthening of our governance systems and processes. We have adopted the current Charity Code of Governance and we carry out a compliance check against the requirements of the Code on an annual basis. Where we identify areas of improvement, we follow these up with an action plan to ensure future compliance. In our governance we also make reference to the latest edition of the NHF Code of Governance as we would like to ensure that we follow best practice from the housing sector too.

The Charity Governance Code

We continue to work on the Charity Governance Code for Larger Charities and provide evidence and examples of good governance standards and practices. Set out in seven principles, along with key outcomes for each principle, the Code sets out the following high standards with which we substantially comply:

- Organisational purpose: Our Board is clear about the charity's aims ensuring that these are being delivered effectively and sustainably.
- Leadership: Our organisation is led by an effective Board that provides strategic leadership in line with our aims and values.
- Integrity: Our Board acts with integrity, adopting values and creating a culture which helps to achieve our organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.
- Decision-making, risk, and control: The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are in place and monitored.
- Board effectiveness: The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds, and knowledge to make informed decisions.
- Equality, diversity, and inclusion: The Board has a clear focus on achieving diversity not only at Board level but to ensure this is considered throughout the organisation.
- Openness and accountability: The Board leads the organisation in being transparent and accountable. St Anne's is open in its work, unless there is good reason for it not to be.

The Code is deliberately aspirational, therefore as an organisation whilst we achieve elements of each of the principles within the code we are focused on continuous improvement of our compliance against the Code.

The Housing Code of Governance

In 2020/2021 St. Anne's adopted the 2020 Code of Governance for Housing Associations, we continue to build and evidence the highest standards of governance and board excellence setting out standards that housing associations, their boards, and the wider sector should seek to attain.

Having been completely rewritten and restructured to reflect the changes in society, the economy, and the impact they have on the sector and the importance of a greater focus on and protection of the interests of the people we support. In adopting the code, we continue to work to:

- Ensure the views and needs of clients are at the heart of our strategic decision-making, in line with the "Together with Tenants" Initiative.
- Ensure that measures are in place for the safety of clients, staff, and others.
- Ensure that our Board has an oversight of risk and that it thoroughly tests the impact of potential risk scenarios on our organisation.

The code is built around the key values that good governance is based on and overlaps and complements the Charity Governance Code in its reflection, accountability, integrity, openness, and equality, diversity, and inclusion. It has at its heart four core principles which shape the content of the code, each with a set of requirements for organisations to adopt:

- Mission and values
- Strategy and delivery
- Board effectiveness
- Control and assurance

Compliance with Regulator of Social Housing standards

The Board considers that St Anne's complies with the Governance and Financial Viability Standards for registered social housing providers. Our system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests. Our self-assessment framework contains stress testing of risks and assumptions to ensure objectives and viability are fully deliverable.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which includes the regular evaluation and assessment of the nature and extent of risks to which the organisation is exposed.

The Registered Social Housing regulatory returns, such as financial forecasts, statistical data, and disposal returns, are submitted in an accurate and timely manner. The Board also considers that effective controls are in place to ensure security of assets, the proper, accountable, and transparent use of public funds and that effective systems are in place to monitor and accurately report delivery of our plans. Any risks to the successful delivery of financial plans are identified and effectively managed.

The board is committed to reviewing our self-assessment of the Regulator of Social Housing standards, this has been completed for all standards demonstrating we substantially comply with each of those standards. The Chief Finance Officer monitors compliance with the Economic Standards, and the Director of Housing monitors compliance with the Consumer Standards and keeps Trustees updated on the proposed Social Housing White Paper. Reports for both are also presented to the relevant Committees and Board. There is effective management and scrutiny in place including cost control and improving Value for Money, with regular reporting to the Finance and Performance Committee and the Board.

We will continue to review the regulatory self-assessments again during 2023/24.

Streamlined Energy and Carbon Reporting (SECR)
St. Anne's has followed and used robust and accepted methods to calculate the required information for this SECR Report including the HM Government Environmental Reporting Guidelines 2019, the Governments Sustainability Reporting Guidance 2023, the Greenhouse Gas (GHG) Reporting Protocol, and the UK Government's Greenhouse Gas Reporting Conversion Factors 2023.

Based on this our emissions and energy usage for the financial year were:

UK Greenhouse Gas emissions and energy use data for the period 1 April 2022 to 31 March 20223	22/23	21/22
Data used to calculate emissions		
Gas (kWh)	4,817,595	4,715,910
LPG (kWh)	67,833	84,592
Electricity (kWh)	1,281,178	1,416,462
Transport (kWh)	266,243	235,283
Transport (miles)	320,914	185,893
Scope 1 GHG Emissions (kg CO_2e)		
Gas (Natural)	881,277	848,863
LPG	14,550	17,764
Company / Fleet Vehicles - Diesel	51,174	51,285
Company / Fleet Vehicles - Petrol	11,570	7,233
Total Scope 1 Emissions (kg CO_2e)	**958,571**	**925,145**
Scope 2 GHG Emissions (kg CO_2e)		
Electricity (Grid Supplied)	265,299	273,915
Total Scope 2 Emissions (kg CO_2e)	**265,299**	**273,915**
Scope 3 GHG Emissions (kg CO_2e)		
Grey Fleet	89,918	51,117
Total Scope 3 Emissions (kg CO_2e)	**89,918**	**51,117**
Total GHG Emissions (kg CO_2e)	**1,313,789**	**1,250,177**
Emissions Intensity Ratio		
Total kg CO_2e per £1.00 of Total Income	**0.029**	**0.029**

Intensity Measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per £1 of total income.

Energy Efficiency Action

St. Anne's recognises the importance of becoming more energy efficient. To minimise our overall energy footprint, we continue to explore energy reduction approaches.

Head office staff relocated to the new office in June 2022. This office is more energy efficient than the previous building and has reduced our scope 2 emissions.

Focused energy reduction actions have been implemented within our IT Infrastructure and interfaces including:

- Cloud computing and server consolidation to reduce the number of physical servers.
- Ensuring all new pieces of hardware are more energy-efficient and use power management where possible.
- E-waste recycling ensures old devices are recycled in an environmentally friendly manner.

Other activities during the year include:

- 2 Electric vans have been ordered for our maintenance team.
- When replacing light fittings, all are replaced with more efficient LED's.
- Ensuring more energy efficient units are fitted when replacing windows and doors.
- Where possible we install electric cookers and fires rather than gas.

Further improvements are planned for the coming year including:

- Reducing the amount of data stored and number of storage devices used, to decrease power consumption.
- Increasing utilisation of power management software.
- Investigating the costs involved to improve energy efficiency of our properties further, particularly focusing on properties with an EPC rating above C.

Internal controls assurance

As part of the internal audit programme St Anne's works with RSM UK Risk Assurance Services LLP, as our independent internal auditors. For 2022/23, the Audit and Risk Committee agreed a programme of internal audits focused around key risk areas which look to further support strong corporate governance and demonstrate robust and effective controls across the organisation.

In addition to the internal audit programme, assurance is also gained from other controls that have been put in place across the organisation in the year. These include:

- Enhancements to periodic reporting across the organisation, but also specifically for committees and Board meetings.
- Risk registers reviewed periodically, with owners assigned to each risk and the relevant risks discussed at each committee and Board meeting.
- The implementation of deep-dive service reviews to understand the financial and operational drivers behind each of our services.
- A timely budget process with full involvement and engagement from stakeholders to ensure the budget and by default our costs and income are better understood.

The programme in 2022/23 has demonstrated some overall improvements in terms of organisational design and effectiveness compared to the audit areas from the previous years, and a number of examples of good practice. However, they equally identified some key areas and recommendations where further improvements can be made, and action plans to address these have been drawn up with progress monitored by the relevant committee.

Considering the above points, Trustees consider that these collectively offer sufficient assurance to be able to regard the internal controls position as satisfactory overall, as well as identifying additional opportunities for improvement.

Compliance with s172 of the Companies Act 2006
The Trustees confirm their compliance with s172 of the Companies Act 2006. Set out below are several examples of compliance, and many others are included in relevant sections throughout this report.

The Trustees recognise the need for the organisation to operate in a way that considers, and is fair to, all of its stakeholders, which is similarly recognised through its charitable purpose and embedded within the culture and values of the organisation (see page 8).

The organisation takes account of the longer-term impacts of its decisions, and in 2020/21 we launched our next 5-year strategy, setting out our strategic commitments, and supporting plans through to 2026 (see pages 7-8). This in particular focuses on our longer-term commitments to; our people; excellent service delivery; and being financial sustainable and delivering value for money.

Employee interests are also at the heart of what we do, as is demonstrated by Person Centred being one of our organisational values and with Empowering our People being one of the pillars within our strategic commitments for the next 5 years (see page 8). Our approach to people, diversity and inclusion and remuneration also has significant focus within St Anne's (see page 21-23). The organisation has a strong regard for both the communities it works within and the environment as set in our Corporate Social Responsibility statement (see page 10) and with both communities and the environment forming part of one of our three strategic commitments for the next 5 years (see page 8).

The Trustees also confirm the organisation's continued drive to maintain a reputation for high standards as demonstrated in the report on the section on strengthening our governance (see page 10), our committee structure (see pages 20-21) and specifically in terms of compliance with the Charity Governance Code and the Code for Governance for Housing Associations (see pages 23-24).

Statement of Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The organisation's charitable objects are enshrined within its Articles of Association and as such the Trustees ensure that the organisation's activities are carried out for the public benefit through the setting and implementation of its strategic priorities. This report also allows us to show how our charitable funds are spent.

Any fundraising activities we conduct are compliant with the Charity Commission's guidance on fundraising.

Statement of Trustees' Responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the annual report, which incorporates the strategic report and financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the organisation, and of the incoming and outgoing resources and application of resources, including income and expenditure for the period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Housing Statement of Recommended Practice (SORP).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the organisation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislation in other jurisdictions.

The Trustees confirm that, in so far as they are aware:

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

External auditors

Mazars LLP is eligible to act as an auditor under the relevant section of the Companies Act 2006.

By order of the Board

Anthea Sully (Sep 28, 2023 18:19 GMT+1)

Anthea Sully
Chair of Board of Trustees
21 September 2023

Independent auditor's report to the members of St Anne's Community Services

Opinion

We have audited the financial statements of St Annes Community Services (the 'charity') for the year ended 31 March 2023 which comprise Statement of Comprehensive Income, Statement of Changes in Reserves, Cash Flow Statement and Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of Trustees

As explained more fully in the trustee' responsibilities statement set out on page 28, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements such as employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

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

DHoose
David Hoose (Sep 29, 2023 10:38 GMT+1)

David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place

Leeds

LS1 4AP

Sep 29, 2023

Statement of Comprehensive Income
For the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Turnover	2	45,417	43,641
Operating costs	2	(46,562)	(43,138)
		(1,145)	**503**
Profit/(Deficit) on sale of housing property	5	1	(40)
(Deficit) on loss of revaluation of investments	5a	(33)	-
Operating (Deficit) / Surplus	**7**	**(1,177)**	**463**
Interest receivable and similar income	6	219	82
Other finance interest	20	(19)	(417)
(Deficit) / Surplus for the year		**(977)**	**128**
Other Comprehensive Income			
Actuarial gain / (loss) in respect of pension schemes	20	506	19,572
Total Comprehensive (Deficit) / Surplus for the year		**(471)**	**19,700**

The organisation's results relate wholly to continuing activities.

The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 21 September 2023 and signed on its behalf by:

Anthea Sully (Sep 28, 2023 18:19 GMT+1)

Ms A Sully, Chair of Board of Trustees

Caroline Ashton
Caroline Ashton (Sep 29, 2023 10:56 GMT+2)

Mrs C Ashton, Trustee and Chair of Audit & Risk Committee

Company Registration Number 1089026

Statement of Changes in Reserves

For year ended 31 March 2023	Total
	£'000
Balance as at 31 March 2021	(5,004)
Total Comprehensive Surplus	19,700
Balance as at 31 March 2022	**14,696**
Total Comprehensive Deficit	(471)
Balance as at 31 March 2023	**14,225**

Statement of Cash Flows
For year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Net cash used in operating activities	15	(1,298)	(1,504)
Cash flow from investing activities			
Acquisition and construction of housing properties		(1,069)	(339)
Purchase of other tangible fixed assets		(751)	(3,053)
Purchase of intangible fixed assets		-	(26)
Proceeds from sale of fixed assets		-	(33)
Capital Grants received		67	-
		(1,753)	**(3,451)**
Interest received and similar income		219	82
Net change in cash, cash equivalents and money market deposits		**(2,832)**	**(4,873)**
Cash, cash equivalents and money market deposits at beginning of the year		**10,908**	**15,781**
Cash, cash equivalents and money market deposits at end of the year		**8,076**	**10,908**

The accompanying notes form part of these Financial Statements

Statement of Financial Position

For year ended 31 March 2023	Note	2023	2022
		£'000	£'000
Fixed Assets			
Housing properties	8	9,595	8,699
Other tangible fixed assets	9	6,858	6,768
Intangible fixed assets	9	41	72
Fixed asset investments	10	2	2
		16,496	**15,541**
Current assets			
Trade and other debtors	11	4,593	4,895
Investments	12	4,562	4,516
Cash and cash equivalents		3,514	6,392
		12,669	**15,803**
Creditors: amounts falling due within one year	13	(5,268)	(5,766)
Net current assets		**7,401**	**10,037**
Total assets less current liabilities		**23,897**	**25,578**
Creditors: amounts falling due after more than one year	14	(9,672)	(10,008)
Provision for Liabilities	17	-	-
Net pension asset / (liability)	20	-	(874)
Total net assets / (liabilities)		**14,225**	**14,696**
Reserves			
Investment revaluation reserve		-	-
Income and expenditure reserve		14,225	14,696
Total reserves		**14,225**	**14,696**

The accompanying notes form part of these Financial Statements

The financial statements were approved by the Board on 21 September 2023 and signed on its behalf by:

Anthea Sully (Sep 29, 2023 14:18 GMT+1)

Ms A Sully, Chair of Board of Trustees

Caroline Ashton (Sep 29, 2023 15:23 GMT+2)

Mrs C Ashton, Trustee and Chair of Audit & Risk Committee

Company Registration Number 1089026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Legal status

St Anne's Community Services is a registered housing provider, a charity and a company limited by guarantee. The registered office is Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG. The organisation is incorporated in England and Wales, company registration number 1089026.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2022. The financial statements are presented in Sterling (£). St Anne's Community Services is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on the historical cost basis except where specified in the accounting policies.

Going concern

The organisation's business activities, its current financial position and factors likely to affect its future development are set out in the report of the Trustees (incorporating the strategic report). The organisation has cash and investment balances which provide adequate resources to finance the organisation's day to day operations and committed expenditure. The organisation has a plan which shows that these resources are sufficient to continue to fund operations.

Our planning processes, including financial projections, take into consideration the current economic climate and in particular the currently known impact of Covid-19, hence ultimately the potential impact on our various sources of income and planned expenditure. We acknowledge our pension fund obligations and are developing a clear strategy to manage the deficit on the West Yorkshire Pension Fund. The Audit Committee and the Board have carefully considered the relevant conditions and performed an assessment. The Trustees have concluded, based on a review of forecasts and budgets, that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the organisation to continue as a going concern.

On this basis, the Board has a reasonable expectation that the organisation 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 financial statements are signed. For this reason, the organisation continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Useful economic lives of depreciable assets – management reviews its estimate of the useful economic lives of depreciable assets at each reporting date based on the expected use of the assets. Uncertainties in these estimates primarily relate to changes in improvement programmes for components and the Decent Homes Standards, which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2023 was £13,390k.

Defined benefit obligation – management's estimate of the defined benefit pension valuation is based on several critical underlying assumptions such as the standard rate of inflation, mortality, discount rate and anticipation of future salary increases. Variations in these assumptions may significantly impact on the valuation of the defined benefit obligation and the annual defined benefit expenses. The defined benefit pension asset at 31 March 2023 was £28,545k (2022: £874k liability). No pension scheme asset has been recognised in this financial year due to concerns given the current economic environment, in particular volatile interest rates and inflation rates, any asset recognised may be transitory and will not be reflected in a reduction of contributions. Further details and explanations are in note 20.

Basis of consolidation

The organisation has taken advantage of the exemption from preparing group financial statements contained in Section 402 of the Companies Act 2006 on the grounds that its subsidiary undertaking is immaterial to the Group under section 405(2) of the Act. Details of the subsidiary undertaking are set out in note 10.

Turnover and revenue recognition

Turnover comprises rental income receivable, fees and grants from central and local government activities. Revenue grants are recognised as income when the conditions for receipt of grant funding have been met and/or they no longer meet the criteria to allow them to be retained on the balance sheet. Rental income is recognised when properties become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with administering authorities.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings and development costs.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Depreciation of Housing Properties

The organisation separately identifies the major components which comprise its properties held for social housing and non-social housing lettings and charges depreciation, so as to write down the cost of each component to its estimated realisable value, on a straight-line basis, over its estimated useful economic life.

The organisation depreciates the major components of its properties held for social and non-social housing lettings using the following useful lives:

Structure	75 years
Roof	50 years
Electrics	40 years
Heating, ventilation and plumbing	30 years
Windows	30 years
Boilers, kitchens & bathrooms	15 years

Other fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged by equal monthly instalments over the expected useful lives of the assets. The useful economic lives applied are as follows:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Computer equipment	3 years
Motor vehicles	4 years
Office and workshop equipment	5 years
Software	5 years

Government Grants

Government Grants include grants receivable from Homes England, local authorities, and other government organisations. Where Government Grants have a corresponding legal charge on the property for the open market value then the grant will be recorded at the net book value of the asset. Where Government Grants are not linked to an open market value legal charge, then these are recognised in income over the life of the asset under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the organisation will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Other Grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the organisation is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Annually, housing properties are assessed for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken, comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the organisation, its recoverable amount is its fair value less costs to sell.

Investments

Non-quoted investments are accounted for on a historical cost basis less any provision for impairment. Quoted investments are accounted for at market value at the balance sheet date. Any upward movement in valuation is taken to the investment revaluation reserve and shown in the Statement of Comprehensive Income except to the extent that an upward revaluation is in respect of a previous reduction charged as impairment to the Income and Expenditure account. In this event, the upward revaluation is credited to the Income and Expenditure account to the extent of the previously impaired value. Any reduction in investments value is charged to the investment reserve and shown in the statement of total recognised surpluses and deficits, to the extent that there has been a previous upward valuation. Any excess reduction in market value over previous upward valuations is charged to the income and expenditure account.

Financial Instruments

Basic and non-basic financial instruments (as defined in Section 11 of FRS102) are shown at market value (for quoted investments) or at transaction value less any provision for impairment. The organisation has not adopted hedge accounting for any financial instruments.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the organisation as a percentage of income.

General Charity Fund

The General Charity Fund has been created from donations and the proceeds of fundraising activities and is available to meet expenditure within the organisation's objectives for which no other finance is available. The Fund is included within Income and Expenditure Reserves in the Statement of Financial Position.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organisation. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed at below market rate, and, where material, the balance is shown at the present value, discounted at a market rate.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits within financial institutions.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Creditor balances arising through contracts will be held on the balance sheet for six years from the point they have arisen, or from the point our records show they have arisen, whichever is the later, on the basis this is a reasonable limitation period. However, such balances will be looked at on a case-by-case basis and if based on management judgement they believe there is still a reasonable chance of a valid claim against a creditor balance they may be held on the balance sheet for a longer period of time.

Provision for liabilities

Provisions are recognised when the organisation has an obligation as a result of a past event. The organisation recognises a provision for future losses on contracts entered into before the year end. The amount recognised as a provision is the best estimate of the expected losses over the remaining term of these contracts.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The organisation recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pensions

The organisation participates in two funded multi-employer defined benefit schemes, the National Health Service Pension Scheme ("NHS Pension Scheme") and the West Yorkshire Pension Fund ("WYPF"). For the National Health Service Pension, the scheme does not allow identification of the share of underlying assets and liabilities belonging to individual participating employers. The income and expenditure charge includes the employer contribution payable to the scheme for the accounting period. The NHS Pension Scheme is in respect of those specific employees who have transferred their employment into the organisation via a TUPE agreement agreed with commissioners in relation to specific contractual and legal agreements.

For WYPF, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high-quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the organisation through reduced contributions or through refunds from the plan. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

The government introduced auto enrolment pension schemes when employers were phasing out their provision of pension schemes for employees due to cost. The auto enrolment scheme allows eligible employees access to a pension scheme that is contributed to by their employer as well as themselves. Scottish Widows is the auto enrolment pension scheme for the organisation's contracted staff with The People's Pension chosen as the provider for our non-contracted (casual) staff. Eligibility to be automatically enrolled on the Scottish Widows scheme is that the member of staff must be over 21 years old but under state pension age and be paid over £10k per annum. Contributions to the scheme are three per cent from St Anne's and five per cent from the employee. Eligible staff will automatically be enrolled but with the option to opt out. Any employee that exercises their option to opt out of the scheme will be automatically re-enrolled every three years (as part of the tri-annual assessment) if they are eligible, to allow them the opportunity to become a member of a pension scheme and make a provision for their retirement through this route. They will be given the option to opt out each time.

Supported housing managed by agencies

Social housing capital grants are claimed by the organisation as developer and owner of the property and included in the balance sheet of the organisation as appropriate.

The treatment of other income and expenditure in respect of supported housing projects depends on the nature of the partnership arrangements between the organisation and its managing agents and on whether the organisation carries the financial risk.

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the entire project's income and expenditure is included in the organisation's income and expenditure account (see note 2).

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the income and expenditure account include only that income and expenditure which relates solely to the organisation. Other income and expenditure of projects in this category is excluded from the organisation's income and expenditure account (see note 2).

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

For year ended 31 March 2023	Turnover	Operating costs	Operating surplus / (deficit)
	£'000	£'000	£'000
Social housing lettings	**14,255**	**(14,120)**	**135**
Other social housing activities			
St Anne's Centre	245	(289)	(44)
Respite Services	2,736	(2,250)	486
Tenancy support - Other funding	17,314	(18,217)	(903)
Funded projects	1,216	(1,212)	4
Other	871	(1,255)	(384)
Total other social housing activities	**22,382**	**(23,223)**	**(841)**
Non-social housing activities			
Lettings	8,319	(8,760)	(441)
Other	461	(459)	2
Total non-social housing activities	**8,780**	**(9,219)**	**(439)**
Grand total	**45,417**	**(46,562)**	**(1,145)**

For year ended 31 March 2022	Turnover	Operating costs	Operating surplus/ (deficit)
	£'000	£'000	£'000
Social housing lettings	**14,084**	**(13,106)**	**978**
Other social housing activities			
St Anne's Centre	314	(246)	68
Respite Services	2,554	(2,357)	197
Tenancy support - Other funding	16,894	(16,523)	371
Funded projects	1,177	(1,185)	(8)
Other	292	(599)	(307)
Total other social housing activities	**21,231**	**(20,910)**	**321**
Non-social housing activities			
Lettings	7,927	(8,666)	(739)
Other	399	(456)	(57)
Total non-social housing activities	**8,326**	**(9,122)**	**(796)**
Grand total	**43,641**	**(43,138)**	**503**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

For year ended 31 March 2023	Hostels & Supported Housing	Residential Care Homes	2023 Total	2022 Total
	£'000	£'000	£'000	£'000
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	1,856	6,163	**8,019**	7,420
Service income	1,938	-	**1,938**	2,767
Charges for support services	1,319	-	**1,319**	783
Net rental income	**5,113**	**6,163**	**11,276**	10,970
Revenue grants	-	-	-	1
Other income	1,184	1,642	**2,826**	2,967
Amortisation of government grants	92	61	**153**	146
Turnover from social housing lettings	**6,389**	**7,866**	**14,255**	14,084
Expenditure on social housing lettings				
Management and care	(4,475)	(7,066)	**(11,541)**	(10,545)
Services	(608)	(560)	**(1,168)**	(1,132)
Routine maintenance	(896)	(428)	**(1,324)**	(1,349)
Bad debt	(80)	(7)	**(87)**	(80)
Operating costs on social housing lettings	**(6,059)**	**(8,061)**	**(14,120)**	(13,106)
Operating surplus on social housing lettings	**330**	**(195)**	**135**	978
Void losses	(757)	(333)	**(1,090)**	(549)

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation in management was as follows:

	2023 No.	New Units	Units taken out of use	2022 No.
Social housing				
Supported housing and hostels	273	1	-	272
Residential care homes	139	6	-	133
Total owned	**412**	**7**	**-**	**405**
Accommodation managed for others	76	-	-	76
Total managed	**488**	**7**	**-**	**481**
Non-social housing				
Registered nursing homes	83	-	-	83
Total owned	**83**	**-**	**-**	**83**
Accommodation managed for others	-	-	-	-
Total managed	**83**	**-**	**-**	**83**

FUNDRAISING

	2023 £'000	2022 £'000
Gifts and donations received	122	107
Direct charitable expenditure	0	(21)
Transfer to general charity fund	**122**	**86**

3. KEY MANAGEMENT PERSONNEL

	2023 £'000	2022 £'000
Emoluments of the organisation's key management personnel (salary, pension contributions, employer's national insurance and benefits in kind)	916	704
Compensation for loss of office	0	0
Emoluments of the highest paid employee (excluding pension contributions)	175	174

The full-time equivalent number of staff members who received emoluments (salary, pension contributions and benefits in kind)

	2023 No.	2022 No.
£60,001 - £70,000	3	4
£70,001 - £80,000	1	1
£80,001- £90,000	-	2
£90,001 - £100,000	-	2
£100,001 - £110,000	1	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
£150,001 - £160,000	-	-
£170,001 - £180,000	-	1
£180,001 - £190,000	1	-

In 2022/23 there were 8 different people included as part of the Senior Management Team. The SMT is made up of the following roles: CEO, CFO, Director of Operations, HR Director, Housing Director, and Director of Business Development.

The highest paid director in the year was the Chief Executive Officer.

	2023 £	2022 £
Total expenses* reimbursed to the directors of the organisation	-	-

**The Trustees (all of whom are directors) receive only essential expenses.*

4. EMPLOYMENT INFORMATION

Average monthly number of employees expressed in full time equivalent of 37.5 hours:	2023	2022
	No.	No.
Finance and administration staff	68	72
Maintenance and housing staff	8	8
Care staff	1,025	1,034
	1,101	**1,114**

Headcount average:	2023	2022
	No.	No.
Finance and administration staff	72	75
Maintenance and housing staff	8	8
Care staff	1,219	1,231
	1,299	**1,314**

Employee costs:	2023	2022
	£'000	£'000
Staff costs (for the above persons)		
Wages and salaries	34,574	31,740
Social security costs	2,509	2,380
Other pension costs	984	1,125
	38,067	**35,245**

5. SURPLUS /(DEFICIT) ON DISPOSAL OF HOUSING PROPERTIES

	2023	2022
	£'000	£'000
Disposal proceeds	1	(31)
Carrying value of asset	-	(9)
	1	**(40)**

5a. SURPLUS /(DEFICIT) ON REVALUATION OF INVESTMENTS	(33)	-
	(33)	-

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£'000	£'000
Interest Receivable	96	66
Fundraising and Donations	123	16
	219	**82**

7. OPERATING (DEFICIT) / SURPLUS

Operating deficit/surplus is arrived at after charging:

	2023 £'000	2022 £'000
Depreciation of freehold housing property	280	230
Depreciation of other fixed assets	451	408
Auditors' remuneration (excluding VAT):		
Fees payable for the financial statement audit	53	41
Overprovision for previous year	(16)	-
Fees for other audit services: audit of subsidiary accounts	4	3
Total audit services	**41**	**44**
Tax compliance services	13	13
Total non-audit services	**13**	**13**
Operating leases		
- Land & buildings	216	216
- Other	255	423

8. TANGIBLE FIXED ASSETS – Housing Properties

	Freehold housing property
	£'000
Cost	
Balance at 1 April 2022	14,843
Additions to existing properties	1,069
Transfers	239
Disposals	(223)
Balance at 31 March 2023	**15,928**
Depreciation	
Balance at 1 April 2022	6,144
Charge for the year	280
Disposals	(91)
Balance at 31 March 2023	**6,333**
Net book value at 31 March 2023	**9,595**
Net book value at 31 March 2022	8,699

	2023	2022
	£'000	£'000
Expenditure on works to existing properties:		
Improvement works capitalised	1,069	339
Amount charged to income and expenditure account	590	662
	1,659	**1,001**

The total accumulated amount of capital grants received as at the balance sheet date is £19.5m (2022: £19.6m).

8. TANGIBLE FIXED ASSETS - Social Housing Grants

	2023	2022
	£'000	£'000
Balance at 1 April	10,254	10,938
Received in year	67	-
Amortised within Statement of Comprehensive Income	(133)	(241)
Released on disposal	(258)	(443)
Balance at 31 March	**9,930**	**10,254**
Recognised in:		
Creditors: amounts falling due within one year	258	247
Creditors: amounts falling due after more than one year	9,672	10,007
	9,930	**10,254**

Social Housing Grants are receivable from the Homes and Communities Agency. Grants received for properties under construction are classified as creditors falling due within one year. Once properties have been completed, the grant is classified as a creditor falling due after more than one year and is amortised over the life of the structure of those properties.

9. TANGIBLE FIXED ASSETS – Other fixed assets

	Other freehold properties	Capital work in progress	Office and workshop equipment	Computer Equipment	Furniture fixtures and fittings	Intangible assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
Balance at 1 April 2022	6,309	2,631	240	1,001	3,148	151	13,480
Additions	347	259	-	159	67	-	832
Transfers	2,119	(2,510)	-	-	71	-	(321)
Disposals	-	-	-	-	(35)	-	(35)
Balance at 31 March 2023	**8,775**	**380**	**240**	**1,160**	**3,251**	**151**	**13,957**
Depreciation							
Balance at 1 April 2022	2,523	-	237	819	2,982	79	6,640
Charge for the year	142	-	3	129	147	31	451
On disposals	(1)	-	-	-	(33)	-	(34)
Balance at 31 March 2023	**2,664**	**-**	**240**	**948**	**3,096**	**110**	**7,057**
Net book value							
Balance at 31 March 2023	**6,111**	**380**	**0**	**212**	**155**	**41**	**6,899**
Balance at 31 March 2022	**3,786**	**2,631**	**3**	**182**	**166**	**72**	**6,840**

10. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2023 £'000	2022 £'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	2	2
Net book value at 31 March	**2**	**2**

The historical cost of fixed asset investments is £nil (2022: £nil).

Investment Fund Plans	**£'000**
Market value at 1 April 2022	2
Disposals	-
Additions	-
Change in market value	-
Market value at 31 March 2023	**2**

Interest in subsidiary

The organisation owns the whole share capital (two £1 ordinary shares) of St Anne's Trading Limited, a company registered in England and Wales.
The trading results are consolidated numbers of St Anne's Community Services and St Anne's Trading Limited, whose results are presented and audited in their own Annual Report. The financial statements of St Anne's Trading Limited can be obtained from the registered office at Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG .

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Arrears of rent	909	683
Less: Provision for bad and doubtful debts	(199)	(132)
	710	**551**
Invoiced debtors	3,150	3,633
Other debtors	157	152
Prepayments and accrued income	574	485
Amounts owed by subsidiary company	2	74
	4,593	**4,895**

12. CURRENT ASSET INVESTMENT

	2023 £'000	2022 £'000
Money market deposits	4,070	3,991
Listed investment fund	492	525
Current asset investments	**4,562**	**4,516**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	1,977	1,884
Pension contributions	13	167
Other creditors	213	420
Accruals and deferred income	2,247	2,512
Other taxation and social security	560	536
Deferred capital grant income	258	247
	5,268	**5,766**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £'000	2022 £'000
Other loan	-	1
Deferred grant income	9,672	10,007
	9,672	**10,008**

The loan is repayable at varying rates of interest by instalments over more than 5 years and is secured by a special charge on a housing property.

Deferred Grant Income:	2023 £'000	2022 £'000
At 1 April 2022	10,254	10,938
Received in year	67	-
Repaid in year	(133)	(443)
Released to income	(258)	(241)
At 31 March 2023	**9,930**	**10,254**
Released in one year	258	247
Released in more than one year	9,672	10,007
	9,930	**10,254**

15. NET CASH USED IN OPERATING ACTIVITIES

	2023 £'000	2022 £'000
(Deficit) / Surplus for the year	(471)	19,700
Interest Receivable and Similar Income	(219)	(82)
Depreciation	732	638
Surplus on disposal of fixed assets	0	40
Amortisation/Release of grants	(258)	(241)
(Increase) / Decrease in debtors	302	(1,922)
(Decrease) / Increase in creditors	(510)	(144)
FRS102 Pension Adjustment	(874)	(19,493)
	(1,298)	**(1,504)**

16. CAPITAL COMMITMENTS

At 31 March 2023, St Anne's had capital commitments of £381k, for all of which contracts had been placed. (2022: £178k)

17. PROVISION

At 31 March 2023, following a review by Management, and in accordance with Accounting Standards, there were £nil provisions (2022: £nil).

18. CONTINGENT LIABILITIES

In accordance with FRS 102 St Anne's recognises contingent liabilities where management (and their legal representatives) has assessed those potential liabilities as being possible (and would make a provision where such potential liabilities have been assessed as being probable). At the year-end management believe no such possible liabilities exist and as such no contingent liabilities have been disclosed (£nil).

19. LEASING COMMITMENTS

The future minimum lease payments to be made by the organisation are as follows:

	2023		2022	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring:				
In one year or less	204	154	198	127
Between one and five years	12	102	18	296
	216	**255**	**216**	**423**

The future minimum lease receipts due to the organisation are as follows:

	2023	2022
	Land and buildings	Land and buildings
	£'000	£'000
Leases expiring:		
In one year or less	44	56
Between one and five years	122	98
	166	**154**

20. PENSIONS

The organisation utilises four pension schemes: National Health Service (NHS) Pension scheme, Peoples Pension, Scottish Widows and the West Yorkshire Pension Fund. The West Yorkshire Pension Fund is a defined benefit scheme. Membership of the West Yorkshire Pension Fund was closed to new employees with effect from 31 March 2012. We have a number of TUPE staff who are members of the NHS Pension Scheme.

NHS Pension Scheme

The NHS Pension Scheme is a multi-employer defined benefit scheme. The scheme is unfunded. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers and, due to the nature of the scheme, the income and expenditure account charge for the period under FRS102 represents the employer contribution payable.

Employer contributions were made at the rate of 14.38% during the accounting period. Payments to the scheme in the period amounted to £165k (2022: £180k). Members' contributions are banded according to earnings. The scheme is subject to full valuations every four years (previously every five years). The last valuation took place as at 31 March 2017. Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published every October. These accounts can be viewed on the NHS Pension Agency website at www.nhspa.gov.uk.

The People's Pension auto enrolment pension scheme

Contributions were made at 3% during 2022-23. The total payments to The People's Pension auto enrolment pension scheme during the period were £46k (2022: £32k).

Scottish Widow auto enrolment pension scheme

Contributions were made at 3% and 6% (7% - 10% for the small number of members of the Scottish Widow Group Personal Pension that preceded the auto enrolment scheme). The total payments to the Scottish Widow auto enrolment pension scheme during the period were £1,880k (2022: £1,659k).

West Yorkshire Pension Fund

The West Yorkshire Pension Fund (WYPF) is a multi-employer scheme with more than one participating employer, which is administered by the City of Bradford Metropolitan District Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit credit method.

Contributions

The employers' regular contributions to the WYPF by St Anne's for the year ended 31 March 2023 at 36.7% of pensionable pay were £61k (2022: £577k). The employers' contribution rate has been fixed at 36.2% of pensionable pay for the year ending 31 March 2024. Employees' contribution rates have been fixed at rates between 5.5% and 8.5% dependent on salary levels.

As the scheme is closed to new members, under the projected unit method of valuation, the current service cost will increase as the members of the scheme approach retirement.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on an FRS 102 basis were:

	31-Mar-23 % per annum	31-Mar-22 % per annum	31-Mar-21 % per annum	31-Mar-20 % per annum
Rate of increase in salaries	3.95	2.2	3.0	2.2
Rate of increase in pensions in payment	2.7	3.0	2.7	1.9
Discount rate	4.7	2.7	2.1	2.3
Inflation assumption - RPI	-	-	-	-
Inflation assumption - CPI	2.7	3.0	2.7	1.9

Mortality assumptions

The post-retirement mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. The sample life expectancies at age 65 resulting from these mortality assumptions are:

	2023	2022
	% per annum	
Retiring today:		
Males	21.6	21.8
Females	24.6	24.6
Retiring in 20 years:		
Males	22.9	22.5
Females	25.7	25.7

Amounts recognised in the Statement of financial position

	2023 £'000	2022 £'000
Present value of funded obligations	(76,666)	(106,981)
Fair value of plan assets	105,211	106,107
Net pension asset / (liability)	**28,545**	**(874)**
Less notional surplus not recognised	(28,545)	-
Net pensions recognised in the Statement of financial position	-	**(874)**

Amounts recognised in surplus or deficit

	2023 £'000	2022 £'000
Current service cost	54	236
Past service cost	-	-
Amounts charged to operating costs	**54**	**236**
Interest on net defined benefit liability	19	416
Amounts charged to other finance costs	**19**	**416**

Amounts recognised in other comprehensive income

	2023 £'000	2022 £'000
Actuarial gains on liabilities	30,398	10,859
Actuarial gains / (losses) on assets	(1,347)	8,449
Net amount recognised in other comprehensive income	**29,051**	**19,308**

Changes in present value of defined benefit obligations:

	2023 £'000	2022 £'000
Opening defined benefit obligation	106,981	118,784
Current service cost	54	236
Interest cost	2,851	2,441
Actuarial (gains) / losses on liabilities	(30,398)	(10,859)
Benefits/transfers paid	(2,832)	(3,659)
Member contributions	10	38
Closing defined benefit obligation	**76,666**	**106,981**

Reconciliation of opening and closing balances of the fair value of scheme assets:

	2023 £'000	2022 £'000
Opening fair value of assets	106,107	98,417
Interest income on scheme assets	2,832	2,289
Actuarial gains on assets	(1,347)	8,449
Contributions by employer	441	573
Member contributions	10	38
Net benefits paid	(2,832)	(3,659)
Closing defined benefit obligation	**105,211**	**106,107**

Major categories of plan assets as a percentage of total plan assets:

	2023	2022
Equities	80.80%	79.80%
Property	3.30%	4.00%
Government Bonds	6.90%	7.40%
Corporate Bonds	4.60%	4.80%
Cash	2.30%	2.90%
Other	2.10%	1.10%
	100.00%	**100.00%**

	2023 £'000	2022 £'000
Actual return on plan assets	**1,485**	**8,991**

Admission Agreement for admission to West Yorkshire Pension Fund

In connection with a contract between City of Bradford Metropolitan Council and the organisation, an agreement for admission to a new section of WYPF was entered into with effect from 20 December 2011. The agreement is specific to eligible staff transferred to St Anne's by virtue of the contract and will terminate on the expiry or earlier termination of the contract. This section of the WYPF was fully funded at the start of the agreement. Subject to the organisation complying with specific clauses in the agreement, any deficit relating to this section of the fund will be subsumed by the council. Following the scheme valuation as at 31 March 2022, employer contributions of £22k were required for the year ending 31 March 2023.

Due to the subsumption arrangements in place, assets and liabilities relating to this section of the WYPF have not been included in the organisation's balance sheet.

The McCloud judgement

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members of public sector pension schemes as part of reforms to those schemes amounted to unlawful discrimination, as a result an allowance should be made for the McCloud Judgement in accounts, however the allowance is highly dependent on the salary increase assumption. As the assumed rate of CPI for St Anne's salary increases is less than CPI, McCloud will not have an impact and no allowance is therefore included in these financial statements.

21. RELATED PARTY TRANSACTIONS

The organisation paid £36k (2022: £45k) on behalf of St Anne's Trading Ltd (see note 10). St Anne's Trading made a Gift Aid Distribution of profits to St Anne's Community Services of £21k (2022: £2k). There were no other related party transactions in the year. The amount due from St Anne's Trading Ltd to St Anne's Community Services at the year-end was £2k (2022: £74k).

22. CATEGORIES OF FINANCIAL ASSETS AND LIABILITES

	2023	2022
	£'000	£'000
Financial Assets at amortised cost		
Rent and Service Charges receivable	710	551
Invoiced Debtors	3,150	3633
Other debtors	157	152
Accrued Income	170	162
	4,187	**4,498**
Financial liabilities at amortised cost		
Trade creditors	1,977	1,884
Other creditors	213	420
Deferred capital grant	258	247
Accruals and deferred income	2247	2,512
Other taxation and social security	560	536
Pension contributions	13	167
	5,268	**5,766**

ST ANNE'S COMMUNITY SERVICES

England & Wales - Charity number 502224

Accounts

COMPANY NO: 1089026

CHARITY NO: 502224

RSH NO: H3158

St Anne's Community Services

Annual Report and Financial Statements

For the Year Ended 31 March 2022

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COMPANY INFORMATION

The Trustees, who are Directors of St Anne's Community Services, have pleasure in presenting their annual report and financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with our governing document, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 2018 for registered social housing providers preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider regulated by the Regulator of Social Housing (RSH). Details of the Trustees and other corporate information are set out below:

Board of Trustees who served during the year	A Sully (appointed Chair 24 November 2021) B Machin (Vice Chair) I McIntosh (resigned 26 January 2022) P Brown (resigned 31 July 22) G Dalton P Garnett (resigned 31 July 22) G Osborne (resigned 24 November 2021) J Riley (resigned 01 August 22) M Turnbull T Watters I Currell (resigned 31 July 22) O Laird A Leech L Hancock (appointed 01 August 22) J Adams (appointed 01 August 22) A Topping (appointed 26 October 2022) C Ashton (appointed 26 October 2022)
Company Registered Number	1089026
Charity Commission Number	502224
External Auditors	Mazars LLP 5th Floor, 3 Wellington Place, Leeds, LS1 4AP
Bankers	Unity Trust Bank plc Four Brindley Place, Birmingham, B1 2JB
Solicitors	Bevan Brittan LLP 7th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ DAC Beachcroft LLP 23 Park Square South, Leeds, LS1 2ND
Pensions and Investment Advisors	Mercer Limited 1 Whitehall Quay, Whitehall Road, Leeds, LS1 4HR Purple Wealth Management LLP 50 Burley Hill Business Centre, Burley Road, Leeds, LS4 2PU

CHAIR'S WELCOME

2021/22 has been my first year as Chair of St Anne's Community Services, as I take over from Ian McIntosh, the previous Chair, I would like to thank him for his service to St Anne's and look forward to building on from the positive work that is already happening at St Anne's.

2021/22 is the first year of our new five-year strategy, underpinning the strategy are our PROUD values and our purpose of making a difference every day by providing the highest quality, person centred care and support. Whilst this forms part of our new strategy this has been at the core of St Anne's philosophy since St Anne's began in 1971 and will therefore continue to be so.

We are all very aware that this year has been another year of change and challenge. We have continued to face unprecedented challenges during the year brought about by the Covid-19 pandemic, but in spite of these challenges we have continued to see our front-line staff carry out their roles with an amazing amount of dedication and resilience. On behalf of the Board and St Anne's wider stakeholders I would therefore particularly like to thank all our staff for their continued dedication and commitment to our clients in another exceptionally challenging year.

Our clients are at the centre of everything we do, and it is pleasing to report that our Care Quality Commission (CQC) ratings have remained consistently high over the last year, with the vast majority of our CQC rated services scoring Good or Outstanding, ahead of the national sector averages.

Our people are our key to everything we do at St Anne's. As such we are committed to the continuous development of our staff and investing in their training and support. In recognition of the challenges our people face working in the sector we have committed to paying all of our staff at least the national Real Living Wage, with the aspiration to continue to pay this in future years.

St Anne's can only continue to deliver its charitable purpose into the future if it is financially sustainable. Our financial performance for 2021/22, described in the following pages, reflects an improvement from the previous year, moving us from a deficit to a surplus position this year, despite the challenges within the social care sector and the effect of the Covid-19 pandemic, this therefore puts us in a more sustainable position for the future. Nevertheless, we should never be complacent as the sector is ever changing and we need to continually evolve how we can best continue to support our clients, reinvest in our current services and develop new services to meet the changing needs of the most vulnerable people in our society.

During 2021/22 St Anne's Senior Management Team has remained relatively stable, with only a couple of changes in personnel, as a consequence this has allowed us to move our strategy forward and deliver on a number of larger projects that will help to shape St Anne's in the years to come.

Our Board of Trustees has also remained relatively stable in the year, with only a couple of resignations, however there are plans to further strengthen the Board of Trustees and Trustee representation on our committees in 2022/23. The Trustee role carries significant responsibility and so I am grateful to all the Trustees for assuming that responsibility and for their commitment to St Anne's during the past year.

To all of those who have supported us this year, the Trustees offer their thanks. The Board is looking forward to 2022/23 with cautious optimism, knowing as an organisation we will be able to face any challenges headlong and continue to provide the highest possible support to all of our clients.



Anthea Sully,
Chair of Board of Trustees

CHIEF EXECUTIVE'S WELCOME

The year has continued to be a challenging one for St Anne's, most notably with the continued impact of Covid-19; therefore, continuing to put our clients at the centre of what we do is more important than ever, and we have only been able to do this through the continued dedication and resilience of our fantastic colleagues.

I would like to thank all of our staff for their continued commitment and support to our clients throughout the year - we wouldn't be able to continue to do the great work we do at St Anne's without you.

2021/22 has been the first year of our new five-year strategy – "A Life Without Limits". During the year we have done a lot of the groundwork for the strategy particularly looking at how we invest in our properties for the benefit of our clients, further developing our approach to quality, focusing on social value and securing funding to allow further growth in the services we provide. Despite the challenges of Covid-19 this has therefore been an exciting time for St Anne's and one to build from in 2022/23.

St Anne's continues to develop as an organisation and over the past year we have continued to maintain high quality standards with the vast majority of our services being rated good or outstanding from the CQC and again this can only be achieved through the skill, dedication, and commitment of our staff.

Financially we are in a stronger position than we were last year, having moved from a deficit to a small surplus, before the pension valuation, in the year, and a much larger surplus after the pension valuation. Whilst some of the factors effecting last year's financial performance were out of our control, the receding impact of Covid-19 towards the back end of the year has allowed a recovery in our financial performance and puts us on a good footing for continued financial sustainability.

Whilst our overall financial position is an improved one the challenges of funding within the social care sector remain which is further exacerbated by the rise in the cost of living which will put our costs under an extra amount of pressure in 2022/23.

Despite the financial challenges we face, we believe it is important to recognise the importance of our staff and both in 2021/22 and also planned for 2022/23 we have been able to announce a salary increase that puts all of our staff at or above the national Real Living Wage. Given funding challenges in the sector it has been hard to maintain this position, however given recruitment challenges in the sector are equal to that of the funding challenge we hope that this helps to attract new people to St Anne's and retain our existing staff so that we can continue to deliver great outcomes for our clients who are some of the most vulnerable people in society.

I would also like to take this opportunity to thank the Trustees for their diligence and the support they have given to St Anne's over the past year. Their voluntary roles carry significant responsibility and they have continued to give a considerable amount of support and devotion to the organisation throughout this challenging year.

As we look forward to 2022/23, we are optimistic that the year will be a positive one as we return to some normality after the Covid-19 pandemic and build on from everything we have achieved in 2021/22.

Azra Kirkby
Azra Kirkby (Nov 4, 2022 09:40 GMT)

Azra Kirkby,
Chief Executive Officer

REPORT OF THE TRUSTEES (incorporating the strategic report)
The Trustees, who are the Directors for the purpose of company law, present their report along with the financial statements of St Anne's Community Services for the year ended 31 March 2022.

Introduction: St Anne's - Making a difference every day

St Anne's was founded 51 years ago, in 1971, as a daytime shelter for homeless men in Leeds. From these small beginnings we have gradually expanded over the years to become the organisation we are today, with around 1,300 employees supporting people across the North of England.

Our very first service was shaped around people's needs and wishes and we have maintained this ethos, with the people we support at the centre of all our work, throughout all the services we provide.

We provide housing and accommodation-based support in partnership with other housing providers and deliver a range of community-based services across the North of England. We are proud to support people with learning disabilities, mental health, substance misuse and homelessness issues and to help them achieve their aspirations.

Much of our work is undertaken in partnership with local authority adult social care departments, clinical commissioning groups and community safety partnerships. We also work extensively with people whose support is funded via a direct payment or an individual service fund.

Our current services include:

- Supported living services.
- Residential care, including nursing care.
- Specialist detoxification and rehabilitation (alcohol and substance misuse).
- Respite care.
- Domiciliary care.
- Floating outreach.
- Carers' support.
- Day services.
- Shared Lives.
- Community mental health and substance misuse services.
- Housing with support (long and short term).
- Homelessness services.
- Women's hub (an emergency safe place to stay for women with complex needs who are street homeless or vulnerably housed).

This range and diversity of provision means that if people's needs and goals change, they can continue to be supported by St Anne's.

We work predominantly in the following areas:

North-East: Durham, Gateshead, Middlesbrough, Newcastle upon Tyne, North Tyneside, South Tyneside, and Sunderland.

Yorkshire & the Humber: Bradford, Calderdale, City of York, East Riding, Kirklees, Leeds, North Yorkshire, Sheffield, Wakefield, and Hull.

Continuing to focus on the needs of the people we support, we:

- Develop services where we know they are needed.
- Focus on continuous improvement and demonstrating value for money.
- Regularly review our services with the people we support and work together to meet changing needs.

Our Vision
A life without limits for the people we support.

Our Purpose
To make a difference every day. Providing high quality care and support to enable people to lead independent and fulfilled lives.

Making a difference every day is a philosophy that is strongly interwoven into the cultural fabric of St Anne's. It is part of who we are. We do this by providing the highest quality, person centred care and support.

Our Values
We are PROUD to make a difference every day.

Person Centred: We place people at the centre of everything we do and think about how our decisions affect them. We promote choice and we treat people as individuals.

Respectful: We respect each other's opinions and beliefs and treat everyone with dignity. We ensure an inclusive environment, and we celebrate diversity.

Open: We communicate in an open, honest, and transparent way and we share information with each other. We act with integrity, and we do what we say we will.

Understanding: We are understanding of the needs of others, and we work in a caring and compassionate way. We are kind and we support each other.

Dedicated: We are dedicated to improving the lives of the people we support every day and delivering quality services.

Our strategic commitments
Our three strategic commitments through to 2026, and the pillars supporting each commitment, are as follows:

Strategic Commitment 1: Our commitment to our people, communities, and the environment
Pillar 1: Enabling our Clients – To ensure that the people we support are at the centre of everything we do, creating strong, individual pathways for people to live their best life.

Pillar 2: Empowering our People – We are a people organisation – people supporting people, and we want to be recognised as a greater place to work, an 'employer of choice' to our employees and to people outside of our organisation.

Pillar 3: Delivering Social Value to our Communities – To increase, measure and evidence our social impact for people, local communities, and the environment.

Strategic Commitment 2: Our commitment to excellence and innovation in service delivery
Pillar 4: 'Good to Great' Quality and Continuous Improvement – To be an exemplar of high-quality and best practice within the social care sector – from 'good to great' – delivering great services and achieving great outcomes.

Pillar 5: Consolidation, Innovation & Expansion – To consolidate our existing range of services, develop innovative and creative services that support pathways for people and expand our offer to new localities.

Pillar 6: An Integrated Housing Solution – To develop and invest in our housing and assistive technology offer. Offering a truly integrated approach that will enable greater access to high quality, affordable homes that meet evolving individual needs.

Strategic Commitment 3: Our commitment to business sustainability, value for money and digital transformation

Pillar 7: Digital Transformation – To make systems and processes more efficient and to use technology to build greater connectivity, quality, and capacity within the organisation.

Pillar 8: Organisational Resources and Sustainability – To ensure that everything we do considers and represents value for money, and we operate in a way which is financially sustainable in both the short and long term.

Our performance and achievements

Throughout 2021/22 we continued our work to make a difference, providing high quality care and support to enable people to lead independent and fulfilled lives, which was made particularly challenging this year due to the continuing Covid-19 pandemic. Some examples of our achievements this year include:

Our clients:

- Successful Covid vaccination and booster programme for all clients, keeping them safe as the pandemic continued.
- New appointment to client involvement and social value officer, re-energising our client group, the SEVEN Group, after the Covid lockdowns.

Our staff:

- Successful re-structure of a number of our central teams to ensure they are more able to support the organisation going forward, including our Quality team.
- Investment in the area manager team, with another area manager role created to support the growth of our services in Hull.
- Two internal promotions to area manager roles.
- Four internal promotions to registered manager roles.
- One internal promotion from area manager to a head of role.
- Registered manager won manager of the year from Leeds City Council.

Our services:

- Successfully moved location for our Glenholme service to a great new building.
- Opening of our new Somewhere Safe to Stay Hub, a service for women in Leeds.
- Refurbishment of Aachen Brook to provide two emergency/respite beds for Calderdale local authority.
- Further development in Hull, identification of two sites and building work nearing completion to open two new mental health services.
- Resource Centre chosen as a charity of the year by the Leeds Lord Mayor.

Our systems and processes:

- Our dedicated staff teams were selfless in supporting our clients throughout the Covid-19 pandemic. We partnered with Leeds City Council to support homeless people in hotels across the city. We developed an in-house PPE stock system and worked with other providers to ensure our services had all the PPE they needed throughout the pandemic. We worked with a local Gin distiller on the brink of closure to help supply us with alcohol gel for our care homes and we collaborated with a local trouser maker to produce PPE gowns to help keep our staff safe.

Corporate Social Responsibility

Our Commitment to Corporate Social Responsibility (CSR) continues across the work we do with clients and beyond with partners of all size across the local communities in which we are based. Covid-19 has presented us with an opportunity to do things differently which has meant that we have had to find different ways of working and delivering CSR in ways that are still meaningful and add value.

Strengthening our Governance

Last year saw the redevelopment of two key governance documents; The Governance Framework and the Risk Management Framework, this year our aim was to further refine them ensuring they continue to provide the framework, structure whilst detailing the interrelated relationships and factors as well as touching on other elements that influence the organisation. Importantly both also set out the respective roles and responsibilities of the management structure, and reference to policy, systems and processes used across the organisation, and importantly identifying points of accountability and escalation, risks and risk management.

St Anne's Community Services continues to maintain the Charity Governance Code for Large Charities and continues to promote good practice and good governance through its seven principles. Furthermore, we have adopted the 2020 Code of Governance produced as discussed in more detail below.

We published again this year our Modern Slavery Statement, which explains our continued commitment and approach to Modern Slavery across the following areas:

1. Organisation structure and supply chains.
2. Policies in relation to slavery and human trafficking.
3. Due diligence processes that we have in place.
4. Key performance indicators that measure the steps we are taking.
5. Training on modern slavery and trafficking.

Assuring the Quality of our Assets

St Anne's is obliged to ensure compliance with the regulations of the Regulator of Social Housing and the Health and Safety at Work Act 1974.

During the year the organisation commissioned a full independent stock condition survey together with fire risk assessments for all properties owned by St. Anne's or for those which St. Anne's has a repair responsibility. The Board is committed to investing in our properties, to make better homes for people, and the findings of the survey and assessments will help to determine future spend and to develop an Asset Management Strategy. This will allow us to continue to demonstrate our commitment to meeting the Decent Homes Standard. Where we have properties that are no longer fit for purpose, we have commenced a reprovision programme. During 22/23 all properties will go through a full property option appraisal.

St Anne's is committed to continued improvement and, as a result, is carrying out a full review of the repairs and maintenance operation to ensure it continues to deliver high-quality, value for money service.

Our Finances

Our income for the year 2021/22 was £43.6m, down on the previous year by £1.1m (2%), whilst this is a drop in income there have been no major contract losses in the year from the local authorities we work with, who provide the majority of our income, and instead this is due to some limitations on certain services due to Covid-19. However, our operating costs have reduced by more than the same proportion; in fact they have dropped by £2.0m (4%) from the previous year.

This year we have made a small surplus of £128k before the actuarial gain/loss on our pension schemes, this is compared to a deficit of £672k last year, hence there has been some really positive progress in the year.

In the year we have also seen a large actuarial gain from the pension scheme of £19.6m which has resulted in a comprehensive surplus of £19.7m compared to the £5.8m comprehensive deficit last year, hence a £25.5m improvement in our financial performance.

The result of the movement in the valuation on our pensions scheme, with the West Yorkshire Pension Fund ("WYPF"), has led to an overall pension liability of £0.9m on our balance sheet, this compares to £20.4m last year, hence is a very significant reduction in the liability. In the year we have removed the vast majority of the active membership from the scheme, moving members from a defined benefit scheme to a defined contribution scheme. However, the biggest factor in the change in the valuation is an economic one, whilst generally the immediate economic outlook is not a positive one, there has been an improvement since the height of Covid-19 when the previous pension scheme valuation took place.

In the year our reserves are therefore back into a positive position, and consequently also a net assets position, of £14.7m compared to a £5.0m negative reserves and net liabilities position last year.

Additionally, our cash position as an organisation remains strong with £10.9m in cash and investments, albeit that is a £4.9m drop from the previous year mostly due to on-going investments in the organisation, particularly in our properties.

Looking ahead to 2022/23, which is the second year of our 5-year strategy, we hope to continue to support our clients in the best way possible and particularly invest in the environments in which they are living, as well as looking at opportunities to grow and support more clients. Underpinning all of that will be ensuring that we do so in a financially sustainable way.

Comprehensive income for the five years ended 31 March 2022

	2022 £'000	**2021 £'000**	**2020 £'000**	**2019 £'000**	**2018 £'000**
Turnover	43,641	44,685	42,877	44,833	44,153
Operating costs	(43,138)	(45,097)	(43,311)	(45,214)	(43,762)
Pension adjustments*	(337)	(532)	491	793	816
Controllable Surplus/(Deficit) for the year	**166**	**(896)**	**57**	**412**	**1,207**

**Pension service costs are included within operating costs and so are excluded here to give an underlying controllable surplus/(deficit) position.*

Statement of financial position for the five years ended 31 March 2022

	2022 £'000	2021 £'000	2020 £'000	2019 £'000	2018 £'00
Tangible fixed assets	15,539	13,210	13,452	13,619	13,877
Fixed asset investments	2	2	1,509	1,510	1,510
Net current assets	10,037	12,844	12,441	11,856	11,209
Total assets, less current liabilities	**25,578**	**26,056**	**27,402**	**26,985**	**26,596**
Creditors due after more than 1 year	10,008	10,693	11,151	12,310	12,377
Net Pension liability	874	20,367	15,424	6,679	8,397
Total net assets/(liabilities)	**14,696**	**(5,004)**	**828**	**7,996**	**5,822**
Reserves: General Charity Fund	127	161	127	161	162
Investment revaluation	-	-	8	8	8
Revenue reserves	15,444	15,202	16,117	14,506	14,049
FRS 102 pension liability	(874)	(20,367)	(15,424)	(6,679)	(8,397)
Total Reserves	**14,696**	**(5,004)**	**828**	**7,996**	**5,822**

Value for Money

Value for Money is a key focus for the Board and as an organisation we are continuously striving to improve the way we work so that we can provide better services for the people we support. Value for Money is central to this and underpins our strategy. We take a balanced approach to Value for Money that considers performance and investment through three lenses:

- Financial value: The value to the charity. This could be savings through efficiencies, increased income, or delivering more with the same resource,
- Client value: The value for the people we support. This could be direct savings, or similarly reducing clients' dependency on benefits, and
- Social value: The value to the wider society and the economy. This could be savings to the public purse or benefits to the community and local environment. We are committed to our charitable purpose and determined to meet our cost savings targets while continuing to have a positive impact on the people we support and our social value.

Our assets provide the foundation for our success. These include our hard working staff, and our homes and infrastructure, which enable us to efficiently provide services and run the business. Improved asset utilisation and management of voids are key projects that have continued from the previous financial year.

By ensuring we manage our assets effectively and efficiently, we provide high quality services, which means we serve our clients well, remain competitive and have the financial strength and resilience to mitigate financial risks now and in the foreseeable future.

Value for Money Summary

Our Metrics	Housing Median 20/21	Actual 21/22	22/23 Target
Rent arrears	5.1%	4.8%	1.8%
Voids	1.0%	3.7%	4.6%

Rent arrears are above the housing median and this is driven primarily by housing benefit arrears. We receive housing benefit directly for the majority of our social housing clients and this is paid 4 weekly in arrears.

Void rates are generally higher for supported housing than for general needs housing because of the complexities of matching clients needs to suitable properties. Again, this figure is elevated due to the voids at our hostel service.

We have not included tenant satisfaction this year as for the last two years we have been unable to complete the survey due to Covid-19. This is planned for 22/23 but a target has not been set in the absence of recent surveys.

Regulator Metrics	Actual 20/21	Peer Median	Housing Median	Target 21/22	Actual 21/22	22/23 Target
Reinvestment	8.7%	5.0%	5.7%	7.5%	13.5%	8.7%
New Supply	0.0%	1.7%	1.2%	0.0%	0.0%	0.0%
Gearing	N/A	26.6%	44.8%	N/A	N/A	TBC
EBITDA MRI Interest Cover %	N/A	339.7%	186%	N/A	N/A	150%
Headline Social Housing Cost	£28,971	£5,590	£3,680	£22,000	£27,304	£27,000
Operating margin social housing %	4.0%	16.3%	26.9%	9.5%	6.9%	6.9%
Operating margin overall %	(1.0%)	12.9%	25.0%	(1.0%)	1.2%	0.2%
ROCE%	(1.7%)	3.7%	3.6%	>0%	2.0%	>2.0%

Investment in our properties has increased in the year, which builds on earlier years of investment and a drive to improve the standards of housing to meet and exceed the decent homes standard.

There was no development of new supply in the year and development of new housing stock does not form part of strategy for 2022/23.

We do not have finance in place and therefore gearing and interest cover are not applicable, however we may look at this in the year 2022/23 so the target for cover has been agreed but the gearing target has not yet been set.

Our headline social housing cost is significantly higher than the median, the peer group which was based on providers who also offer supported housing and other care provisions shows a higher figure, however the nature of our services and the requirement to meet our clients' specific individual needs means our spend is much higher than both the median and the peer group.

Again, our operating margin is closer to our peer group of supported housing providers, rather than the housing median but is an area we are looking to improve. Our overall operating margin is now positive, which reflects some of the improvements over the past few years.

The return on capital employed was targeted to be a positive value for the year and that has been achieved, it is still lower than the peer and housing median, which we expect to improve incrementally following the increased investment in 2021/22 and into 2022/23.

Reserves policy

In the year, the Senior Management Team (SMT) and Board of Trustees have reviewed the reserves policy to both ensure this meets the organisation's long-term objectives, and that the current level of reserves is sufficient for any day-to-day variation in operational need.

The Trustees have considered financial risks, sources of income and variability of costs. As a consequence, the target level of free reserves has remained at £13.7m, with the objective of retaining liquid cash at over £7.0m, representing approximately two months of expenditure.

As shown in the table below, free reserves, which are defined as unrestricted reserves, excluding functional assets and the long-term pension liability were £10.3m at 31 March 2022.

	31 March 2022 £'000	31 March 2021 £'000
Unrestricted reserves	14,696	(5,004)
Exclude functional assets	15,539	13,210
Exclude deferred grants relating to functional assets	(10,254)	(10,938)
Exclude pension liability	(874)	(20,367)
Free reserves	**10,285**	**13,091**

The pension deficit of £0.9m (2021: £20.4m) is a longer-term liability that will fluctuate over time, both up and down, and therefore is not taken into account in calculating free reserves. However, this is a liability that needs to be considered when assessing the sufficiency of free reserves. The Trustees are of the view that, based on the current valuation, the free reserves are sufficient for the next twelve months, when a further assessment will be made.

Investment policy and performance

Our investment policy is designed to support the reserves policy. The organisation has adopted a prudent investment policy to balance potential returns with appropriate levels of risk. The key objectives of our investment policy are to:

- Seek the best financial return within an acceptable level of risk.
- Meet the investment objective for any long-term reserves, which is primarily to generate a return in excess of inflation over the long term. Generation of income to support the on-going activities of St Anne's is a secondary consideration.
- The investment objective for any short-term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Pensions and Investments Committee will continue to monitor the achievement of these objectives and to make any investment recommendations it deems appropriate to the Board.

At 31 March 2022 fixed asset investments were valued at £2k (2021: £2k), albeit we have a number of current asset investments.

Subsidiary

St Anne's Community Services has only one subsidiary: St Anne's Trading Limited, a company registered in England and Wales. St Anne's Community Services wholly owns all the issued share capital of St Anne's Trading Limited.

Principal risks and uncertainties

The Board of Trustees has responsibility for ensuring that there is effective risk management, and that internal control systems and processes are in place to manage the organisation's strategic risks and to support the achievement of its strategic objectives.

This responsibility continues to be exercised through an annual review of the effectiveness of our risk management framework including the following:

- Ensuring that the identified risks strike a balance between taking risks and reducing them.
- Recognising that whilst being risk averse is a safe option, it will not necessarily allow the achievement of rewards or opportunities that managing risks well could do.
- Ensuring effective and meaningful risk management adds value, depth, and breadth of quality both for learning and for business growth.

Risk management design:
Through our risk management framework, we continue to demonstrate our ability to identify and manage risks across the organisation, from Board to service delivery level. It supports the business, and both underpins and promotes confidence in growth and development.

Key points:

- Risks are identified and recorded in detail at an operational level, as well as being reported and as necessary escalated to an organisational level.
- Key risks are identified and presented to the Board with a detailed narrative explaining the context and the thinking behind the judgement.
- A risk movement narrative report is maintained and explains the movement and rational of risks where they have reduced or have been increased.
- The risk management framework is meaningful and effective.

Our approach is consistent and aims for continuous improvement:

- Strong and effective governance which monitors and reviews performance as well as owning and reviewing policy and process.
- Identification of risks and opportunities from both internal and external perspectives, reflecting regulatory, strategic, operational, IT, legal, environmental, and financial issues.
- Detailed measurement and assessment of risk that reviews specific and aggregate exposure, clarifies our risk appetite, and confirms our overall risk profile.
- Applying a three-level approach to risk mitigation to reduce or minimise the impact of risks.
- Providing detailed reporting through SMT, on to committees, and through to Board.

We therefore believe we have a robust and well-developed risk management process, with departmental risk registers feeding into a corporate risk register that identifies and assesses the likelihood and impact of potential risks as well as setting out how the organisation plans to mitigate against those risks. These are organic documents which are reviewed fortnightly by SMT, all risks are allocated to a Committee and those Committees scrutinise their allocated risks before they are fed into the Corporate Risk Register which then forms part of the compliance documents for the Board. The following are some of the more significant risks St Anne's is currently facing:

Recruitment: Across the sector recruitment continues to be a challenge and St Anne's is no different, our ability to recruit sufficient and suitably qualified nurses and support workers has the potential to impact our ability to support our clients, therefore recruitment remains one of our top priorities.

Funding: Funding is another challenge in the sector and given St Anne's works closely with a relatively small number of customers we are reliant on their ability to fund the services we provide.

Whilst this could be a risk for St Anne's, as part of our strategy there is a focus on growing our offer with those customers and also expanding the services we provide to new customers. This growth should therefore mitigate against any reliance on a few customers or any other restrictions in funding.

Pensions: The WYPF is a historic St Anne's pension scheme which we recognise on our balance sheet, the scheme is expensive to run and the volatility around the pension's valuation has the potential to have a significant impact on our financial statements, and our ability to tender for new work. To reduce the impact of this at the start of 2021/22 St Anne's vastly reduced the membership of the scheme which has significantly reduced the on-going costs. At the same time, we continue to monitor the pensions valuation and take any appropriate action, whilst noting the long-term nature of the pension liability.

Structure, governance and management

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider, regulated by The Regulator of Social Housing.

It is governed by its Articles of Association, which set out the charitable purposes for public benefit in the following terms:

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug, and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing, and education support.
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

St Anne's governance arrangements include the Board, several Board committees, and working groups that provide focus on key areas, and a suite of procedures that are designed to ensure our charitable objectives are met. Our Articles of Association meet the needs of our current structures and incorporate flexibility to allow for future development.

Our Board of Trustees

The Board of Trustees are charity trustees as defined by section 177 of the Charities Act 2011. The Board comprises the legal directors of St Anne's, and holds all the charity's powers and authorities under St Anne's Community Services' Articles of Association. The Board of Trustees meets quarterly with additional ad hoc meetings for exceptional business reasons or decision making.

There are clear distinctions between the roles of the Board of Trustees and the Senior Management Team (executives employed by the organisation). The Trustees are ultimately responsible for the overall control and strategic direction of the organisation and for the protection of its assets. Day-to-day management is the responsibility of the Chief Executive and the other members of the Senior Management Team (SMT). Matters such as strategy, policy and budgets are prepared by the SMT for consideration and approval by the Trustees, who then monitor their operation and implementation.

Under the current Articles of Association, members of the Board of Trustees serve an initial term of between 3 and 4 years and can then be reappointed for further such terms but may not serve for more than 9 years unless the organisation agrees otherwise. New Trustees are selected through an open recruitment process, which includes advertising in the national press and online, and if appropriate a targeted recruitment search.

St Anne's have appointed a number of new Trustees, and all have undertaken an induction programme tailored to their areas of expertise and governance obligations. All Trustees are provided with training opportunities to help them meet their responsibilities.

Our Committees

The Board has delegated specific responsibilities to several committees, each of which reports to the Board and has detailed terms of reference, which are reviewed annually. The committees meet regularly throughout the year, in accordance with their terms of reference. The committees are:

- Audit and Risk
- Finance and Performance
- Health and Safety
- Pensions and Investments
- Quality and Safeguarding
- Remuneration and Governance

Audit and Risk Committee

The Audit and Risk Committee provides the Board with an independent and objective review of the organisation's financial and risk management systems. Financial systems are reviewed through the committee by oversight of the internal audit programme and ensuring compliance with laws and regulations governing the organisation through review of the external audit process. Risks are reviewed in relation to monitoring, checking, and challenging the risk registers and providing assurance that they are being effectively managed.

Finance and Performance Committee

The Finance and Performance Committee exists to oversee and make recommendations to the Board on financial and operational performance issues. It also provides assurance that these are being effectively managed.

Health and Safety Committee

The Health and Safety Committee exists to oversee and make recommendations to the Board on all health, safety, and wellbeing policy issues as well as other health and safety matters. It also provides assurance around issues of statutory compliance ensuring that these are being effectively managed and monitored.

Pensions and Investments Committee

The Pensions and Investments Committee exists to oversee and make recommendations to the Board on all pension and investment matters. It also provides assurance that these are being effectively managed.

Quality and Safeguarding Committee

The Quality and Safeguarding Committee has prime responsibility for advising the Board on the suitability and adequacy of the organisation's quality management systems and processes. It also supports the effective implementation of the governance framework and risk management framework by ensuring the monitoring and reviewing of the impact of their implementation through associated departmental risks and key performance indicators.

Remuneration and Governance Committee
The Remuneration and Governance Committee keeps under review the membership of the Board and oversees processes for recruiting and appointing potential new Trustees to the Board. It determines the remuneration of the Chief Executive and other members of SMT and the overall SMT remuneration policy. It also has an oversight role for governance.

Our People
Empowering our people is one of the key pillars to St Anne's strategy of delivering "A Life Without Limits". St Anne's recognises that by value, supporting, protecting, and empowering its people, it sustains its reputation for high quality care and support. In the most challenging of years, social care has been shown to be of key importance to society and a sector which plays a vital role in ensuring the safety and welfare of the most vulnerable.

Throughout the Covid-19 pandemic, staff across St Anne's and throughout the social care sector went above and beyond. Faced with the continuing test of adapting to working alongside Covid-19 our people have placed the safety and welfare of others above their own and have taken significant challenges in their stride. We are, as we have always been, incredibly proud of all of our people.

The passion and dedication shown to improving the lives of others is something that defines the people within St Anne's. Our values are created by our people, and they are lived out every day in our services. Being Person Centred, showing Respect, being Open, Understanding and Dedicated in everything we do is at the heart of what our people do. In the last year we have launched our Values and Behaviour Framework, which was co-produced with the people we support and St Anne's staff, to reinforce how demonstrate our values every day in all that we do.

As of 31st March 2022, St Anne's employed 1,250 members of staff made up of: 973 Support Workers, 49 Nurses, 60 Deputy Managers, 79 Service or Area Managers working at operational and front-line level in our services, supported by 89 staff in our central support functions or other roles. As with many social care providers, recruitment and retention when the economy opened up again post-Covid has been challenging. However, St Anne's has continued to be able to grow and develop as an organisation, opening new services in Leeds, Huddersfield and Hull throughout the year.

We are proud of the care and kindness shown by our colleagues throughout the pandemic as they helped the people we support navigate the daunting prospect of repeated Covid-19 vaccinations and to adapting to changes in legislation and guidance. In general, our workforce embraced the requirement to become vaccinated to protect the people they support, which embodies the selflessness of those in social care. The hundreds of examples of dedicated, compassionate, and inspirational support are evidenced by the number of our colleagues nominated in our 2022 PROUD Awards.

Our commitment to ensuring and fair and competitive pay and reward structure has seen the organisation continue to ensure that all its staff are paid at least the Real Living Wage Foundation rate, in addition to reviewing other benefits such as our car allowance structure. We recognise the importance of ensuring an attractive employee value proposition and continue to work hard to make St Anne's an employer of choice in the areas we operate. There has also been a large focus on enhancing the employee voice throughout the year with the launch of our new engagement surveying tool and the introduction of our Freedom to Speak Up Guardians.

Throughout the pandemic St Anne's remained dedicated to ensuring that opportunities for learning and development were not lost. We have now transition back to face to face training delivery and concluded our first Leadership Development Programme for over 3 years. This has now progressed to our Deputy Manager and Aspiring Leaders Programme, which has seen over 20 leaders of the future undertake a tailored training programme to support their development. We have also maintained our delivery of apprenticeships whilst expanding our training and development support for our Housing function and remodelling training requirements across our operational services to reflect the diversity of delivery across St Anne's.

Equality, diversity, and inclusion
Recognising and celebrating our diversity in an inclusive environment for our staff and clients is, and will continue to be, a priority for St Anne's.

We continue to embed the Skills for Care 'confident with difference' approach to supporting everybody at St Anne's. This year we have recommitted to efforts to maintaining the Mindful Employer, Disability Confident and Stonewall Diversity Champions standards. These standards have all been reviewed and retained throughout the course of the year.

We remain committed to enhancing the voice of underrepresented groups across St Anne's and importantly have been able to rejuvenate our Race Equality Network and LGBTQ+ Network, bringing colleagues back together after meeting virtually for many months. These networks are instrumental in guiding and refining our calendar of days of remembrance and celebration, as well as continually reviewing our supportive resources. Our policies and procedures ensure that we are inclusive and fit for purpose for diverse workforce and client groups. Their design and review ensure that a 'check and challenge' approach is maintained, along with our equality impact assessment processes.

St Anne's EDI Officer role has also been developed to specifically incorporate and lead on wellbeing across the organisation alongside our Health and Wellbeing group, FRESH. Our focus on supporting the holistic wellbeing of our staff has seen us train additional Mental Health First Aiders, provide our line managers with additional training on supporting wellbeing and mental health and create resources to help our staff manage their financial wellbeing.

Remuneration Policy
We recognise that the skills, knowledge, and experience of our people is a huge contributor to the delivery of high-quality services. In support of our objective to attract, recruit and retain quality staff, we are committed to ensuring that we pay fair and competitive salaries.

Our policy on remuneration is to ensure that St Anne's remains sustainable whilst also offering an attractive reward package that includes both financial and non-financial benefits. Our rates of pay are informed by sector wide benchmarking through participation in benchmarking studies and comparison with charity and social care sector data. Where possible, we look to pay above the median rate when considering rates of pay offered by our direct competitors. St Anne's has also developed a job evaluation framework, providing a mechanism to score and compare job roles to ensure they sit at the appropriate salary point internally, whilst using benchmarking data from the sector to assess competitiveness.

We continue to invest in our workforce and by concluding our collective bargaining negotiations much earlier than previous years, we have ensured that a further above inflation pay increase was paid to all staff at the start of our financial year. St Anne's ensures that all of its permanent workforce is at a rate which is at least the National Living Wage Foundation rate of £9.90 per hour (outside London) once they pass their probation period. We now pay our Support Workers £10.05 per hour after probation, a rate which ensures St Anne's retains competitive rates of pay in Yorkshire and the North-East when compared to its other care sector competitors. The organisation also offers a range of key terms including above statutory sick pay and annual leave, life assurance, pay enhancements for applicable shifts, a salary exchange pension scheme and a suite of staff benefits.

The Board are consulted on, and approve, decisions on overall pay awards, taking account of affordability, benchmarking, and economic trends in the sector. Remuneration of the executive team is determined by the Remuneration and Nominations Committee, a committee of the Board. No Trustees are paid, although they can claim reasonable expenses.

The organisation complies with its requirements under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is committed to eliminating gender pay inequality. In March 2022, St Anne's published its most recent gender pay gap report, showing a marginal 2.6% mean pay gap in favour of male staff.

Compliance with the Charity Governance Code and the 2020 Code of Governance for Housing Associations

Good governance is a key influence on the organisation's behaviour and culture, as well as facilitating the Board's role in monitoring activities and developments. We always aim for a continuous improvement in, and the development and strengthening of, our governance systems and processes.

Our Board committee structures continue to evolve and mature. Again, this year we have appointed a further four new Trustees who have all gone through induction and mandatory training and based on their knowledge and strengths have been appointed to appropriate committees, where they are already significantly contributing.

The Charity Governance Code

We continue to work on the Charity Governance Code for Larger Charities and provide evidence and examples of good governance standards and practices. Set out in seven principles, along with key outcomes for each principle, the Code sets out the following high standards with which we substantially comply:

- Organisational purpose: Our Board is clear about the charity's aims ensuring that these are being delivered effectively and sustainably.
- Leadership: Our organisation is led by an effective Board that provides strategic leadership in line with our aims and values.
- Integrity: Our Board acts with integrity, adopting values and creating a culture which helps to achieve our organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.
- Decision-making, risk, and control: The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are in place and monitored.
- Board effectiveness: The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds, and knowledge to make informed decisions.
- Equality, diversity, and inclusion: The Board has a clear focus on achieving diversity not only at Board level but to ensure this is considered throughout the organisation.
- Openness and accountability: The Board leads the organisation in being transparent and accountable. St Anne's is open in its work, unless there is good reason for it not to be.

The Code is deliberately aspirational, therefore as an organisation whilst we achieve elements of each of the principles within the code we are focused on continuous improvement of our compliance against the Code.

The Housing Code of Governance

Last year St. Anne's adopted the 2020 Code of Governance for Housing Associations, this year we have worked to build and evidence the highest standards of governance and board excellence setting out standards that housing associations, their boards, and the wider sector should seek to attain.

Having been completely rewritten and restructured to reflect the changes in society, the economy, and the impact they have on the sector and the importance of a greater focus on and protection of the interests of the people we support. In adopting the code, we continue to work to:

- Ensure the views and needs of clients are at the heart of our strategic decision-making, in line with the "Together with Tenants" Initiative.
- Ensure that measures are in place for the safety of clients, staff, and others.
- Ensure that our Board has an oversight of risk and that it thoroughly tests the impact of potential risk scenarios on our organisation.

The code is built around the key values that good governance is based on and overlaps and complements the Charity Governance Code in its reflection, accountability, integrity, openness, and equality, diversity, and inclusion. It has at its heart four core principles which shape the content of the code, each with a set of requirements for organisations to adopt:

- Mission and values
- Strategy and delivery
- Board effectiveness
- Control and assurance

Compliance with Regulator of Social Housing standards

The Board considers that St Anne's complies with the Governance and Financial Viability Standards for registered social housing providers. Our system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests. Our self-assessment framework contains stress testing of risks and assumptions to ensure objectives and viability are fully deliverable.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which includes the regular evaluation and assessment of the nature and extent of risks to which the organisation is exposed.

The Registered Social Housing regulatory returns, such as financial forecasts, statistical data, and disposal returns, are submitted in an accurate and timely manner. The Board also considers that effective controls are in place to ensure security of assets, the proper, accountable, and transparent use of public funds and that effective systems are in place to monitor and accurately report delivery of our plans. Any risks to the successful delivery of financial plans are identified and effectively managed.

During the year, following a review of the senior management structure, a full-time Director of Housing was appointed to ensure specialist leadership and advice to the Board on rents, Value for Money and Economic and Consumer Standards. The Chief Finance Officer monitors compliance with the Economic Standards, and the Director of Housing monitors compliance with the Consumer Standards and keeps Trustees updated on the proposed Social Housing White Paper. Reports for both are also presented to the relevant Committees and Board. There is effective management and scrutiny in place including cost control and improving Value for Money, with regular reporting to the Finance and Performance Committee and the Board.

Furthermore, in 2020/21 there was an internal review of our self-assessment of the Regulator of Social Housing standards, this has been completed for all standards. At this time, we believe we substantially comply with each of those standards. We will continue to review the regulatory self-assessments again during 2022/23.

Streamlined Energy and Carbon Reporting (SECR)

St. Anne's has followed and used robust and accepted methods to calculate the required information for this SECR Report including the HM Government Environmental Reporting Guidelines 2019, the Governments Sustainability Reporting Guidance 2021, the Greenhouse Gas (GHG) Reporting Protocol, and the UK Government's Greenhouse Gas Reporting Conversion Factors 2021.

Based on this our emissions and energy usage for the financial year were:

UK Greenhouse Gas emissions and energy use data for the period 1 April 2021 to 31 March 2022	
Data used to calculate emissions	
Gas (kWh)	4,715,910
LPG (kWh)	84,592
Electricity (kWh)	1,416,462
Transport (kWh)	235,283
Transport (miles)	185,893
Scope 1 GHG Emissions (kg CO_2e)	
Gas (Natural)	848,863
LPG	17,764
Company / Fleet Vehicles - Diesel	51,285
Company / Fleet Vehicles - Petrol	7,233
Total Scope 1 Emissions (kg CO_2e)	**925,145**
Scope 2 GHG Emissions (kg CO_2e)	
Electricity (Grid Supplied)	273,915
Total Scope 2 Emissions (kg CO_2e)	**273,915**
Scope 3 GHG Emissions (kg CO_2e)	
Grey Fleet	51,117
Total Scope 3 Emissions (kg CO_2e)	**51,117**
Total GHG Emissions (kg CO_2e)	**1,250,177**
Emissions Intensity Ratio	
Total kg CO_2e per £1.00 of Total Income	**0.029**

Intensity Measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per £1 of total income.

Energy Efficiency Action
St. Anne's recognises the importance of becoming more energy efficient. An example of this would be as part of a major relocation project of our head office various energy reduction technologies and approaches have been introduced to minimise the overall energy footprint. These include, but are not limited to:

- More efficient Internal LED Lighting (sensor activated)
- Improved heating and cooling air-con systems
- IT Infrastructure/interfaces – an ongoing programme across all services in the organisation to replace its IT equipment (Monitors, Laptops etc.) with low power or low consumption devices.

Internal controls assurance

As part of the internal audit programme St Anne's continues to work with BDO LLP, as our independent internal auditors. For 2021/22, the Audit and Risk Committee agreed a programme of internal audits focused around key risk areas which look to further support strong corporate governance and demonstrate robust and effective controls across the organisation.

In addition to the internal audit programme, assurance is also gained from other controls that have been put in place across the organisation in the year. These include:

- KPI dashboards produced at every committee and Board meeting.
- Enhancements to periodic reporting across the organisation, but also specifically for committees and Board meetings.
- Risk registers reviewed periodically, with owners assigned to each risk and the relevant risks discussed at each committee and Board meeting.
- The implementation of deep-dive service reviews to understand the financial and operational drivers behind each of our services.
- A timely budget process with full involvement and engagement from stakeholders to ensure the budget and by default our costs and income are better understood.

The programme in 2021/22 has demonstrated some overall improvements in terms of organisational design and effectiveness compared to the audit areas from the previous years, and a number of examples of good practice. However, they equally identified some key areas and recommendations where further improvements can be made, and action plans to address these have been drawn up with progress monitored by the relevant committee.

Considering the above points, Trustees consider that these collectively offer sufficient assurance to be able to regard the internal controls position as satisfactory overall, as well as identifying additional opportunities for improvement.

Compliance with s172 of the Companies Act 2006

The Trustees confirm their compliance with s172 of the Companies Act 2006. Set out below are several examples of compliance, and many others are included in relevant sections throughout this report.

The Trustees recognise the need for the organisation to operate in a way that considers, and is fair to, all of its stakeholders, which is similarly recognised through its charitable purpose and embedded within the culture and values of the organisation (see page 7).

The organisation takes account of the longer-term impacts of its decisions, and last year we launched our next 5 year strategy, setting out our strategic commitments, and supporting plans through to 2026 (see pages 7-8). This in particular focuses on our longer term commitments to; our people; excellent service delivery; and being financial sustainable and delivering value for money.

Employee interests are also at the heart of what we do, as is demonstrated by Person Centred being one of our organisational values and with Empowering our People being one of the pillars within our strategic commitments for the next 5 years (see page 7). Our approach to people, diversity and inclusion and remuneration also has significant focus within St Anne's (see pages 18-21). The organisation has a strong regard for both the communities it works within and the environment as set in our Corporate Social Responsibility statement (see page 9) and with both communities and the environment forming part of one of our three strategic commitments for the next 5 years (see page 7).

The Trustees also confirm the organisation's continued drive to maintain a reputation for high standards as demonstrated in the report on the section on strengthening our governance (see page 9), our committee structure (see pages 16-17) and specifically in terms of compliance with the Charity Governance Code and the Code for Governance for Housing Associations (see pages 19-20).

Statement of public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The organisation's charitable objects are enshrined within its Articles of Association and as such the Trustees ensure that the organisation's activities are carried out for the public benefit through the setting and implementation of its strategic priorities. This report also allows us to show how our charitable funds are spent.

Any fundraising activities we conduct are compliant with the Charity Commission's guidance on fundraising.

Statement of Trustees' responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the annual report, which incorporates the strategic report and financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the organisation, and of the incoming and outgoing resources and application of resources, including income and expenditure for the period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Housing Statement of Recommended Practice (SORP).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the organisation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislation in other jurisdictions.

The Trustees confirm that, insofar as they are aware:

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

External auditors

Mazars LLP is eligible to act as an auditor under the relevant section of the Companies Act 2006.

By order of the Board



Anthea Sully
Chair of Board of Trustees

Nov 3, 2022

Independent auditor's report to the members of St Anne's Community Services

Opinion

We have audited the financial statements of St Annes Community Services (the 'charity') for the year ended 31 March 2022 which comprise of the Statement of Comprehensive Income, Statement of Changes in Reserves, Cash Flow Statement and Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees' other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees

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

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 23, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and UK pensions legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Enquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and

- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Nov 9, 2022

Vincent Marke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor, 3 Wellington Place, Leeds, LS1 4AP

Statement of Comprehensive Income
For the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Turnover	2	43,641	44,685
Operating costs	2	(43,138)	(45,097)
		503	**(412)**
(Deficit) on sale of housing property	5	(40)	-
Operating Surplus / (Deficit)	**7**	**463**	**(412)**
Interest receivable and similar income	6	82	56
Other finance interest	20	(417)	(316)
Surplus / (Deficit) for the year		**128**	**(672)**
Other Comprehensive Income			
Actuarial gain / (loss) in respect of pension schemes	20	19,572	(5,159)
Total Comprehensive Surplus / (Deficit) for the year		**19,700**	**(5,831)**

The organisation's results relate wholly to continuing activities.
The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on Nov 3, 2022 and signed on its behalf by:

Ms A Sully, Chair of Board of Trustees

Oliver Laird (Nov 3, 2022 22:11 GMT)

Mr O Laird, Trustee and Chair of Audit & Risk Committee

Company Registration Number 1089026

Statement of Changes in Reserves
For the year ended 31 March 2022

	Investment revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
Balance as at 31 March 2020	8	819	827
Total Comprehensive Deficit	(8)	(5,823)	(5,831)
Balance as at 31 March 2021	**-**	**(5,004)**	**(5,004)**
Total Comprehensive Surplus	-	19,700	19,700
Balance as at 31 March 2022	**-**	**14,696**	**14,696**

Statement of Cash Flows
For the year ended 31 March 2022

	Note	2022	2021
		£'000	£'000
Net cash generated from operating activities	15	(1,504)	2,974
Cash flow from investing activities			
Acquisition and construction of housing properties		(339)	(100)
Purchase of other tangible fixed assets		(3,053)	(311)
Purchase of intangible fixed assets		(26)	0
Proceeds from sale of fixed assets		(33)	0
Proceeds from disposal of fixed asset investments		-	1,507
		(3,451)	**1,096**
Interest received and similar income		82	56
Net change in cash, cash equivalents and money market deposits		**(4,873)**	**4,126**
Cash, cash equivalents and money market deposits at beginning of the year		**15,781**	**11,655**
Cash, cash equivalents and money market deposits at end of the year		**10,908**	**15,781**

The accompanying notes form part of these Financial Statements

Statement of Financial Position
For the year ended 31 March 2022

	Note	2022	2021
		£'000	£'000
Fixed Assets			
Housing properties	8	8,699	8,800
Other tangible fixed assets	9	6,768	4,335
Intangible fixed assets	9	72	75
Fixed asset investments	10	2	2
		15,541	**13,212**
Current assets			
Trade and other debtors	11	4,895	2,973
Investments	12	4,516	4,494
Cash and cash equivalents		6,392	11,287
		15,803	**18,754**
Creditors: amounts falling due within one year	13	(5,766)	(5,910)
Net current assets		**10,037**	**12,844**
Total assets less current liabilities		**25,578**	**26,056**
Creditors: amounts falling due after more than one year	14	(10,008)	(10,693)
Provision for Liabilities	17	-	-
Net pension liability	20	(874)	(20,367)
Total net assets / (liabilities)		**14,696**	**(5,004)**
Reserves			
Investment revaluation reserve		-	-
Income and Expenditure reserve		14,696	(5,004)
Total reserves		**14,696**	**(5,004)**

The accompanying notes form part of these Financial Statements
The Financial Statements were approved by the Board on Nov 3, 2022 and signed on its behalf by:

Ms A Sully, Chair of Board of Trustees

Oliver Laird (Nov 3, 2022 22:11 GMT)

Mr O Laird, Trustee and Chair of Audit & Risk Committee

Company registration number 1089026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Legal status

St Anne's Community Services is a registered housing provider, a charity and a company limited by guarantee. The registered office is 6 St Marks Avenue, Leeds LS2 9BN. The organisation is incorporated in England and Wales, company registration number 1089026.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019. The financial statements are presented in Sterling (£). St Anne's Community Services is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on the historical costs basis except where specified in the accounting policies.

Going concern

The organisation's business activities, its current financial position and factors likely to affect its future development are set out in the report of the Trustees (incorporating the strategic report). The organisation has cash and investment balances which provide adequate resources to finance the organisation's day to day operations and committed expenditure. The organisation has a plan which shows that these resources are sufficient to continue to fund operations.

Our planning processes, including financial projections, take into consideration the current economic climate and in particular the currently known impact of Covid-19, hence ultimately the potential impact on our various sources of income and planned expenditure. We acknowledge our pension fund obligations and are developing a clear strategy to manage the deficit on the West Yorkshire Pension Fund. The Audit Committee and the Board have carefully considered the relevant conditions and performed an assessment. The Trustees have concluded, based on a review of forecasts and budgets, that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the organisation to continue as a going concern.

On this basis, the Board has a reasonable expectation that the organisation 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 financial statements are signed. For this reason, the organisation continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Judgements

In terms of revenue recognition on grant income, many of the contacts are long term contracts and some of these are funded by way of grant income. Typically grant income is received in line with the costs incurred on the contract. However, there are some exceptions, mostly historical, where deferred revenue for grant income has been held on the balance sheet to reflect the risk that repayments may be required for excess grant income received and/or there may be recovery through future changes in grant rates and/or to act as a contingency for unexpected one-off contract costs. There is judgement in assessing how much deferred income is required for grants at year-end. The deferred revenue from grant income in the balance sheet at 31 March 2022 was £nil (2021: £242k) and the amount released to the income and expenditure account in the year was £242k (2021: £62k).

Estimates

Useful economic lives of depreciable assets – management reviews its estimate of the useful economic lives of depreciable assets at each reporting date based on the expected use of the assets. Uncertainties in these estimates primarily relate to changes in improvement programmes for

components and the Decent Homes Standards, which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2022 was £12,984k.

Defined benefit obligation – management's estimate of the defined benefit pension valuation is based on several critical underlying assumptions such as the standard rate of inflation, mortality, discount rate and anticipation of future salary increases. Variations in these assumptions may significantly impact on the valuation of the defined benefit obligation and the annual defined benefit expenses. The defined benefit pension liability at 31 March 2022 was £874k (2021: £20,367k), with further details and explanation in note 20.

Basis of consolidation

The organisation has taken advantage of the exemption from preparing group financial statements contained in Section 402 of the Companies Act 2006 on the grounds that its subsidiary undertaking is immaterial to the Group under section 405(2) of the Act. Details of the subsidiary undertaking are set out in note 10.

Turnover and revenue recognition

Turnover comprises rental income receivable, fees and grants from central and local government and the proceeds of fundraising activities. Revenue grants are recognised as income when the conditions for receipt of grant funding have been met and/or they no longer meet the criteria to allow them to be retained on the balance sheet**.** Rental income is recognised when properties become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with administering authorities.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings and development costs.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Depreciation of Housing Properties

The organisation separately identifies the major components which comprise its properties held for social housing and non-social housing lettings and charges depreciation, so as to write down the cost of each component to its estimated realisable value, on a straight-line basis, over its estimated useful economic life.

The organisation depreciates the major components of its properties held for social and non-social housing lettings using the following useful lives:

Structure	75 years
Roof	50 years
Electrics	40 years
Heating, ventilation and plumbing	30 years
Windows	30 years
Boilers, kitchens & bathrooms	15 years

Other fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged by equal monthly instalments over the expected useful lives of the assets. The useful economic lives applied are as follows:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Computer equipment	3 years
Motor vehicles	4 years
Office and workshop equipment	5 years
Software	5 years

Government Grants

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Where Government Grants have a corresponding legal charge on the property for the open market value then the grant will be recorded at the net book value of the asset. Where Government grants are not linked to an open market value legal charge, then these are recognised in income over the life of the asset under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the organisation will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Other Grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the organisation is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Annually, housing properties are assessed for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken, comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the organisation, its recoverable amount is its fair value less costs to sell.

Investments

Non-quoted investments are accounted for on a historical cost basis less any provision for impairment. Quoted investments are accounted for at market value at the balance sheet date. Any upward movement in valuation is taken to the investment revaluation reserve and shown in the statement of Comprehensive Income except to the extent that an upward revaluation is in respect of a previous reduction charged as impairment to the Income and Expenditure account. In this event, the upward revaluation is credited to the Income and Expenditure account to the extent of the previously impaired value. Any reduction in investments value is charged to the investment reserve and shown in the statement of total recognised surpluses and deficits, to the extent that there has been a previous upward valuation. Any excess reduction in market value over previous upward valuations is charged to the income and expenditure account.

Financial Instruments

Basic and non-basic financial instruments (as defined in Section 11 of FRS102) are shown at market value (for quoted investments) or at transaction value less any provision for impairment. The organisation has not adopted hedge accounting for any financial instruments.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the organisation as a percentage of income.

General Charity Fund

The General Charity Fund has been created from donations and the proceeds of fundraising activities and is available to meet expenditure within the organisation's objectives for which no other finance is available. The Fund is included within Income and Expenditure Reserves in the Statement of Financial Position.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organisation. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed at below market rate, and, where material, the balance is shown at the present value, discounted at a market rate.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits within financial institutions.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Creditor balances arising through contracts will be held on the balance sheet for six years from the point they have arisen, or from the point our records show they have arisen, whichever is the later, on the basis this is a reasonable limitation period. However such balances will be looked at on a case by case basis and if based on management judgement they believe there is still a reasonable chance of a valid claim against a creditor balance they may be held on the balance sheet for a longer period of time.

Provision for liabilities

Provisions are recognised when the organisation has an obligation as a result of a past event. The organisation recognises a provision for future losses on contracts entered into before the year end. The amount recognised as a provision is the best estimate of the expected losses over the remaining term of these contracts.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The organisation recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pensions

The organisation participates in two funded multi-employer defined benefit schemes, the National Health Service Pension Scheme ("NHS Pension Scheme") and the West Yorkshire Pension Fund ("WYPF"). For the National Health Service Pension, the scheme does not allow identification of the share of underlying assets and liabilities belonging to individual participating employers. The income and expenditure charge includes the employer contribution payable to the scheme for the accounting period. The NHS Pension Scheme is in respect of those specific employees who have transferred their employment into the organisation via a TUPE agreement agreed with commissioners in relation to specific contractual and legal agreements.

For WYPF, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high-quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the organisation through reduced contributions or through refunds from the plan. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

The government introduced auto enrolment pension schemes when employers were phasing out their provision of pension schemes for employees due to cost. The auto enrolment scheme allows eligible employees access to a pension scheme that is contributed to by their employer as well as themselves. Scottish Widows is the auto enrolment pension scheme for the organisation's contracted staff with The People's Pension chosen as the provider for our non-contracted (casual) staff. Eligibility to be automatically enrolled on the Scottish Widows scheme is that the member of staff must be over 21 years old but under state pension age and be paid over £10k per annum. Contributions to the scheme are three per cent from St Anne's and five per cent from the employee. Eligible staff will automatically be enrolled but with the option to opt out. Any employee that exercises their option to opt out of the scheme will be automatically re-enrolled every three years (as part of the tri-annual assessment) if they are eligible, to allow them the opportunity to become a member of a pension scheme and make a provision for their retirement through this route. They will be given the option to opt out each time.

Supported housing managed by agencies

Social housing capital grants are claimed by the organisation as developer and owner of the property and included in the balance sheet of the organisation as appropriate.

The treatment of other income and expenditure in respect of supported housing projects depends on the nature of the partnership arrangements between the organisation and its managing agents and on whether the organisation carries the financial risk.

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the entire project's income and expenditure is included in the organisation's income and expenditure account (see note 2).

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the income and expenditure account include only that income and expenditure which relates solely to the organisation. Other income and expenditure of projects in this category is excluded from the organisation's income and expenditure account (see note 2).

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

For the year ended 31 March 2022	Turnover £'000	Operating costs £'000	Operating surplus / (deficit) £'000
Social housing lettings	**14,084**	**(13,106)**	**978**
Other social housing activities			
St Anne's Centre	314	(246)	68
Respite Services	2,554	(2,357)	197
Tenancy support - Other funding	16,894	(16,523)	434
Funded projects	1,177	(1,185)	(8)
Other	292	(599)	(307)
Total other social housing activities	**21,231**	**(20,910)**	**321**
Non-social housing activities			
Lettings	7,927	(8,666)	(739)
Other	399	(456)	(57)
Total non-social housing activities	**8,326**	**(9,122)**	**(796)**
Grand total	**43,641**	**(43,138)**	**503**

For the year ended 31 March 2021	Turnover £'000	Operating costs £'000	Operating surplus/ (deficit) £'000
Social housing lettings	**14,492**	**(13,907)**	**585**
Other social housing activities			
St Anne's Centre	591	(620)	(29)
Respite Services	2,542	(2,322)	220
Tenancy support - Other funding	17,307	(17,253)	54
Funded projects	1,334	(1,267)	67
Other	29	(999)	(970)
Total other social housing activities	**21,803**	**(22,461)**	**(658)**
Non-social housing activities			
Lettings	7,855	(8,426)	(571)
Other	535	(303)	232
Total non-social housing activities	**8,390**	**(8,729)**	**(339)**
Grand total	**44,685**	**(45,097)**	**(412)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

For the year ended 31 March 2022	Hostels & Supported Housing £'000	Residential Care Homes £'000	2022 Total £'000	2021 Total £'000
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	1,647	5,773	**7,420**	7,500
Service income	2,767	-	**2,767**	2,964
Charges for support services	783	-	**783**	826
Net rental income	**5,197**	**5,773**	**10,970**	11,290
Revenue grants	-	1	**1**	209
Other income	1,266	1,701	**2,967**	2,847
Amortisation of government grants	93	53	**146**	146
Turnover from social housing lettings	**6,556**	**7,528**	**14,084**	14,492
Expenditure on social housing lettings				
Management and care	(4,249)	(6,296)	**(10,545)**	(11,244)
Services	(629)	(503)	**(1,132)**	(1,303)
Routine maintenance	(972)	(377)	**(1,349)**	(1,370)
Bad debt	62	(18)	**(80)**	11
Operating costs on social housing lettings	**(5,912)**	**(7,194)**	**(13,106)**	(13,906)
Operating surplus on social housing lettings	**644**	**334**	**978**	586
Void losses	(517)	(32)	**(549)**	(618)

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation in management was as follows:

	2022 No.	New Units	Units taken out of use	2021 No.
Social housing				
Supported housing and hostels	272	-	(2)	274
Residential care homes	133	-	-	133
Total owned	**405**	**-**	**(2)**	**407**
Accommodation managed for others	76	3	-	73
Total managed	**481**	**3**	**(2)**	**480**
Non-social housing				
Registered nursing homes	83	-	-	83
Total owned	**83**	**-**	**-**	**83**
Accommodation managed for others	-	-	-	-
Total managed	**83**	**-**	**-**	**83**

FUNDRAISING

	2022 £'000	2021 £'000
Gifts and donations received	107	104
Direct charitable expenditure	(21)	(25)
Transfer to general charity fund	**86**	**79**

3. KEY MANAGEMENT PERSONNEL

Key management personnel compromise the members of the Board, the Chief Executive and other members of the Senior Management team. No emoluments were paid to members of the Board during the year.

	2022 £'000	2021 £'000
Emoluments of the organisation's key management personnel (salary, pension contributions, employer's national insurance and benefits in kind)	704	814
Compensation for loss of office	0	0
Emoluments of the highest paid employee (excluding pension contributions)	174	196

The full-time equivalent number of staff members who received emoluments (salary, pension contributions and benefits in kind)

	2022 No.	2021 No.
£60,001 - £70,000	4	1
£70,001 - £80,000	1	2
£80,001- £90,000	2	1
£90,001 - £100,000	2	1
£100,000 - £110,000	-	1
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
£170,001 - £180,000	1	-
£190,000 - £200,000	-	1

In 2021/22 there were 8 different people included as part of the Senior Management Team. The SMT is made up of the following roles: CEO, CFO, Director of Operations, HR Director, Housing Director, and Director of Business Development.

The highest paid director in the year was the Chief Executive Officer.

	2022 £	2021 £
Total expenses* reimbursed to the directors of the organisation	-	49

**The Trustees (all of whom are directors) receive only essential expenses.*

4. EMPLOYMENT INFORMATION

Average monthly number of employees expressed in full time equivalent of 37.5 hours:

	2022 No.	2021 No.
Finance and administration staff	72	67
Maintenance and housing staff	8	8
Care staff	1,034	1,064
	1,114	**1,139**

Employee costs:

	2022 £'000	2021 £'000
Staff costs (for the above persons)		
Wages and salaries	31,740	31,668
Social security costs	2,380	2,442
Other pension costs	1,125	2,776
	35,245	**36,886**

5. SURPLUS ON DISPOSAL OF HOUSING PROPERTIES

	2022 £'000	2021 £'000
Disposal proceeds	(31)	-
Carrying value of asset	(9)	-
	(40)	**-**

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022 £'000	2021 £'000
Interest Receivable	82	56
	82	**56**

7. OPERATING SURPLUS / (DEFICIT)

Operating surplus/deficit is arrived at after charging:

	2022 £'000	2021 £'000
Depreciation of freehold housing property	230	219
Depreciation of other fixed assets	408	435
Auditors' remuneration (excluding VAT):		
Fees payable for the financial statement audit	41	39
Fees for other audit services: audit of subsidiary accounts	3	3
Total audit services	**42**	**42**
Tax compliance services	13	4
Total non-audit services	**13**	**4**
Operating leases		
- Land & buildings	216	316
- Other	423	333

8. TANGIBLE FIXED ASSETS – Housing Properties

	Freehold housing property
	£'000
Cost	
1 April 2021	14,923
Additions to existing properties	339
Disposals	(419)
31 March 2022	**14,843**
Depreciation	
1 April 2021	6,123
Charge for the year	230
Impairment Charge in year	
Disposals	(209)
31 March 2022	**6,144**
Net book value at 31 March 2022	**8,699**
Net book value at 31 March 2021	8,800

	2022	2021
	£'000	£'000
Expenditure on works to existing properties:		
Improvement works capitalised	339	100
Amount charged to income and expenditure account	662	742
	1,001	**842**

The total accumulated amount of capital grants received as at the balance sheet date is £19.6m (2021: £19.9m).

8. TANGIBLE FIXED ASSETS - Social Housing Grants

	2022 £'000	2021 £'000
Balance at 1 April	10,938	11,176
Amortised within Statement of Comprehensive Income	(241)	(238)
Released on disposal	(443)	-
Balance at 31 March	**10,254**	**10,938**
Recognised in:		
Creditors: amounts falling due within one year	247	245
Creditors: amounts falling due after more than one year	10,007	10,693
	10,254	**10,938**

Social Housing Grants are receivable from the Homes and Communities Agency. Grants received for properties under construction are classified as creditors falling due within one year. Once properties have been completed, the grant is classified as a creditor falling due after more than one year and is amortised over the life of the structure of those properties.

9. TANGIBLE FIXED ASSETS – Other fixed assets

	Other freehold properties	Additions to leasehold premises	Capital work in progress	Office and workshop equipment	Computer Equipment	Furniture fixtures and fittings	Motor Vehicle	Intangible assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost									
1 April 2021	**6,538**	**47**		**240**	**889**	**3,119**	**4**	**125**	**10,961**
Additions	158	-	2,631	-	113	151	-	26	**3,079**
Disposals	(386)	(47)		-	(1)	(122)	(4)	-	**(560)**
31 March 2022	**6,309**	**-**	**2,631**	**240**	**1,001**	**3,148**	**-**	**151**	**13,480**
Depreciation									
1 April 2021	**2,572**	**39**		**230**	**697**	**2,961**	**2**	**50**	**6,551**
Charge for the year	103	3		7	123	142	1	29	**408**
On disposals	(152)	(42)		-	(1)	(121)	(3)	0	**(319)**
31 March 2022	**2,523**	**-**	**-**	**237**	**819**	**2,982**	**-**	**79**	**6,640**
Net book value									
31 March 2022	**3,786**	**-**	**2,631**	**3**	**182**	**166**	**-**	**72**	**6,840**
31 March 2021	**3,965**	**9**	-	**10**	**191**	**158**	**2**	**75**	**4,410**

10. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2022 £'000	2021 £'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	2	2
Net book value at 31 March	**2**	**2**

The historical cost of fixed asset investments is £nil (2021: £nil).

Investment Fund Plans	**£'000**
Market value at 1 April 2021	2
Disposals	-
Additions	-
Change in market value	-
Market value at 31 March 2022	**2**

Interest in subsidiary

The organisation owns the whole share capital (two £1 ordinary shares) of St Anne's Trading Limited, a company registered in England and Wales.
The trading results are consolidated numbers of St Anne's Community Services and St Anne's Trading Limited, whose results are presented and audited in their own annual report. The financial statements of St Anne's Trading Limited can be obtained from the registered office at Unit 5, Fountain Court, Bruntcliffe Way, Morley, Leeds, LS27 0JG .

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Arrears of rent	683	430
Less: Provision for bad and doubtful debts	(132)	(59)
	551	**371**
Invoiced debtors	3,633	1,710
Other debtors	152	230
Prepayments and accrued income	485	634
Amounts owed by subsidiary company	74	28
	4,895	**2,973**

12. CURRENT ASSET INVESTMENT

	2022	2021
	£'000	£'000
Money market deposits	3,991	3,972
Listed investment fund	525	522
Current asset investments	**4,516**	**4,445**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£'000	£'000
Trade creditors	1,884	1,530
Pension contributions	167	279
Other creditors	420	604
Deferred income - revenue grant	-	242
Accruals and deferred income	2,512	2,004
Other taxation and social security	536	1,005
Deferred capital grant income	247	246
	5,766	**5,910**

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£'000	£'000
Other loan	1	1
Deferred grant income	10,007	10,692
	10,008	**10,693**

The loan is repayable at varying rates of interest by instalments over more than 5 years and is secured by a special charge on a housing property.

	2022	2021
Deferred Grant Income:	£'000	£'000
At 1 April 2021	10,938	11,176
Received in year	-	-
Repaid in year	(443)	-
Released to income	(241)	(238)
At 31 March 2022	**10,254**	**10,938**
Released in one year	247	246
Released in more than one year	10,007	10,692
	10,254	**10,938**

15. NET CASH GENERATED FROM OPERATING ACTIVITIES

	2022	2021
	£'000	£'000
Surplus/ (Deficit) for the year	19,700	(5,831)
Interest Receivable	(82)	(56)
Depreciation	638	653
Decrease in provisions	-	(210)
Surplus on disposal of fixed assets	40	-
Amortisation/Release of grants	(241)	(248)
(Increase) / Decrease in debtors	(1,922)	1,829
(Decrease) / Increase in creditors	(144)	1,894
FRS102 Pension Adjustment	(19,493)	4,943
	(1,504)	**2,974**

16. CAPITAL COMMITMENTS

At 31 March 2022, St Anne's had capital commitments of £178k, for all of which contracts had been placed. (2021:£nil)

17. PROVISION

At 31 March 2022, following a review by Management, and in accordance with Accounting Standards, there were £nil provisions (2021: £nil).

18. CONTINGENT LIABILITIES

In accordance with FRS 102 St Anne's recognises contingent liabilities where management (and their legal representatives) has assessed those potential liabilities as being possible (and would make a provision where such potential liabilities have been assessed as being probable). At the year-end management believe no such possible liabilities exist and as such no contingent liabilities have been disclosed (£nil).

19. LEASING COMMITMENTS

The future minimum lease payments to be made by the organisation are as follows:

	2022		2021	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Leases expiring:				
In one year or less	198	127	290	136
Between one and five years	18	296	26	197
	216	**423**	**316**	**333**

The future minimum lease receipts due to the organisation are as follows:

	2022 Land and buildings £'000	2021 Land and buildings £'000
Leases expiring:		
In one year or less	56	-
Between one and five years	98	-
	154	**-**

20. PENSIONS

The organisation utilises four pension schemes: National Health Service (NHS) Pension scheme, Peoples Pension, Scottish Widows and the West Yorkshire Pension Fund. The West Yorkshire Pension Fund is a defined benefit scheme. Membership of the West Yorkshire Pension Fund was closed to new employees with effect from 31 March 2012. We have a number of TUPE staff who are members of the NHS Pension Scheme.

NHS Pension Scheme

The NHS Pension Scheme is a multi-employer defined benefit scheme. The scheme is unfunded. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers and, due to the nature of the scheme, the income and expenditure account charge for the period under FRS102 represents the employer contribution payable.

Employer contributions were made at the rate of 14.38% during the accounting period. Payments to the scheme in the period amounted to £180k (2021: £175k). Members' contributions are banded according to earnings. The scheme is subject to full valuations every four years (previously every five years). The last valuation took place as at 31 March 2017. Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published every October. These accounts can be viewed on the NHS Pension Agency website at www.nhspa.gov.uk.

The People's Pension auto enrolment pension scheme

Contributions were made at 3% during 2021-22. The total payments to The People's Pension auto enrolment pension scheme during the period were £32k (2021: £18k).

Scottish Widow auto enrolment pension scheme

Contributions were made at 3% and 7% (7% for the small number of members of the Scottish Widow Group Personal Pension that preceded the auto enrolment scheme). The total payments to the Scottish Widow auto enrolment pension scheme during the period were £1,659k (2021: £515k).

West Yorkshire Pension Fund

The West Yorkshire Pension Fund (WYPF) is a multi-employer scheme with more than one participating employer, which is administered by the City of Bradford Metropolitan District Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit credit method.

Contributions

The employers' regular contributions to the WYPF by St Anne's for the year ended 31 March 2021 at 37.6% of pensionable pay were £577k (2021: £2,068k). The employers' contribution rate has been fixed at 37.6% of pensionable pay for the year ending 31 March 2021. Employees' contribution rates have been fixed at rates between 5.5% and 8.5% dependent on salary levels.

As the scheme is closed to new members, under the projected unit method of valuation, the current service cost will increase as the members of the scheme approach retirement.

During the financial year 2021/22 the vast majority of the active membership of the scheme will be removed from the WYPF and transferred to the Scottish Widows scheme, this will therefore have a significant reduction in the contributions in the 2021/22 financial year.

Assumptions

The major assumptions used by the actuary in assessing scheme liabilities on an FRS 102 basis were:

	31 March 2022	31 March 2021	31 March 2020	31 March 2019
	% per annum	% per annum	% per annum	% per annum
Rate of increase in salaries	2.15	2.95	2.15	2.00
Rate of increase in pensions in payment	3.0	2.7	1.9	2.1
Discount rate	2.7	2.1	2.3	2.5
Inflation assumption - RPI	-	-	-	3.2
Inflation assumption - CPI	3.0	2.7	1.9	2.1

Mortality assumptions

The post retirement mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. The sample life expectancies at age 65 resulting from these mortality assumptions are:

	2022	2021
	% per annum	% per annum
Retiring today:		
Males	21.8	21.9
Females	24.6	24.7
Retiring in 20 years:		
Males	22.5	22.6
Females	25.7	25.8

Amounts recognised in the Statement of financial position

	2022 £'000	2021 £'000
Present value of funded obligations	(106,981)	(118,784)
Fair value of plan assets	106,107	98,417
Net pension liability	**(874)**	**(20,367)**

Amounts recognised in surplus or deficit

	2022 £'000	2021 £'000
Current service cost	236	1,785
Past service cost	-	-
Amounts charged to operating costs	**236**	**1,785**
Interest on net defined benefit liability	416	316
Amounts charged to other finance costs	**416**	**316**

Amounts recognised in other comprehensive income

	2022 £'000	2021 £'000
Actuarial gains on liabilities	10,859	915
Actuarial gains / (losses) on assets	8,449	(9,021)
Net amount recognised in other comprehensive income	**19,308**	**(8,106)**

Changes in present value of defined benefit obligations:

	2022 £'000	2021 £'000
Opening defined benefit obligation	118,784	95,054
Current service cost	236	1,785
Interest cost	2,441	2,163
Actuarial (gains) / losses on liabilities	(10,859)	21,851
Benefits/transfers paid	(3,659)	(2,397)
Member contributions	38	328
Closing defined benefit obligation	**106,981**	**118,784**

Reconciliation of opening and closing balances of the fair value of scheme assets:

	2022 £'000	2021 £'000
Opening fair value of assets	98,417	79,630
Interest income on scheme assets	2,289	1,847
Actuarial gains on assets	8,449	16,692
Contributions by employer	573	2,317
Member contributions	38	328
Net benefits paid	(3,659)	(2,397)
Closing defined benefit obligation	**106,107**	**98,417**

Major categories of plan assets as a percentage of total plan assets:

	2022	2021
Equities	79.8%	78.9%
Property	4.0%	4.0%
Government Bonds	7.4%	9.0%
Corporate Bonds	4.8%	4.8%
Cash	2.9%	1.3%
Other	1.1%	2.0%
	100.0%	**100.0%**

	2022 £'000	2021 £'000
Actual return on plan assets	**8,991**	**18,010**

Admission Agreement for admission to West Yorkshire Pension Fund

In connection with a contract between City of Bradford Metropolitan Council and the organisation, an agreement for admission to a new section of WYPF was entered into with effect from 20 December 2011. The agreement is specific to eligible staff transferred to St Anne's by virtue of the contract and will terminate on the expiry or earlier termination of the contract. This section of the WYPF was fully funded at the start of the agreement. Subject to the organisation complying with specific clauses in the agreement, any deficit relating to this section of the fund will be subsumed by the council. Following the scheme valuation as at 31 March 2021, employer contributions of £11k were required for the year ending 31 March 2022.

Due to the subsumption arrangements in place, assets and liabilities relating to this section of the WYPF have not been included in the organisation's balance sheet.

The McCloud judgement

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members of public sector pension schemes as part of reforms to those schemes amounted to unlawful discrimination, as a result an allowance should be made for the McCloud Judgement in accounts, however the allowance is highly dependent on the salary increase assumption. As the assumed rate of CPI for St Anne's salary increases is less than CPI, McCloud will not have an impact and no allowance is therefore included in these financial statements.

21. RELATED PARTY TRANSACTIONS

The organisation paid £45k (2021: £22k) on behalf of St Anne's Trading Ltd (see note 10). St Anne's Trading made a Gift Aid Distribution of profits to St Anne's Community Services of £2k (2021: £42k). There were no other related party transactions in the year. The amount due from St Anne's Trading Ltd to St Anne's Community Services at the year-end was £74k (2021: £29k).

22. CATEGORIES OF FINANCIAL ASSETS AND LIABILITES

	2022	2021
	£'000	£'000
Financial Assets at amortised cost		
Rent and Service Charges receivable	551	371
Invoiced Debtors	3,633	1,710
Other debtors	152	230
Accrued Income	162	163
	4,498	**2,474**
Financial liabilities at amortised cost		
Trade creditors	1,884	1,530
Other creditors	420	604
Deferred income - revenue grant	-	242
Deferred capital grant	247	245
Accruals and deferred income	2,512	2,004
Other taxation and social security	536	1,006
Pension contributions	167	279
	5,766	**5,910**

ST ANNE'S COMMUNITY SERVICES

England & Wales - Charity number 502224

Accounts

COMPANY NO: 1089026

CHARITY NO: 502224

RSH NO: H3158

St Anne's Community Services

Annual Report and Financial Statements

For the Year Ended 31 March 2021

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COMPANY INFORMATION

The Trustees, who are Directors of St Anne's Community Services, have pleasure in presenting their annual report and financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with our governing document, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 2018 for registered social housing providers preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland.

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider regulated by the Regulator of Social Housing (RSH). Details of the Trustees and other corporate information are set out below:

Board of Trustees who served during the year	I McIntosh (Chair) P Brown G Dalton P Garnett B Machin G Osborne J Riley P Roberts (resigned 12 February 2021) M Turnbull T Watters I Currell (appointed 1 March 2021) O Laird (appointed 1 March 2021) A Leech (appointed 1 March 2021) A Sully (appointed 1 March 2021)
Company Registered Number	1089026
Charity Commission Number	502224
External Auditors	Mazars LLP 5th Floor, 3 Wellington Place, Leeds, LS1 4AP
Bankers	Unity Trust Bank plc Four Brindley Place, Birmingham, B1 2JB
Solicitors	Bevan Brittan LLP 7th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ DAC Beachcroft LLP 23 Park Square South, Leeds, LS1 2ND
Pensions and Investment Advisors	Mercer Limited 1 Whitehall Quay, Whitehall Road, Leeds, LS1 4HR Purple Wealth Management LLP 50 Burley Hill Business Centre, Burley Road, Leeds, LS4 2PU

CHAIR'S WELCOME

In 2021 St Anne's Community Services celebrates its 50th year. From humble beginnings as St Anne's Day Shelter in 1971 supporting homeless men in Leeds to becoming a leading northern based charity proud to support people with learning disabilities, mental health, substance misuse and homelessness issues, our journey has been a long one, where we have always continued to hold onto the same strong core principles.

At St Anne's we are proud to make a difference every day by providing the highest quality, person centred care and support.

This is reflected not only in how we operated during our first 50 years but is also embedded in our recently launched 5 year strategy, making it a cornerstone for how we will operate in the future.

Whilst 2021 is be a year for celebrating our 50th anniversary, all of us are very aware that this has also been a year of change and challenge. We have faced unprecedented operational and financial challenges during the year, most dramatically the Covid-19 pandemic. Whilst Covid-19 has certainly affected St Anne's, we have continued to provide excellent care and support to our clients throughout. That has only been possible through the extraordinary team spirit and dedication shown by our staff. Not only front-line staff working with our clients but right across the organisation our people have gone "above and beyond". On behalf of the Board and St Anne's wider stakeholders I would therefore particularly like to thank all our staff for their continued dedication and commitment to our clients in this exceptionally challenging year.

Our clients are at the centre of everything we do, and it is pleasing to report that our Care Quality Commission (CQC) ratings have remained consistently high over the last year, with the vast majority of our CQC rated services scoring Good or Outstanding, ahead of the national sector averages.

Our people are our key asset. As such we are committed to the continuous development of our staff and investing in their training and support. In the past year we have also finalised the simplification of our staff terms and conditions, this in turn has allowed us to be able to pay the national Real Living Wage for almost all (98%) of our staff, with the intention to pay the national Real Living Wage for all staff in future years.

St Anne's can only continue to deliver its charitable purpose into the future if it is financially sustainable. Our financial performance for 2020/21, described in the following pages, reflects the challenges within the social care sector and the effect of the Covid-19 pandemic. Nevertheless, our underlying trading results, before the movements in the pension scheme valuation and the one-off property disposal last year, are not dissimilar to the previous year. These results reinforce the importance of financial sustainability, so that we can continue to support our clients with their evolving needs, reinvest in our current services and develop new services to meet the changing needs of the most vulnerable people in our society.

During 2020/21 St Anne's appointed Azra Kirkby as Chief Executive Officer (CEO), having acted as interim CEO for several months. This and other management changes in the previous year have allowed St Anne's to benefit during this year from a stable Senior Management Team which has been able to make significant changes to take the organisation forward and to navigate the challenges Covid-19 has presented.

Our Board of Trustees has been further strengthened by four new trustees who have already made a positive impact. The Trustee role carries significant responsibility and so I am grateful to all the Trustees for assuming that responsibility and for their commitment to St Anne's during the past year.

To all of those who have supported us this year, the Trustees offer their gratitude. The Board is looking forward to 2021/22 with cautious optimism, whilst remaining realistic about the challenges we continue to face.

I W McIntosh
I W McIntosh (Sep 23, 2021 16:32 GMT+1)

Ian McIntosh,
Chair of Board of Trustees

CHIEF EXECUTIVE'S WELCOME

The year has presented some significant challenges for St Anne's, most notably with the impact of Covid-19; however along the way it has also demonstrated how adaptable and resilient we can be as an organisation, particularly in the way we support and train our colleagues.

Covid-19 has provided all health and social care settings with a challenge; St Anne's has risen to that challenge through the dedication of our staff ensuring our clients remain supported to a high standard and feel safe. We recognise how difficult this time has been for our clients and our staff, adapting and dealing with the risks of Covid-19 on the front line, and also for families and friends who have not been able to visit their loved ones during lockdown. I would like to thank all of our staff for the sacrifices they have made to ensure the people we support have remained safe, cared for and supported during the pandemic.

Over the past few months we have worked closely with staff and clients alike in preparing our new Strategy for 2021 to 2026 - 'A Life Without Limits' - and we are excited to be launching this and setting our direction for the next five years. This will take St Anne's on an exciting journey with its clients, staff and stakeholders, all working together. Alongside this we have also refreshed our vision, purpose and values. Our values in particular are building on the previous values and represent both the current ethos of the organisation and the culture we want to further embed within St Anne's. They represent everything we are PROUD of within St Anne's. Our ambitious vision 'a life without limits for the people we support' embodies how we strive to support our clients every day and further builds on our purpose which is simply to 'make a difference' to the people we support.

St Anne's continues to develop as an organisation and over the past year we have continued to maintain high quality standards with continued good and outstanding ratings from CQC within the vast majority of our services and again this can only be achieved through the skill, dedication, and commitment of our staff.

Financially we have made a deficit in the year, with the main drivers of this being the impact of Covid-19, and the changing valuation of our defined benefit pension scheme, again partly driven by the impact Covid-19 has had on liability assumptions. Some of these factors are out of our control, however we do also recognise that the costs associated with the defined benefit pension scheme are not sustainable for us as a charity and as such, following consultation, we have taken steps to reduce very substantially the active membership of the scheme which will come into effect in 2021/22.

Despite the financial challenges we face, we believe it is important to recognise the importance of our staff and at the end of the financial year we have again been able to announce a salary increase that puts all of our staff at or above the national Real Living Wage. In a sector where funding is challenging and paying front line staff to this level is therefore difficult for most organisations, we hope that this helps to attract new people to St Anne's and retain our existing staff so that we can continue to deliver great outcomes for our clients who are some of the most vulnerable people in society.

I would also like to take this opportunity to thank the Trustees for their diligence and the support they have given to St Anne's over the past year. Their voluntary roles carry significant responsibility and they have continued to give a considerable amount of support and devotion to the organisation throughout this challenging year.

As we celebrate our 50th year, we look forward optimistically as to how we can adapt and grow further so that we continue to meet our client needs over the next 50 years!

Azra Kirkby
Azra Kirkby (Sep 23, 2021 11:53 GMT+1)

Azra Kirkby,
Chief Executive Officer

REPORT OF THE TRUSTEES (incorporating the strategic report)

The Trustees, who are the Directors for the purpose of company law, present their report along with the financial statements of St Anne's Community Services for the year ended 31 March 2021.

Introduction: St Anne's - Making a difference every day

St Anne's was founded 50 years ago, in 1971, as a daytime shelter for homeless men in Leeds. From these small beginnings we have gradually expanded over the years to become the organisation we are today, with around 1,300 employees supporting people across the North of England.

Our very first service was shaped around people's needs and wishes and we have maintained this ethos, with the people we support at the centre of all our work, throughout all the services we provide.

We provide housing and accommodation-based support in partnership with other housing providers and deliver a range of community-based services across the North of England. We are proud to support people with learning disabilities, mental health, substance misuse and homelessness issues and to help them achieve their aspirations.

Much of our work is undertaken in partnership with local authority adult social care departments, clinical commissioning groups and community safety partnerships. We also work extensively with people whose support is funded via a direct payment or an individual service fund.

Our current services include:

- Supported living services.
- Residential care, including nursing care.
- Specialist detoxification and rehabilitation (alcohol and substance misuse).
- Respite care.
- Domiciliary care.
- Floating outreach.
- Carers' support.
- Day services.
- Shared Lives.
- Community mental health and substance misuse services.
- Housing with support (long and short term).
- Homelessness services.
- Women's hub (an emergency safe place to stay for women with complex needs who are street homeless or vulnerably housed).

This range and diversity of provision means that if people's needs and goals change, they can continue to be supported by St Anne's.

We work predominantly in the following areas:

North-East: Durham, Gateshead, Middlesbrough, Newcastle Upon Tyne, North Tyneside, South Tyneside, and Sunderland.

Yorkshire & the Humber: Bradford, Calderdale, City of York, East Riding, Kirklees, Leeds, North Yorkshire, Sheffield, Wakefield, and Hull.

Continuing to focus on the needs of the people we support, we:

- Develop services where we know they are needed.
- Focus on continuous improvement and demonstrating value for money.
- Regularly review our services with the people we support and work together to meet changing needs.

Our Vision
A life without limits for the people we support.

Our Purpose
To make a difference every day. Providing high quality care and support to enable people to lead independent and fulfilled lives.

Making a difference every day is a philosophy that is strongly interwoven into the cultural fabric of St Anne's. It is part of who we are. We do this by providing the highest quality, person centred care and support.

Our Values
We are PROUD to make a difference every day.

Person Centred: We place people at the centre of everything we do and think about how our decisions affect them. We promote choice and we treat people as individuals.

Respectful: We respect each other's opinions and beliefs and treat everyone with dignity. We ensure an inclusive environment, and we celebrate diversity.

Open: We communicate in an open, honest, and transparent way and we share information with each other. We act with integrity, and we do what we say we will.

Understanding: We are understanding of the needs of others, and we work in a caring and compassionate way. We are kind and we support each other.

Dedicated: We are dedicated to improving the lives of the people we support every day and delivering quality services.

Our strategic commitments
Our three strategic commitments for the next five years through to 2026, and the pillars supporting each commitment, are as follows:

Strategic Commitment 1: Our commitment to our people, communities, and the environment
Pillar 1: Enabling our Clients – To ensure that the people we support are at the centre of everything we do, creating strong, individual pathways for people to live their best life.

Pillar 2: Empowering our People – We are a people organisation – people supporting people, and we want to be recognised as a greater place to work, an 'employer of choice' to our employees and to people outside of our organisation.

Pillar 3: Delivering Social Value to our Communities – To increase, measure and evidence our social impact for people, local communities, and the environment.

Strategic Commitment 2: Our commitment to excellence and innovation in service delivery
Pillar 4: 'Good to Great' Quality and Continuous Improvement – To be an exemplar of high-quality and best practice within the social care sector – from 'good to great' – delivering great services and achieving great outcomes.

Pillar 5: Consolidation, Innovation & Expansion – To consolidate our existing range of services, develop innovative and creative services that support pathways for people and expand our offer to new localities.

Pillar 6: An Integrated Housing Solution – To develop and invest in our housing and assistive technology offer. Offering a truly integrated approach that will enable greater access to high quality, affordable homes that meet evolving individual needs.

Strategic Commitment 3: Our commitment to business sustainability, value for money and digital transformation

Pillar 7: Digital Transformation – To make systems and processes more efficient and to use technology to build greater connectivity, quality, and capacity within the organisation.

Pillar 8: Organisational Resources and Sustainability – To ensure that everything we do considers and represents value for money, and we operate in a way which is financially sustainable in both the short and long term.

Our performance and achievements

Throughout 2020/21 we continued our work to make a difference, providing high quality care and support to enable people to lead independent and fulfilled lives. Some examples of our achievements this year include:

Our clients:

- We relaunched our Client Involvement Group. St Anne's Expert Voices and Experiences Network (SEVEN) group help to further enhance client involvement and influence throughout St Anne's.
- We achieved accreditation from the Restraint Reduction Network for our Positive Behaviour Support training, reducing physical interventions and supporting people with challenging behaviours to have greater choice and control.
- Clients from our SEVEN group have been using Microsoft Teams to recruit to senior positions in the organisation such as the Director of Operations and Head of Quality and Continuous Improvement.

Our staff:

- Regional Operations Manager Mark Fennelly was shortlisted by The Guardian in their annual 'Public Servant of the Year' award for caring and supporting some of our most vulnerable people for almost three decades.
- We continue to make excellent progress towards greater inclusivity and equality in the workplace. We are now ranked 9th in the Stonewall Workplace Equality Index with Gerard Wainwright, First Line Manager at our Heatherstones service, being awarded Stonewall Ally of the Year for the Yorkshire and Humber Region.
- We completed a consultation on amending the terms and conditions of our workforce, ensuring the organisation is more attractive and competitive. We demonstrated our commitment to fair pay by paying above the national Real Living Wage Foundation rate.
- We relaunched our Diversity Action Group as a staff network to encourage colleagues from all backgrounds to champion our journey to increasing diversity in every part of the organisation.
- We held our annual Staff Celebration of Achievement event virtually for the first time, bringing together people from across the organisation to showcase the best of St Anne's.
- We designed and commenced delivery of our new Leadership Development Programme, developing talent and skills to help us deliver on our ambitious 2021- 2026 Business Strategy.
- St Anne's is proud to have been shortlisted for two Great British Care Awards. Two of our staff from the North-East have been recognised for their outstanding work and contribution.

Our services:

- We celebrate a CQC milestone – 100% of all CQC registered supported living services rated 'Good' or above. Kings Mill Court becomes our first service to receive an overall 'Outstanding'. We have also commenced the development of our 'Good to Great' quality and continuous improvement plan for 2021-2026.
- We invested in a new business development and marketing team to work with our operations to help drive the organisation forward through the development of new and innovative service delivery models that reflect evolving client aspirations for greater choice and independence.
- Work commenced on expanding our 'Women's Hub' in Leeds to provide a safe space for vulnerable women who have no place to go.

- We expanded our Supported Living Services to the City of Hull. An exciting opportunity for St Anne's to deliver innovative and creative services in a new area.
- We significantly reduced the cost and usage of agency staff by 28% and 33% respectively when compared to the previous year. This has had a positive impact on the quality of care and support we provide to our clients.
- We celebrate St Anne's 50th Anniversary as a leading care and support provider. As part of our celebrations, we launched our new brand.

Our systems and processes:

- Our Covid-19 response. Our dedicated staff teams were selfless in supporting our clients throughout this terrible pandemic. We partnered with Leeds City Council to support homeless people in hotels across the city. We developed an in-house PPE stock system and worked with other providers to ensure our services had all the PPE they needed throughout the pandemic. We worked with a local Gin distiller on the brink of closure to help supply us with alcohol gel for our care homes and we collaborated with a local trouser maker to produce PPE gowns to help keep our staff safe.
- Our IT department have been awarded with Cyber Essentials Plus accreditation. Showing a commitment to security, and demonstrating to your business partners, regulators, and suppliers that we are at the forefront of cyber security and safeguarding sensitive data.

Corporate Social Responsibility

Our Commitment to Corporate Social Responsibility (CSR) continues across the work we do with clients and beyond with large and smaller sized partners and the local communities where we are based. Covid-19 has presented us with an opportunity to do things differently which has meant that we have had to find different ways of working and delivering CSR in ways that are still meaningful and add value. We have retained the same themes and have learnt new skills and built new relationships along the way, we are an organisation that is proud to deliver against our values, and one that is proud to have its CSR themes wholly embedded.

The Market

The people we provide care and support for will always be at the very heart of the services we deliver. That will not change, nor will the level of influence they have in shaping our approach. Our strategy recognises that people's needs change and new approaches are developed. St Anne's has a philosophy of continuous improvement. We are proactive in monitoring and applying emerging best practice, research, and evidence, and seeking innovation so that our practice reflects the latest standards and evidence, and we can further improve the care and support we provide.

Workplace

For some of us the workplace has changed, from office to home, that has worked for some but not all, but the reality is that the "workplace" is wherever the people we support are, we are privileged to be invited into the homes of people we support. Those staff that sit behind desks undertake the tasks that enable and support operational and frontline staff to deliver consistent, high quality care and support. During Covid-19 those operational and frontline staff have proved again and again that their commitment and dedication to their role is more than just a job, quite literally for some it has been a way of life. St. Anne's values the loyalty of all staff and continues to recognise and reward that loyalty and dedication that is shown to the clients and the families who have chosen us to provide their care.

Environment

In the last year we have had to find different ways of contributing to our environment and reducing our impact, lockdown has seen the many of our office based staff working from home, reducing travel time, and utility consumption, whist many of our operational and front line staff have been working with clients to revamp and re-establish gardens, vegetable plots and creating calm and serene spaces to sit and reflect on the thoughts of the day. From spade to plate wholesome vegetable initiatives to the unexpected added value of the creation of wildlife habitat where birds and small mammals have become the regular visitors and for some clients more than a passing interest.

Our Community

We operate across the North of England and are proud to be an integral part of a number of different communities within each of those areas. We share our learning, we share our spaces, we contribute through a vast range of fundraising and volunteering activities, we support and promote good causes, we build trust, and we build confidence. We currently support several charity partners, including the Care Workers Charity.

Strengthening our Governance

This reporting period has seen the review and redevelopment of two key governance documents; The Governance Framework and the Risk Management Framework. The frameworks provide the structure and detail the interrelated relationships and factors as well as touching on other elements that influence the organisation. Importantly both also set out the respective roles and responsibilities of the management structure, and reference to policy, systems and processes used across the organisation.

St Anne's Community Services continues to maintain the Charity Governance Code for Large Charities and continues to promote good practice and good governance through its seven principles. Furthermore, we have adopted the 2020 Code of Governance produced as discussed in more detail below.

We published this year our Modern Slavery Statement, which explains our approach to Modern Slavery across the following areas:

1. Organisation structure and supply chains.
2. Policies in relation to slavery and human trafficking.
3. Due diligence processes that we have in place.
4. Key performance indicators that measure the steps we are taking.
5. Training on modern slavery and trafficking.

Assuring the Quality of our Assets

St Anne's is obliged to ensure compliance with the regulations of the Regulator of Social Housing and the Health and Safety at Work Act 1974.

During the year the organisation commissioned a preliminary independent stock condition survey together with fire risk assessments for all properties owned by St. Anne's or for those which St. Anne's has a repair responsibility. The Board is committed to investing in our properties, to make better homes for people, and the findings of the survey and assessments will help to determine future spend and to develop an Asset Management Strategy. This will allow us to continue to demonstrate our commitment to meeting the Decent Homes Standard.

St Anne's is committed to continued improvement and, as a result, is carrying out a full review of the Repairs and Maintenance operation to ensure it continues to deliver high-quality, value for money service.

Our Finances

Our income for the year 2020/21 was £44.7m, up on the previous year by £1.7m (4.2%), from £42.9m; however our operating costs have grown by a similar proportion. The vast majority of our income comes from providing services directly to the people we support and in the main from local authority contracts. Our funding therefore supports our work with people with learning disabilities, mental health issues, substance misuse and homelessness through services that range from support in the community, supported living, through to residential care.

Our deficit for the year before the actuarial loss on our pension schemes is £0.7m, compared with a surplus of £0.9m last year. Last year's surplus was helped by a one-off property sale worth £1.5m, hence before the sale last year we would have made a deficit of £0.6m, which is in line with the 2020/21 deficit.

This year's deficit is further driven by further national living wage increases and other cost pressures; however the most notable cost pressure has obviously been Covid-19 with additional staffing, PPE and equipment costs. For some of these costs we have received funding through the local authorities and Government funding more generally; however not all of these costs have been covered, so this unfunded additional expenditure has had an impact on St Anne's performance in 2020/21. Therefore overall, to come out at a deficit which is similar to last year and ahead of our own internal budget expectations, despite Covid-19, is therefore a creditable result.

It is however important to note that there has been a significant actuarial loss on the West Yorkshire Pension Fund (WYPF) in the year, producing a charge to other comprehensive income in the year of £5.2m, which has resulted in an overall comprehensive deficit of £5.9m for the year. This is however £1.3m better than the overall comprehensive deficit last year.

The result of the movement in the WYPF has led to an overall pension liability of £20.4m on our balance sheet. We continue to monitor this and have plans to manage this liability in the longer term, in particular we will be monitoring the impact the equity markets has on the future pension valuations and make additional contributions to the scheme in the long term if the deficit doesn't reduce further over time.

Before the pensions liability our underlying reserves are healthy at £15.4m; however after the pensions liability we are in a negative reserves and net liabilities position of £5.0m. Again, we will continue to monitor the WYPF position and take appropriate action at the right time to ensure this is manageable for St Anne's.

Additionally, our cash position as an organisation remains strong with £15.8m in cash and investments available to us at the end of 2020/21, which is a £2.6m increase from the previous year.

Looking ahead, alongside striving to continue to deliver the best possible support for our clients, we hope and anticipate seeing: an easing of the impact of Covid-19; the fruits of some of the cost reduction exercises we have undertaken in 2020/21; and to begin to deliver further growth in the services we provide.

Comprehensive income for the five years ended 31 March 2021

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'000
Turnover	44,685	42,877	44,833	44,153	43,387
Operating costs	(45,048)	(43,311)	(45,214)	(43,762)	(44,293)
Pension adjustments*	(532)	491	793	816	236
Controllable Surplus/(Deficit) for the year	**(896)**	**57**	**412**	**1,207**	**(670)**

**Pension service costs are included within operating costs and so are excluded here to give an underlying controllable surplus/(deficit) position.*

Statement of financial position for the five years ended 31 March 2021

	2021 £'000	2020 £'000	2019 £'000	2018 £'000	2017 £'00
Tangible fixed assets	13,210	13,452	13,619	13,877	15,049
Fixed asset investments	2	1,509	1,510	1,510	1,510
Net current assets	12,844	12,441	11,856	11,209	10,343
Total assets, less current liabilities	**26,056**	**27,402**	**26,985**	**26,596**	**26,902**
Creditors due after more than 1 year	10,693	11,151	12,310	12,377	12,658
Net Pension liability	20,367	15,424	6,679	8,397	8,959
Total net assets/(liabilities)	**(5,004)**	**828**	**7,996**	**5,822**	**5,285**
Reserves: General Charity Fund	161	127	161	162	172
Investment revaluation	0	8	8	8	8
Revenue reserves	15,202	16,117	14,506	14,049	14,064
FRS 102 pension liability	(20,367)	(15,424)	(6,679)	(8,397)	(8,959)
Total Reserves	**(5,004)**	**828**	**7,996**	**5,822**	**5,285**

Value for Money

Value for Money is key to how St Anne's operates, and we are continuously striving to improve the way we work so that we can provide better services for the people we support.

We take a balanced approach to Value for Money that considers performance and investment through three lenses:

- Financial value: The value to the charity. This could be savings through efficiencies, increased income, or delivering more with the same resource.
- Client value: The value for the people we support. This could be direct savings, or similarly reducing clients' dependency on benefits.
- Social value: The value to the wider society and the economy. This could be savings to the public purse or benefits to the community and local environment. We are committed to our charitable purpose and determined to meet our cost savings targets while continuing to have a positive impact on the people we support and our social value contribution.

Examples of how we currently operate to ensure we deliver Value for Money include:

- Ensuring we monitor relevant key performance indicators.
- Continuing to invest in our assets and housing stock appropriately and efficiently.
- Having a dedicated procurement team to ensure purchases are of an appropriate quality, at the best possible price and ensuring due process.

We continue to enhance our focus on Value for Money during 2020/21 by reviewing our approach and improving our internal controls and procedures.

Value for Money Summary

Our Metrics	Housing Median 19/20	Actual 20/21	21/22 Target
Rent arrears	4.9%	3.3%	1.8%
Income collection	99.84%	104.0%	98.2%
Tenant satisfaction (annual survey)	86.9%	86%*	>85%
Re-let times	29 days	99 days	45 days
Voids	5.0%	7.4%	4.0%

* No survey in 20/21 due to covid-19, showing 19/20 survey results

During the year we have continually reviewed the Value for Money disclosure requirements. We will continue to benchmark ourselves against similar organisations, setting targets for our key metrics. This will then help to further inform our target setting process for future years and measure our performance.

We note that rent arrears are below the housing median. However, as this is driven primarily by housing benefit arrears and we receive housing benefit directly for the majority of our social housing clients four weekly in arrears, this can impact on this metric, depending when the financial year end falls.

Our income collection rate was high and recognised some arrears from previous years. We anticipate the rate will settle back down to a rate over 98% in 2021/22.

Re-let times are longer for supported housing than for general needs housing as it can take longer to match clients with suitable properties for their needs. In addition to this, re-let times was longer due to Covid-19, and particularly due to lockdowns and local restrictions.

Similarly, void rates are generally higher for supported housing than for general needs housing because of the complexities of matching client needs to suitable properties. Our reported voids performance was impacted by Covid-19 meaning that planned efficiencies in reducing the number of voids during the year were not able to be implemented.

Regulator Metrics	19/20	Peer median	Housing Median	Target 20/21	Actual 20/21	Target 21/22
Reinvestment	10.1%	19.7%	6.9%	7.5%	8.7%	7.5%
New Supply	0.0%	4.9%	1.4%	0.0%	0.0%	0.0%
Gearing	N/A	40.4%	44.5%	N/A	N/A	N/A
EBITDA MRI Interest Cover %	N/A	3093.5%	171%	N/A	N/A	N/A
Headline Social Housing Cost	£24,074	£7,880	£3,710	£22,000	£28,971	£26,540
Operating margin social housing %	7.5%	12.1%	26.8%	9.5%	4.0%	9.6%
Operating margin overall %	(2.5%)	10.9%	24.6%	(1.0%)	(1.0%)	0.1%
ROCE%	(4.2%)	5.9%	3.5%	>0%	(1.7%)	>0%

This year's disclosure includes: the housing median from the sector scorecard; and a peer group of similar supported housing providers, although most also provide general needs housing as well. We have also set out our targets for 2021/22.

Investment in our properties has decreased in the year, driven by lockdown restrictions preventing and delaying some of the planned works into 2021/22.

There was no development of new supply in the past year and there are currently no plans for the development of new housing stock in 2021/22.

We do not have any debt financing in place and therefore gearing and interest cover are not applicable.

Our headline social housing cost is significantly higher than the housing median and the peer median, reflecting St Anne's specific characteristics. The peer median is based on providers who also offer supported housing and other care provisions and shows a higher figure than the housing median; however, the nature of our services and the requirement to meet our clients' specific individual needs, which can be complex and varied, means our spend is much higher than both benchmarks. It is also worth noting that housing is a relatively small part of our business, with St Anne's portfolio covering a variety of other care services.

Our operating margin for social housing came in lower than our target margin. This is attributable to higher costs being incurred due to the Covid-19 pandemic that have not been offset with additional income.

The return on capital employed (ROCE) was negative during the year because of the overall deficit position, and we are anticipating a surplus in 2021/22 which will result in a positive ROCE.

Reserves policy

In the year, the Senior Management Team (SMT) and Board of Trustees have reviewed the reserves policy to both ensure this meets the organisation's long term objectives, and that the current level of reserves is sufficient for any day-to-day variation in operational need. The policy has been updated to reflect the reserves position before and after the long-term pension liability.

The Trustees have considered financial risks, sources of income and variability of costs and set a target level of free reserves at £13.7m, with the objective of retaining liquid cash at over £7.0m, representing approximately two months of expenditure.

As shown in the table below, free reserves, which are defined as unrestricted reserves, excluding functional assets and the long-term pension liability were £13.6m at 31 March 2021.

	31 March 2021 £'000	31 March 2020 £'000
Unrestricted reserves	(4,956)	819
Exclude functional assets	12,765	12,933
Exclude deferred grants relating to functional assets	(10,937)	(11,176)
Exclude pension liability	(20,367)	(15,424)
Free reserves	**13,583**	**14,486**

The pension deficit of £20.4m (2020: £15.4m) is a longer-term liability that will fluctuate over time, both up and down, and therefore is not taken into account in calculating free reserves. However, this is a liability that needs to be considered when assessing the sufficiency of free reserves. The Trustees are of the view that, in light of the unprecedented impacts on financial markets and their impact on our pension scheme valuation at the balance sheet date, the free reserves are sufficient for the next twelve months, when a further assessment will be made.

Investment policy and performance

Our investment policy is designed to support the reserves policy. The organisation has adopted a prudent investment policy to balance potential returns with appropriate levels of risk. The key objectives of our investment policy are to:

- Seek the best financial return within an acceptable level of risk.
- Meet the investment objective for any long-term reserves, which is primarily to generate a return in excess of inflation over the long term. Generation of income to support the on-going activities of St Anne's is a secondary consideration.
- The investment objective for any short-term reserves is to preserve the capital value with a minimum level of risk. Assets should be readily available to meet unanticipated cash flow requirements.

The Pensions and Investments Committee will continue to monitor the achievement of these objectives and to make any investment recommendations it deems appropriate to the Board.

At 31 March 2021 Fixed Asset investments were valued at £2k (2020: £1,509k), given a number of Fixed Asset Investments matured in the year.

Going concern

St Anne's is well placed to manage the short to medium term financial risks we face. The organisation now has an established and experienced senior management team and group of Trustees able to make appropriate and optimal decisions for St Anne's. Additionally, St Anne's has a strong growth pipeline and has taken effective action to reduce costs in the year. All of these actions support the organisation's ability to continue to operate as a going concern into the future.

We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for at least 12 months after these financial statements are signed. We believe that there are no material uncertainties that call into doubt the ability of the organisation to continue as a going concern over that period.

Our financial planning processes take into consideration the current economic climate as well as our growth projections linked to our 5-year strategic plan, hence further supporting our view that we are able to continue to operate on a going concern basis.

We do, however, additionally acknowledge our pension fund obligations, which we will continue to monitor and take appropriate action as these obligations continue to fluctuate in the medium to long term, in addition to making the decision during the year, to vastly reduce the active membership of the scheme by 98%.

Subsidiary

St Anne's Community Services has only one subsidiary: St Anne's Trading Limited, a company registered in England and Wales. St Anne's Community Services wholly owns all the issued share capital of St Anne's Trading Limited.

Principal risks and uncertainties

The Board of Trustees has responsibility for ensuring that there is effective risk management, and that internal control systems and processes are in place to manage the organisation's strategic risks and to support the achievement of its strategic objectives.

This responsibility continues to be exercised through an annual review of the effectiveness of our risk management framework including the following:

- Ensuring that the identified risks strike a balance between taking risks and reducing them.
- Recognising that whilst being risk averse is a safe option, it will not necessarily allow the achievement of rewards or opportunities that managing risks well could do.
- Ensuring effective and meaningful risk management adds value, depth, and breadth of quality both for learning and for business growth.

Risk management design:
Through our risk management framework, we continue to demonstrate our ability to identify and manage risks across the organisation, from Board to service delivery level. It supports the business, and both underpins and promotes confidence in growth and development.

Key points:
- Risks are identified and recorded in detail at an operational level, as well as being reported at an organisational level.
- Key risks are identified and presented to the Board with a detailed narrative explaining the context and the thinking behind the judgement.
- The risk management framework is meaningful and effective.

Our approach is consistent and aims for continuous improvement:
- Strong governance which monitors and reviews performance as well as owning and reviewing policy and process.
- Identification of risks and opportunities from both internal and external perspectives, reflecting regulatory, strategic, operational, IT, legal, environmental, and financial issues.
- Detailed measurement and assessment of risk that reviews specific and aggregate exposure, clarifies our risk appetite, and confirms our overall risk profile.
- Applying risk mitigation to minimise the impact of risks.
- Providing detailed reporting.

We therefore believe we have a robust and well-developed risk management process, with departmental risk registers feeding into a corporate risk register that identifies and assesses the likelihood and impact of potential risks as well as setting out how the organisation plans to mitigate against those risks. These are live documents but are reviewed bi-monthly by SMT, sub-committees and the Board. The following are some of the more significant risks St Anne's is currently facing:

Covid-19: Throughout the year, Covid-19 has continued to impact us all our approach fully reflects Public Health England and other Government statements and advice, and we continue to exercise strong caution.

St. Anne's continues to support clients and staff, taking action promptly to address new risks and new opportunities. St Anne's maintains an appropriate level of PPE, keeping clients and staff as safe as possible.

Whilst we recognise the additional costs and risks associated with Covid-19, we believe we remain positioned and ready to address both the financial challenges and the risks our clients and staff are facing.

Funding: St Anne's has a relatively small number of customers and following Covid-19 those customers may face their own challenges which could result in a reduction in income for St Anne's.

Whilst this could be a risk for St Anne's, as part of our new strategy there is a focus on growing our offer with those customers and also expanding the services we provide to new customers. This growth should therefore mitigate against any reliance on a few customers or other cutbacks in funding.

Meeting our pension obligations: In particular one of the schemes we have members in, the WYPF, is a costly scheme and meeting the contributions for that scheme as well as the pension deficit is a challenge.

In order to mitigate against this St Anne's has taken the decision to vastly reduce the membership of the scheme in 2021/22 which will therefore significantly reduce our on-going pension contribution obligations under the scheme.

Structure, governance and management

St Anne's Community Services is a company limited by guarantee. It is registered with the Charity Commission and is also a registered housing provider, regulated by The Regulator of Social Housing.

It is governed by its Articles of Association, which set out the charitable purposes for public benefit in the following terms:

- To relieve those in need by reason of youth, age, ill-health (including those persons suffering from alcohol, drug, and other substance misuse), disability, financial or other hardship by the provision of welfare and support (financial or otherwise), health and social care, employment, housing, and education support.
- To further such other exclusively charitable purposes according to the law of England and Wales as the Trustees in their absolute discretion from time to time determine.

St Anne's governance arrangements include the Board, a number of Board committees, and sub-committee working groups that provide focus on key areas, and a suite of procedures that are designed to ensure our charitable objectives are met. Our Articles of Association meet the needs of our current structures and also incorporate flexibility to allow for future development.

Our Board of Trustees

The Board of Trustees are charity trustees as defined by section 177 of the Charities Act 2011. The Board comprises the legal directors of St Anne's, and holds all the charity's powers and authorities under St Anne's Community Services' Articles of Association. The Board of Trustees currently meets every two months with additional ad hoc meetings for exceptional business.

There are clear distinctions between the roles of the Board of Trustees and the Senior Management Team (executives employed by the organisation). The Trustees are ultimately responsible for the overall control and strategic direction of the organisation and for the protection of its assets. Day-to-day management is the responsibility of the Chief Executive and the other members of the Senior Management Team (SMT). Matters such as strategy, policy and budgets are prepared by the SMT for consideration and approval by the Trustees, who then monitor their operation and implementation.

Under the current Articles of Association, members of the Board of Trustees serve an initial term of between 3 and 4 years and can then be reappointed for further such terms but may not serve for more than 9 years unless the organisation agrees otherwise. New Trustees are selected through an open recruitment process, which includes advertising in the national press and online, and if appropriate a targeted recruitment search.

St Anne's have appointed four new Trustees, and all have undertaken an induction programme tailored to their areas of expertise and governance obligations. All Trustees are provided with training opportunities to help them meet their responsibilities. The balance of the Trustee group is kept under review, including with regard to expertise, diversity, and experience. The Board of Trustees also places particular emphasis on appointing individuals who bring specific identified skills.

Whilst the minimum number of Trustees cannot be less than three there is no maximum number. There are currently thirteen Trustees, as listed on page 1.

Our Committees

The Board has delegated specific responsibilities to several committees, each of which reports to the Board and has detailed terms of reference, which are reviewed annually. The committees meet regularly throughout the year, in accordance with their terms of reference. The committees are:

- Audit and Risk
- Finance and Performance
- Health and Safety
- Pensions and Investments
- Quality
- Remuneration and Nominations

Audit and Risk Committee
The Audit and Risk Committee provides the Board with an independent and objective review of the organisation's financial and risk management systems. Financial systems are reviewed through the committee by oversight of the internal audit programme and ensuring compliance with laws and regulations governing the organisation through review of the external audit process. Risks are reviewed in relation to monitoring, checking, and challenging the risk registers and providing assurance that they are being effectively managed.

Finance and Performance Committee
The Finance and Performance Committee exists to oversee and make recommendations to the Board on financial and operational performance issues. It also provides assurance that these are being effectively managed.

Health and Safety Committee
The Health and Safety Committee exists to oversee and make recommendations to the Board on all health, safety, and wellbeing policy issues as well as other health and safety matters. It also provides assurance around issues of statutory compliance ensuring that these are being effectively managed and monitored.

Pensions and Investments Committee
The Pensions and Investments Committee exists to oversee and make recommendations to the Board on all pension and investment matters. It also provides assurance that these are being effectively managed.

Quality Committee
The Quality Committee has prime responsibility for advising the Board on the suitability and adequacy of the organisation's quality management systems and processes. It also supports the effective implementation of the governance framework and risk management framework by ensuring the monitoring and reviewing of the impact of their implementation through associated departmental risks and key performance indicators.

Remuneration and Nominations Committee
The Remuneration and Nominations Committee keeps under review the membership of the Board and oversees processes for recruiting and appointing potential new Trustees to the Board. It determines the remuneration of the Chief Executive and other members of SMT and the overall SMT remuneration policy. It also has an oversight role for governance.

Our People

Ensuring that the organisation develops and supports its people continues to be of upmost strategic importance to St Anne's. In the most challenging of years, social care has been shown to be of key importance to society and a sector which plays a vital role in ensuring the safety and welfare of the most vulnerable.

Only through the combined effort of permanent employees, trained casual staff, volunteers and student placements can St Anne's deliver on its outcomes of high quality, person centred care and support. In normal circumstances working within social care is challenging, but in this last year our people have truly gone above and beyond for the people we support. By continuing to work through the pandemic our people have placed the safety and welfare of others above their own and have taken significant challenges in their stride. We are, as we have always been, incredibly proud of all of our people.

The passion and dedication shown to improving the lives of others is something that defines the people within St Anne's. Our values are created by our people, and they are lived out every day in our services. Being Person Centred, showing Respect, being Open, Understanding and dedicated in everything we do is at the heart of what our people do. In this our 50th anniversary year our people have been at the heart of the process of re-framing our organisational vision and values, a key foundation to the design of our new organisational strategy and our brand refresh.

As of 31st March 2020, St Anne's employed 1,348 members of staff made up of: 989 support workers, 59 nurses, 65 deputy managers, 71 service or area managers working at operational and front line level in our services, supported by 164 staff in our central support functions or other roles. The organisation has seen a small but steady increase in its overall headcount thanks to successfully reducing the levels of vacancies across services throughout the year and some organic growth of services. We look forward with anticipation to welcoming more new colleagues to St Anne's in 2021/22 as we expand our services in South Yorkshire and, for the first time, into the city of Hull.

There is no doubt that this year has been dominated by the global Covid-19 pandemic and the need to adapt to the impact of Covid-19 in our personal lives and the world of work. Throughout the year the organisation has shown incredible agility and flexibility in amending its working practices and a great resilience to maintain its operational services. We have supported our office based teams to work from home and helped them manage the challenges that are created by this blurring of home and work. Our operational services have risen to the challenge of additional PPE and infection control measures and have been incredible in helping the people we support adapt to the changes in Covid-19 rules. As an organisation we have helped ensure the safety of our extremely clinically vulnerable staff by utilising the coronavirus jobs retention scheme to ensure they can shield and amended our sick pay policies so that staff are not financially disadvantaged by the requirement to self-isolate. In recognition of the amazing work and dedication our people have shown through the pandemic, we also paid two separate Thank You payments to our workforce in the financial year.

The year has been one of great change for the organisation as the need to ensure that the organisation is equipped to meet the challenges of the future has remained throughout the pandemic. Two large scale collective consultation exercises on changes to our terms and conditions and defined benefit pension scheme have led to changes that will support the organisation towards better financial sustainability in the future.

Our commitment to the development of our people has been maintained throughout 2020/21 through the development and launch of our first Leadership Development Programme for over 3 years. This centres around the Skills for Care Well led programme, which will support our managers to improve service delivery. We have transitioned our learning and development provision to remote and blended learning and continued to support our staff with apprenticeships and degree level qualifications. We were incredibly pleased to be able to hold our annual Staff Celebration of Achievement Event as a virtual event for the first time, ensuring we were able to mark the achievements of our people across the previous 12 months despite not being able to meet in person.

As we move forward, our focus will turn to the implementation of our new People Strategy, which will support our overarching organisational objectives by focusing on how we Support, Value, Protect and Sustain our staff, improving St Anne's as a place to work both now and in the future.

Equality, diversity, and inclusion

Recognising and celebrating our diversity in an inclusive environment for our staff and clients is, and will continue to be, a priority for St Anne's.

We are mindful that many of our clients experience significant health inequalities and barriers to support, which at times prevent them from being fully included in their community. The reality of Covid-19 has created new challenges for people who are marginalised and disadvantaged, including those with disabilities, long-term health conditions, inadequate housing, mental health challenges and substance misuse issues.

We know we are in a privileged position to empower the people we support and make a difference to their lives every day. Our Support Workers and Nurses continue to make us proud, often at personal sacrifice during an unprecedented year of uncertainty and fear in the context of the global pandemic.

St Anne's Expert Voices and Experience Network (SEVEN) has adapted to new ways of working, using video calls to facilitate meaningful service user involvement to ensure clients remain at the heart of everything we do, even when we cannot be together in person. Many of our client experts have learnt new skills and supported several appointments to the Board and the Senior Management Team.

We continue to embed the Skills for Care 'confident with difference' approach to supporting everybody at St Anne's. This year we have recommitted to efforts to maintaining the Mindful Employer, Disability Confident and Stonewall Diversity Champions standards. In addition, our staff have formed a new project group, working towards the Profound and Multiple Learning Disabilities (PMLD) Core and Essential Standards.

During this reporting period we were pleased to confirm two of our directors as senior role models for diversity and inclusion. Mario Caswell, Director of Business Development, takes up the role as champion for LGBT inclusion whilst Naseer Ahmed, Director of Housing, leads on BAME inclusion and race equality.

As global events remind us of the need for racial justice, St Anne's has welcomed the revival of its BAME staff network, focussing specifically on race equality and cultural competency for our workforce and the communities we serve. The group has been instrumental in shaping our approach to supporting BAME staff and clients during Covid-19, as well as refining our diversity and inclusion training and our celebration of Black History Month and interfaith dates.

During this reporting period we have continued to promote inclusion with the help of our Marketing and Communications Manager, the client involvement groups and our diverse staff networks. Our Diversity Calendar is now in its fourth year, with key events and awareness campaigns being observed in new and inventive ways, whilst many of us continue to work remotely.

Our policies and procedures ensure that we are inclusive and fit for purpose for diverse workforce and client groups. Their design and review ensure that a 'check and challenge' approach is maintained, along with our equality impact assessment processes.

Remuneration Policy

We recognise that the skills, knowledge, and experience of our people is a huge contributor to the delivery of high-quality services. In support of our objective to attract, recruit and retain quality staff, we are committed to ensuring that we pay fair and competitive salaries.

Our policy on remuneration is to ensure that St Anne's remains sustainable whilst also offering an attractive reward package that includes both financial and non-financial benefits. Our rates of pay are informed by sector wide benchmarking through participation in benchmarking studies and comparison with charity and social care sector data. Where possible, we look to pay above the median rate when considering rates of pay offered by our direct competitors. St Anne's has also developed a job evaluation framework, providing a mechanism to score and compare job roles to ensure they sit at the appropriate salary point internally, whilst using benchmarking data from the sector to assess competitiveness.

In 2020/21 the organisation undertook a review of its terms and conditions through a period of collective consultation with its Trade Unions (Unison and the Royal College of Nursing). These changes have helped to ensure that the organisation is able to continue to offer an equitable set of terms and conditions across the organisation, which are fair, competitive, and balanced. Through these changes the organisation has been able to ensure that around 98% of the workforce are paid at a rate which is higher than the National Living Wage Foundation rate of £9.30 per hour (outside London) once they pass their probation period. We now pay our Support Workers £9.45 per hour after probation, a rate which propels St Anne's into a position of paying one of the highest rates in Yorkshire and the North-East when compared to its other care sector competitors. We continue to invest in our workforce and by concluding our collective bargaining negotiations much earlier than previous years, we have ensured that a further above inflation pay increase was paid to all staff at the start of our financial year.

The Board are consulted on, and approve, decisions on overall pay awards, taking account of affordability, benchmarking, and economic trends in the sector. Remuneration of the executive team is determined by the Remuneration and Nominations Committee, a committee of the Board. No Trustees are paid, although they can claim reasonable expenses.

The organisation complies with its requirements under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and is committed to eliminating gender pay inequality. In March 2019, St Anne's published its most recent gender pay gap report, showing a marginal 0.7% mean pay gap in favour of male staff. As requirements to publish 2020 data have been suspended due to the impact of Covid-19 we will continue to present our gender pay gap data and written statement on our corporate website with the steps we are taking to ensure fair pay, remuneration and reward for all staff, regardless of gender.

Compliance with the Charity Governance Code and the 2020 Code of Governance for Housing Associations

Good governance is a key influence on the organisation's behaviour and culture, as well as facilitating the Board's role in monitoring activities and developments. We always aim for a continuous improvement in, and the development and strengthening of, our governance systems and processes.

Our Board committee structures continue to evolve and mature. Again, this year we have appointed a further four new Trustees who have all gone through induction and mandatory training and based on their knowledge and strengths have been appointed to appropriate committees, where they are already significantly contributing.

The Charity Governance Code:

We continue to work on the Charity Governance Code for Larger Charities and provide evidence and examples of good governance standards and practices. Set out in seven principles, along with key outcomes for each principle, the Code sets out the following high standards with which we substantially comply:

- Organisational purpose: Our Board is clear about the charity's aims ensuring that these are being delivered effectively and sustainably.
- Leadership: Our organisation is led by an effective Board that provides strategic leadership in line with our aims and values.
- Integrity: Our Board acts with integrity, adopting values and creating a culture which helps to achieve our organisation's charitable purposes. The Board is aware of the importance of the public's confidence and trust in charities, and trustees undertake their duties accordingly.
- Decision-making, risk, and control: The Board makes sure that its decision-making processes are informed, rigorous and timely and that effective delegation, control and risk assessment and management systems are in place and monitored.
- Board effectiveness: The Board works as an effective team, using the appropriate balance of skills, experience, backgrounds, and knowledge to make informed decisions.
- Equality, diversity, and inclusion: The Board has a clear focus on achieving diversity not only at Board level but to ensure this is considered throughout the organisation.
- Openness and accountability: The Board leads the organisation in being transparent and accountable. St Anne's is open in its work, unless there is good reason for it not to be.

The Code is deliberately aspirational, therefore as an organisation whilst we achieve elements of each of the principles within the code we are focused on continuous improvement of our compliance against the Code.

The Housing Code of Governance:

Within the reporting period St. Anne's aspired to meet the requirements of the code and to be ready to adopt the 2020 Code of Governance for Housing Associations in March 2021. The new code is designed to help housing associations achieve the highest standards of governance and board excellence setting out standards that housing associations, their boards, and the wider sector should seek to attain.

The 2020 Code has been completely rewritten and restructured to reflect the changes in society, the economy, and the impact they have on the sector and the importance of a greater focus on and protection of the interests of the people we support. In adopting the code, we are working to:

- Ensure the views and needs of clients are at the heart of our strategic decision-making, in line with the "Together with Tenants" initiative.
- Ensure that measures are in place for the safety of clients, staff, and others.
- Ensure that our Board has an oversight of risk and that it thoroughly tests the impact of potential risk scenarios on our organisation.

The code is built around the key values that good governance is based on and overlaps and complements the Charity Governance Code in its reflection, accountability, integrity, openness, and equality, diversity, and inclusion. It has at its heart four core principles which shape the content of the code, each with a set of requirements for organisations to adopt:

- Mission and values
- Strategy and delivery
- Board effectiveness
- Control and assurance

Compliance with Regulator of Social Housing standards

The Board considers that St Anne's complies with the Governance and Financial Viability Standards for registered social housing providers. Our system of internal control is designed to manage key risks and provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the organisation's assets and interests. Our self-assessment framework contains stress testing of risks and assumptions to ensure objectives and viability are fully deliverable.

In meeting its responsibilities, the Board has adopted a risk-based approach to internal controls which includes the regular evaluation and assessment of the nature and extent of risks to which the organisation is exposed.

The Registered Social Housing regulatory returns, such as financial forecasts, statistical data, and disposal returns, are submitted in an accurate and timely manner. The Board also considers that effective controls are in place to ensure security of assets, the proper, accountable, and transparent use of public funds and that effective systems are in place to monitor and accurately report delivery of our plans. Any risks to the successful delivery of financial plans are identified and effectively managed.

During the year, following a review of the senior management structure, a full-time Director of Housing was appointed to ensure specialist leadership and advice to the Board on rents, Value for Money and Economic and Consumer Standards. The Chief Finance Officer monitors compliance with the Economic Standards, and the Director of Housing monitors compliance with the Consumer Standards. Reports for both are also presented to the relevant Committees and Board. There is effective management and scrutiny in place including cost control and improving Value for Money, with regular reporting to the Finance and Performance Committee and the Board.

Furthermore, in 2020/21, the Board committed to reviewing our self-assessment of the Regulator of Social Housing standards, this has been completed for all standards demonstrating we substantially comply with each of those standards. We will continue to review the regulatory self-assessments again during 2021/22.

Streamlined Energy and Carbon Reporting (SECR)

St Anne's has followed and used robust and accepted methods to calculate the required information for this SECR Report including the 2019 HM Government Environmental Reporting Guidelines, the Greenhouse Gas (GHG) Reporting Protocol – Corporate Standard and the 2020 UK Government's Conversion Factors for Company Reporting.

Based on this our emissions and energy usage for the financial year were:

UK Greenhouse Gas emissions and energy use data for the period 1 April 2020 to 31 March 2021	
Data used to calculate emissions	
Gas (kWh)	4,935,951
LPG (kWh)	86,631
Electricity (kWh)	1,186,630
Transport (kWh)	169,488
Transport (miles)	222,495
Scope 1 GHG Emissions (kg CO_2e)	
Gas (Natural)	907,573
LPG	18,581
Company / Fleet Vehicles - Diesel	39,100
Company / Fleet Vehicles - Petrol	3,571
Total Scope 1 Emissions (kg CO_2e)	**968,825**
Scope 2 GHG Emissions (kg CO_2e)	
Electricity (Grid Supplied)	276,651
Total Scope 2 Emissions (kg CO_2e)	**276,651**
Scope 3 GHG Emissions (kg CO_2e)	
Grey Fleet	61,169
Total Scope 3 Emissions (kg CO_2e)	**61,169**
Total GHG Emissions (kg CO_2e)	**1,306,505**
Emissions Intensity Ratio	
Total kg CO_2e per £1.00 of Total Income	**0.030**

Intensity Measurement
The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per £1 of total income.

Energy Efficiency Action
From 1 April 2020 to 31 March 2021 no planned Energy Efficiency Actions were implemented due to the restrictions imposed across the UK during the Covid-19 pandemic.

Internal controls assurance

As part of the internal audit programme St Anne's continues to work with BDO LLP, as our independent internal auditors. For 2020/21, the Audit and Risk Committee agreed a programme of internal audits focused around key risk areas which look to further support strong corporate governance and demonstrate robust and effective controls across the organisation.

In addition to the internal audit programme, assurance is also gained from other controls that have been put in place across the organisation in the year. These include:

- KPI dashboards produced at every committee and Board meeting.
- Enhancements to periodic reporting across the organisation, but also specifically for committees and Board meetings.
- Risk registers reviewed periodically, with owners assigned to each risk and the relevant risks discussed at each committee and Board meeting.

- The implementation of deep-dive service reviews to understand the financial and operational drivers behind each of our services.
- A more timely budget process with full involvement and engagement from stakeholders to ensure the budget and by default our costs and income are better understood.

In collaboration with BDO and SMT, the Audit and Risk Committee have agreed an equally challenging programme of internal audits for 2021/22, reviewing identified priority areas.

The programme in 2020/21 has demonstrated some overall improvements in terms of organisational design and effectiveness compared to the audit areas from the previous year, and a number of examples of good practice. However they equally identified some key areas and recommendations where further improvements can be made, and action plans to address these have been drawn up with progress monitored by the relevant committee.

Considering the above points, Trustees consider that these collectively offer sufficient assurance to be able to regard the internal controls position as satisfactory overall, as well as identifying additional opportunities for improvement.

Compliance with s172 of the Companies Act 2006

The Trustees confirm their compliance with s172 of the Companies Act 2006. Set out below are several examples of compliance, and many others are included in relevant sections throughout this report.

The Trustees recognise the need for the organisation to operate in a way that considers, and is fair to, all of its stakeholders, which is similarly recognised through its charitable purpose and embedded within the culture and values of the organisation (see page 7). Given we have reviewed and relaunched our values this has been given particular thought in the year, and is particularly recognised in our Person Centred, Respectful and Open values.

The organisation takes account of the longer-term impacts of its decisions, and we have recently produced and launched our next 5 year strategy, setting out our strategic commitments, and supporting plans for the next 5 years from now through to 2026 (see pages 7-8). This in particular focuses on our longer term commitments to; our people; excellent service delivery; and being financial sustainable and delivering value for money.

Employee interests are also at the heart of what we do, as is demonstrated by Person Centred being one of our organisational values and with Empowering our People being one of the pillars within our strategic commitments for the next 5 years (see page 7). Our approach to people, diversity and inclusion and remuneration also has significant focus within St Anne's (see pages 18-21). The organisation has a strong regard for both the communities it works within and the environment as set in our Corporate Social Responsibility statement (see page 9) and with both communities and the environment forming part of one of our three strategic commitments for the next 5 years (see page 7).

The Trustees also confirm the organisation's continued drive to maintain a reputation for high standards as demonstrated in the report on the section on strengthening our governance (see page 10), our committee structure (see pages 17-18) and specifically in terms of compliance with the Charity Governance Code and the Code for Governance for Housing Associations (see pages 21-22).

Statement of public benefit

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The organisation's charitable objects are enshrined within its Articles of Association and as such the Trustees ensure that the organisation's activities are carried out for the public benefit through the setting and implementation of its strategic priorities. This report also allows us to show how our charitable funds are spent.

Any fundraising activities we conduct are compliant with the Charity Commission's guidance on fundraising.

Statement of Trustees' responsibilities

The Trustees (who are also directors for the purposes of company law) are responsible for preparing the annual report, which incorporates the strategic report and financial statements in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the organisation, and of the incoming and outgoing resources and application of resources, including income and expenditure for the period.

In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Housing Statement of Recommended Practice (SORP).
- 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the organisation and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the organisation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may vary from legislation in other jurisdictions.

The Trustees confirm that, insofar as they are aware:

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

External auditors

Mazars LLP is eligible to act as an auditor under the relevant section of the Companies Act 2006.

By order of the Board

I W McIntosh
I W McIntosh (Sep 23, 2021 16:32 GMT+1)

Ian McIntosh
Chair of Board of Trustees
23 September 2021

Independent auditor's report to the members of St Anne's Community Services

Opinion

We have audited the financial statements of St Anne's Community Services (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Private Registered Providers of Social Housing 2019.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Report of the Trustees' other than the financial statements and our auditor's report thereon. The trustees' are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees' for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees' have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees'.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees Responsibilities Statement set out on page 25, the trustees' are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the St Anne's Community Services and its industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and UK pensions legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006.

We evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, significant one-off or unusual transactions and revenue cut-off.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees' and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees' and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the 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 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Vincent Marke (Sep 24, 2021 08:46 GMT+1)

Vincent Marke (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
5th Floor
3 Wellington Place
Leeds
LS1 4AP

Sep 24, 2021

Statement of Comprehensive Income
For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Turnover	2	44,685	42,877
Operating costs	2	(45,097)	(43,311)
		(412)	**(434)**
Surplus on sale of housing property	5	0	1,476
Operating (Deficit) / Surplus	**7**	**(412)**	**1,042**
Interest receivable and similar income	6	56	43
Other finance interest	21	(316)	(148)
(Deficit) / Surplus for the year		**(672)**	**937**
Other Comprehensive Income			
Actuarial loss in respect of pension schemes	21	(5,159)	(8,106)
Total Comprehensive Deficit for the year		**(5,831)**	**(7,169)**

The organisation's results relate wholly to continuing activities. The accompanying notes form part of these financial statements.

The financial statements were approved by the Board on 17 September 2021 and signed on its behalf by:

I W McIntosh
I W McIntosh (Sep 23, 2021 16:32 GMT+1)

Sep 23, 2021

Mr I McIntosh, Chair of Board of Trustees

Oliver Walter Laird (Sep 23, 2021 16:26 GMT+1)

Sep 23, 2021

Mr O Laird, Trustee and Chair of Audit Committee

Company Registration Number 1089026

Statement of Changes in Reserves

For the year ended 31 March 2021	Investment revaluation reserve	Revenue reserve	Total
	£'000	£'000	£'000
Balance as at 31 March 2019	8	7,988	7,996
Total Comprehensive Deficit	-	(7,169)	(7,169)
Balance as at 31 March 2020	**8**	**819**	**827**
Total Comprehensive Deficit	(8)	(5,823)	(5,831)
Balance as at 31 March 2021	**0**	**(5,004)**	**(5,004)**

Statement of Cash Flows

For the year ended 31 March 2021	**Note**	**2021**	**2020**
		£'000	**£'000**
Net cash generated from operating activities	16	2,974	458
Cash flow from investing activities			
Acquisition and construction of housing properties		(100)	(76)
Purchase of other tangible fixed assets		(311)	(391)
Purchase of intangible fixed assets		0	0
Proceeds from sale of fixed assets		0	2,190
Proceeds from disposal of fixed asset investments		1,507	0
		1,096	**1,723**
Interest received and similar income		56	43
Net change in cash, cash equivalents and money market deposits		**4,126**	**2,224**
Cash, cash equivalents and money market deposits at beginning of the year		**11,655**	**9,431**
Cash, cash equivalents and money market deposits at end of the year		**15,781**	**11,655**

The accompanying notes form part of these Financial Statements

Statement of Financial Position
For the year ended 31 March 2021

	Note	2021 £'000	2020 £'000
Fixed Assets			
Housing properties	8	8,800	8,919
Other tangible fixed assets	9	4,335	4,433
Intangible fixed assets	9	75	100
Fixed asset investments	10	2	1,509
		13,212	**14,961**
Current assets			
properties held for sale	11	0	0
Trade and other debtors	12	2,973	4,802
Investments	13	4,494	4,445
Cash and cash equivalents		11,287	7,210
		18,754	**16,457**
Creditors: amounts falling due within one year	14	(5,910)	(4,016)
Net current assets		**12,844**	**12,441**
Total assets less current liabilities		**26,056**	**27,402**
Creditors: amounts falling due after more than one year	15	(10,693)	(10,941)
Provision for Liabilities	18	0	(210)
Net pension liability	21	(20,367)	(15,424)
Total net (liabilities) / assets		**(5,004)**	**827**
Reserves			
Investment revaluation reserve		0	8
Income and Expenditure reserve		(5,004)	819
Total reserves		**(5,004)**	**827**

The accompanying notes form part of these Financial Statements.

The Financial Statements were approved by the Board on 17 September 2021 and signed on its behalf by:

I W McIntosh — Sep 23, 2021
I W McIntosh (Sep 23, 2021 16:32 GMT+1)

Mr I McIntosh, Chair of Board of Trustees

Sep 23, 2021
Oliver Walter Laird (Sep 23, 2021 16:26 GMT+1)

Mr O Laird, Trustee and Chair of Audit Committee

Company registration number 1089026

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Legal status

St Anne's Community Services is a registered housing provider, a charity and a company limited by guarantee. The registered office is 6 St Marks Avenue, Leeds LS2 9BN. The organisation is incorporated in England and Wales, company registration number 1089026.

Basis of accounting

The financial statements have been prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP) including Financial Reporting Standard 102 (FRS102) and the Housing SORP 2018: Statement of Recommended Practice for Registered Social Housing Providers and comply with the Accounting Direction for Private Registered Providers of Social Housing 2019. The financial statements are presented in Sterling (£). St Anne's Community Services is a public benefit entity in accordance with FRS 102. The financial statements have been prepared on the historical costs basis except where specified in the accounting policies.

Going concern

The organisation's business activities, its current financial position and factors likely to affect its future development are set out in the report of the Trustees (incorporating the strategic report). The organisation has cash and investment balances which provide adequate resources to finance the organisation's day to day operations and committed expenditure. The organisation has a plan which shows that these resources are sufficient to continue to fund operations.

Our planning processes, including financial projections, take into consideration the current economic climate and in particular the currently known impact of Covid-19, hence ultimately the potential impact on our various sources of income and planned expenditure. We acknowledge our pension fund obligations and are developing a clear strategy to manage the deficit on the West Yorkshire Pension Fund. The Audit Committee and the Board have carefully considered the relevant conditions and performed an assessment. The Trustees have concluded, based on a review of forecasts and budgets, that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the organisation to continue as a going concern.

On this basis, the Board has a reasonable expectation that the organisation 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 financial statements are signed. For this reason, the organisation continues to adopt the going concern basis in the financial statements.

Significant judgements and estimates

The preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Judgements

In terms of revenue recognition on grant income, many of the contacts are long term contracts and some of these are funded by way of grant income. Typically grant income is received in line with the costs incurred on the contract. However, there are some exceptions, mostly historical, where deferred revenue for grant income has been held on the balance sheet to reflect the risk that repayments may be required for excess grant income received and/or there may be recovery through future changes in grant rates and/or to act as a contingency for unexpected one-off contract costs. There is judgement in assessing how much deferred income is required for grants at year-end. The deferred revenue from grant income in the balance sheet at 31 March 2021 was £242k (2020: £304k) and the amount released to the income and expenditure account in the year was £62k (2020: £125k).

Estimates

Useful economic lives of depreciable assets – management reviews its estimate of the useful economic lives of depreciable assets at each reporting date based on the expected use of the assets. Uncertainties in these estimates primarily relate to changes in improvement programmes for components and the Decent Homes Standards, which may require more frequent replacement of key components. Accumulated depreciation at 31 March 2021 was £12,679k.

Defined benefit obligation – management's estimate of the defined benefit pension valuation is based on several critical underlying assumptions such as the standard rate of inflation, mortality, discount rate and anticipation of future salary increases. Variations in these assumptions may significantly impact on the valuation of the defined benefit obligation and the annual defined benefit expenses. The defined benefit pension liability at 31 March 2021 was £20,367k (2020: £15,424k), with further details and explanation in note 21.

Basis of consolidation

The organisation has taken advantage of the exemption from preparing group financial statements contained in Section 402 of the Companies Act 2006 on the grounds that its subsidiary undertaking is immaterial to the Group under section 405(2) of the Act. Details of the subsidiary undertaking are set out in note 10.

Turnover and revenue recognition

Turnover comprises rental income receivable, fees and grants from central and local government and the proceeds of fundraising activities. Revenue grants are recognised as income when the conditions for receipt of grant funding have been met and/or they no longer meet the criteria to allow them to be retained on the balance sheet**.** Rental income is recognised when properties become available for letting, net of any voids. Charges for support services funded under Supporting People are recognised as they fall due under the contractual arrangements with administering authorities.

Housing Properties

Housing properties are properties held for the provision of social housing or to otherwise provide social benefit. Housing properties are principally properties available for rent and are stated at cost less accumulated depreciation and impairment losses. Cost includes the cost of acquiring land and buildings and development costs.

Works to existing properties which replace a component that has been treated separately for depreciation purposes, along with those works that result in an increase in net rental income over the lives of the properties, thereby enhancing the economic benefits of the assets, are capitalised as improvements.

Depreciation of Housing Properties

The organisation separately identifies the major components which comprise its properties held for social housing and non-social housing lettings and charges depreciation, so as to write down the cost of each component to its estimated realisable value, on a straight-line basis, over its estimated useful economic life.

The organisation depreciates the major components of its properties held for social and non-social housing lettings using the following useful lives:

Structure	75 years
Roof	50 years
Electrics	40 years
Heating, ventilation and plumbing	30 years
Windows	30 years
Boilers, kitchens & bathrooms	15 years

Other fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged by equal monthly instalments over the expected useful lives of the assets. The useful economic lives applied are as follows:

Improvements to leasehold premises	Period of lease
Furniture, fixtures and fittings	2 years
Computer equipment	3 years
Motor vehicles	4 years
Office and workshop equipment	5 years
Software	5 years

Government Grants

Government grants include grants receivable from Homes England, local authorities, and other government organisations. Where Government Grants have a corresponding legal charge on the property for the open market value then the grant will be recorded at the net book value of the asset. Where Government grants are not linked to an open market value legal charge, then these are recognised in income over the life of the asset under the accruals model.

Grants relating to revenue are recognised in income and expenditure over the same period as the expenditure to which they relate once reasonable assurance has been gained that the organisation will comply with the conditions and that the funds will be received. Grants due from government organisations or received in advance are included as current assets or liabilities.

Other Grants

Grants received from non-government sources are recognised using the performance model. A grant which does not impose specified future performance conditions is recognised as revenue when the grant proceeds are received or receivable. A grant that imposes specified future performance-related conditions on the organisation is recognised only when these conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability.

Impairment

Annually, housing properties are assessed for impairment indicators. Where indicators are identified, an assessment for impairment is undertaken, comparing the scheme's carrying amount to its recoverable amount. Where the carrying amount of a scheme is deemed to exceed its recoverable amount, the scheme is written down to its recoverable amount. The resulting impairment loss is recognised as operating expenditure. Where a scheme is currently deemed not to be providing service potential to the organisation, its recoverable amount is its fair value less costs to sell.

Investments

Non-quoted investments are accounted for on a historical cost basis less any provision for impairment. Quoted investments are accounted for at market value at the balance sheet date. Any upward movement in valuation is taken to the investment revaluation reserve and shown in the statement of Comprehensive Income except to the extent that an upward revaluation is in respect of a previous reduction charged as impairment to the Income and Expenditure account. In this event, the upward revaluation is credited to the Income and Expenditure account to the extent of the previously impaired value. Any reduction in investments value is charged to the investment reserve and shown in the statement of total recognised surpluses and deficits, to the extent that there has been a previous upward valuation. Any excess reduction in market value over previous upward valuations is charged to the income and expenditure account.

Financial Instruments

Basic and non-basic financial instruments (as defined in Section 11 of FRS102) are shown at market value (for quoted investments) or at transaction value less any provision for impairment. The organisation has not adopted hedge accounting for any financial instruments.

Allocation of head office expenses

Head office salaries and overhead expenses are charged to the various housing and non-housing activities of the organisation as a percentage of income.

General Charity Fund

The General Charity Fund has been created from donations and the proceeds of fundraising activities and is available to meet expenditure within the organisation's objectives for which no other finance is available. The Fund is included within Income and Expenditure Reserves in the Statement of Financial Position.

Leased assets

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organisation. All other leases are classified as operating leases. Rentals payable under operating leases are charged to income and expenditure on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Debtors

Short-term debtors are measured at transaction price, less any impairment. Where deferral of payment terms has been agreed at below market rate, and, where material, the balance is shown at the present value, discounted at a market rate.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits within financial institutions.

Creditors

Short-term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Creditor balances arising through contracts will be held on the balance sheet for six years from the point they have arisen, or from the point our records show they have arisen, whichever is the later, on the basis this is a reasonable limitation period. However such balances will be looked at on a case by case basis and if based on management judgement they believe there is still a reasonable chance of a valid claim against a creditor balance they may be held on the balance sheet for a longer period of time.

Provision for liabilities

Provisions are recognised when the organisation has an obligation as a result of a past event. The organisation recognises a provision for future losses on contracts entered into before the year end. The amount recognised as a provision is the best estimate of the expected losses over the remaining term of these contracts.

Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. The organisation recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

Pensions

The organisation participates in two funded multi-employer defined benefit schemes, the National Health Service Pension Scheme ("NHS Pension Scheme") and the West Yorkshire Pension Fund (WYPF). For the National Health Service Pension, the scheme does not allow identification of the share of underlying assets and liabilities belonging to individual participating employers. The income and expenditure charge includes the employer contribution payable to the scheme for the accounting period. The NHS Pension Scheme is in respect of those specific employees who have transferred their employment into the organisation via a TUPE agreement agreed with commissioners in relation to specific contractual and legal agreements.

For WYPF, scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit credit method and are discounted at appropriate high-quality corporate

bond rates. The net surplus or deficit is presented separately from other net assets on the statement of financial position. A net surplus is recognised only to the extent that it is recoverable by the organisation through reduced contributions or through refunds from the plan. The current service cost and costs from settlements and curtailments are charged against operating surplus. Past service costs are recognised in the current reporting period. Interest is calculated on the net defined benefit liability. Re-measurements are reported in other comprehensive income.

The government introduced auto enrolment pension schemes when employers were phasing out their provision of pension schemes for employees due to cost. The auto enrolment scheme allows eligible employees access to a pension scheme that is contributed to by their employer as well as themselves. Scottish Widows is the auto enrolment pension scheme for the organisation's contracted staff with The People's Pension chosen as the provider for our non-contracted (casual) staff. Eligibility to be automatically enrolled on the Scottish Widows scheme is that the member of staff must be over 21 years old but under state pension age and be paid over £10k per annum. Contributions to the scheme are three per cent from St Anne's and five per cent from the employee. Eligible staff will automatically be enrolled but with the option to opt out. Any employee that exercises their option to opt out of the scheme will be automatically re-enrolled every three years (as part of the tri-annual assessment) if they are eligible, to allow them the opportunity to become a member of a pension scheme and make a provision for their retirement through this route. They will be given the option to opt out each time.

Supported housing managed by agencies

Social housing capital grants are claimed by the organisation as developer and owner of the property and included in the balance sheet of the organisation as appropriate.

The treatment of other income and expenditure in respect of supported housing projects depends on the nature of the partnership arrangements between the organisation and its managing agents and on whether the organisation carries the financial risk.

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the entire project's income and expenditure is included in the organisation's income and expenditure account (see note 2).

Where the organisation holds the support contract with the Supporting People Administering Authority and carries the financial risk, the income and expenditure account include only that income and expenditure which relates solely to the organisation. Other income and expenditure of projects in this category is excluded from the organisation's income and expenditure account (see note 2).

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS

For the year ended 31 March 2021	Turnover £'000	Operating costs £'000	Operating surplus / (deficit) £'000
Social housing lettings	**14,492**	**(13,907)**	**585**
Other social housing activities			
St Anne's Centre	591	(620)	(29)
Respite Services	2,542	(2,322)	220
Tenancy support - Other funding	17,307	(17,253)	54
Funded projects	1,334	(1,267)	67
Other	29	(999)	(970)
Total other social housing activities	**21,803**	**(22,461)**	**(658)**
Non-social housing activities			
Lettings	7,855	(8,426)	(571)
Other	535	(303)	232
Total non-social housing activities	**8,390**	**(8,729)**	**(339)**
Grand total	**44,685**	**(45,097)**	**(412)**

2. TURNOVER, OPERATING COSTS AND OPERATING SURPLUS (continued)

For the year ended 31 March 2020	Turnover £'000	Operating costs £'000	Operating surplus £'000
Social housing lettings	**14,111**	**(12,309)**	**1,802**
Other social housing activities			
St Anne's Centre	372	(368)	4
Respite Services	2,373	(2,512)	(139)
Tenancy support - Other funding	16,880	(17,349)	(469)
Funded projects	1,205	(2,128)	(923)
Other	133	(397)	(264)
Total other social housing activities	**20,963**	**(22,754)**	**(1,791)**
Non-social housing activities			
Lettings	7,392	(7,799)	(407)
Other	411	(449)	(38)
Total non-social housing activities	**7,803**	**(8,248)**	**(445)**
Grand total	**42,877**	**(43,311)**	**(434)**

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

PARTICULARS OF INCOME AND EXPENDITURE FROM SOCIAL HOUSING LETTINGS

For the year ended 31 March 2021	Hostels & Supported Housing	Residential Care Homes	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
Turnover from social housing lettings				
Rent receivable net of identifiable service charges	1,851	5,649	**7,500**	7,007
Service income	2,964	0	**2,964**	2,636
Charges for support services	826	0	**826**	754
Net rental income	**5,641**	**5,649**	**11,290**	**10,397**
Revenue grants	98	111	**209**	2,312
Other income	1,217	1,630	**2,847**	180
Amortisation of government grants	86	60	**146**	1,222
Turnover from social housing lettings	**7,042**	**7,450**	**14,492**	**14,111**
Expenditure on social housing lettings				
Management and care	(4,662)	(6,582)	**(11,244)**	(10,061)
Services	(653)	(650)	**(1,303)**	(1,128)
Routine maintenance	(994)	(376)	**(1,370)**	(1,087)
Bad debt	15	(4)	**11**	(33)
Operating costs on social housing lettings	**(6,294)**	**(7,612)**	**(13,906)**	**(12,309)**
Operating surplus on social housing lettings	**748**	**(162)**	**586**	**1,802**
Void losses	428	190	**(618)**	(683)

2. TURNOVER OPERATING COSTS AND OPERATING SURPLUS (continued)

ACCOMMODATION IN MANAGEMENT AND DEVELOPMENT

At the end of the year accommodation in management was as follows:

	2021 No.	New Units	Units taken out of use	2020 No.
Social housing				
Supported housing and hostels	274	1	-	273
Residential care homes	133	-	-	133
Total owned	**407**	**1**	**-**	**406**
Accommodation managed for others	73	5	-	68
Total managed	**480**	**6**	**-**	**474**
Non-social housing				
Registered nursing homes	83	-	-	83
Total owned	**83**	**-**	**-**	**83**
Accommodation managed for others	-	-	(5)	5
Total managed	**83**	**-**	**(5)**	**88**

FUNDRAISING

	2021 £'000	2020 £'000
Gifts and donations received	104	8
Direct charitable expenditure	(25)	(18)
Transfer to general charity fund	**79**	**(10)**

3. KEY MANAGEMENT PERSONNEL

Key management personnel compromise the members of the Board, the Chief Executive and other members of the Senior Management team. No emoluments were paid to members of the Board during the year.

	2021 £'000	2020 £'000
Emoluments of the organisations key management personnel (salary, pension contributions, employer's national insurance and benefits in kind)	814	815
Compensation for loss of office	0	0
Emoluments of the highest paid employee (excluding pension contributions)	196	162

The full time equivalent number of staff members who received emoluments (salary, pension contributions and benefits in kind)

	2021 No.	2020 No.
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
£80,001- £90,000	1	-
£90,001 - £100,000	1	3
£100,000 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	1	-
£140,001 - £150,000	-	1
£160,001 - £170,000	-	1
£190,000 - £200,000	1	-

In 2020/21 there were 7 different people included as part of the Senior Management Team. The SMT is made up of the following roles: CEO, CFO, Director of Operations, HR Director, Housing Director, and Director of Business Development.

The highest paid director in the year was the Chief Executive Officer, who was initially employed on an interim basis and therefore includes £11,152 of VAT.

	2021 £	2020 £
Total expenses* reimbursed to the directors of the organisation	49	1,418

**The Trustees (all of whom are directors) receive only essential expenses.*

4. EMPLOYMENT INFORMATION

Average monthly number of employees expressed in full time equivalent of 37.5 hours:

	2021 No.	2020* No.
Finance and administration staff	67	58
Maintenance and housing staff	8	5
Care staff	1,064	1,049
	1,139	**1,112**

**2020 restated at 37.5hrs*

Employee costs:

	2021 £'000	2020 £'000
Staff costs (for the above persons)		
Wages and salaries	31,668	31,089
Social security costs	2,442	2,173
Other pension costs	2,776	2,884
	36,886	**36,146**

5. SURPLUS ON DISPOSAL OF HOUSING PROPERTIES

	2021 £'000	2020 £'000
Disposal proceeds	0	2,190
Carrying value of asset	0	(714)
	0	**1,476**

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 £'000	2020 £'000
Interest Receivable	56	43
	56	**43**

7. OPERATING (DEFICIT)/SURPLUS

Operating (deficit)/surplus is arrived at after charging:

	2021	2020
	£'000	£'000
Depreciation of freehold housing property	219	193
Depreciation of other fixed assets	435	423
Impairment of housing property	-	-
Exceptional costs	-	-
Auditors' remuneration (excluding VAT):		
Fees payable for the financial statement audit	39	34
Fees for other audit services: audit of subsidiary accounts	3	3
Total audit services	**42**	**37**
Tax compliance services	4	0
Total non-audit services	**4**	**0**
Operating leases		
- Land & buildings	316	179
- Other	333	414

8. TANGIBLE FIXED ASSETS – Housing Properties

	Freehold housing property
	£'000
Cost	
1 April 2020	14,916
Additions to existing properties	100
Disposals	(93)
31 March 2021	**14,923**
Depreciation	
1 April 2020	5,997
Charge for the year	219
Impairment Charge in year	
Disposals	(93)
31 March 2021	**6,123**
Net book value at 31 March 2021	**8,800**
Net book value at 31 March 2020	8,919

	2021	2020
	£'000	**£'000**
Expenditure on works to existing properties:		
Improvement works capitalised	100	76
Amount charged to income and expenditure account	742	315
	842	**391**

The total accumulated amount of capital grants received as at the balance sheet date is £19.6m (2020: £19.9m).

8. TANGIBLE FIXED ASSETS - Social Housing Grants

	2021 £'000	2020 £'000
Balance at 1 April	11,176	12,379
Amortised within Statement of Comprehensive Income	(238)	(291)
Released on disposal	-	(912)
Balance at 31 March	**10,938**	**11,176**
Recognised in:		
Creditors: amounts falling due within one year	245	236
Creditors: amounts falling due after more than one year	10,693	10,940
	10,938	**11,176**

Social Housing Grants are receivable from the Homes and Communities Agency. Grants received for properties under construction are classified as creditors falling due within one year. Once properties have been completed, the grant is classified as a creditor falling due after more than one year and is amortised over the life of the structure of those properties.

9. TANGIBLE FIXED ASSETS – Other fixed assets

	Other freehold properties	Additions to leasehold premises	Office and workshop equipment	Computer Equipment	Furniture fixtures and fittings	Motor Vehicle	Intangible assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
1 April 2020	6,541	47	240	772	3,029	4	125	**10,757**
Additions	53	0	0	118	140	0	0	**311**
Disposals	(56)	0	0	(1)	(50)	0	0	**(107)**
31 March 2021	**6,538**	**47**	**240**	**889**	**3,119**	**4**	**125**	**10,961**
Depreciation								
1 April 2020	2,526	36	220	593	2,822	1	25	**6,224**
Charge for the year	102	3	10	105	189	1	25	**435**
On disposals	(56)	0	0	(1)	(50)	0	0	**(107)**
31 March 2021	**2,572**	**39**	**230**	**697**	**2,961**	**2**	**50**	**6,551**
Net book value								
31 March 2021	**3,965**	**9**	**10**	**191**	**158**	**2**	**75**	**4,410**
31 March 2020	4,014	12	20	178	207	2	100	**4,533**

10. FIXED ASSET INVESTMENTS

Total fixed asset investments comprise:

	2021 £'000	2020 £'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	2	1,509
Net book value at 31 March	**2**	**1,509**

The historical cost of fixed asset investments is £nil (2020: £1,500,000).

Investment Fund Plans	**£'000**
Market value at 1 April 2020	1,509
Disposals	(1,507)
Additions	-
Change in market value	-
Market value at 31 March 2021	**2**

Interest in subsidiary

The organisation owns the whole share capital (two £1 ordinary shares) of St Anne's Trading Limited, a company registered in England and Wales.

The trading results are consolidated numbers of St Anne's Community Services and St Anne's Trading Limited, whose results are presented and audited in their own annual report. The financial statements of St Anne's Trading Limited can be obtained from the registered office at 6 St. Mark's Avenue, Leeds, LS2 9BN.

11. PROPERTIES HELD FOR SALE

	2021 £'000	2020 £'000
Net book value at 1 April	-	678
Disposal	-	(678)
Net book value at 31 March	**-**	**-**

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Arrears of rent	430	1,341
Less: Provision for bad and doubtful debts	(59)	(60)
	371	**1,281**
Invoiced debtors	1,710	1,716
Other debtors	230	497
Prepayments and accrued income	634	1,225
Amounts owed by subsidiary company	28	83
	2,973	**4,802**

13. CURRENT ASSET INVESTMENT

	2021	2020
	£'000	£'000
Money market deposits	3,972	3,962
Listed investment fund	522	483
Current asset investments	**4,494**	**4,445**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Trade creditors	1,530	1,062
Pension contributions	279	277
Other creditors	604	522
Deferred income - revenue grant	242	304
Accruals and deferred income	2,004	1,171
Other taxation and social security	1,005	444
Deferred capital grant income	246	236
	5,910	**4,016**

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£'000	**£'000**
Other loan	1	1
Deferred grant income	10,692	10,940
	10,693	**10,941**

The loan is repayable at varying rates of interest by instalments over more than 5 years and is secured by a special charge on a housing property.

	2021	2020
Deferred Grant Income:	**£'000**	**£'000**
At 1 April 2020	11,176	12,379
Received in year	0	0
Released to income	(238)	(1,203)
At 31 March 2021	**10,938**	**11,176**
Released in one year	246	236
Released in more than one year	10,692	10,940
	10,938	**11,176**

16. NET CASH GENERATED FROM OPERATING ACTIVITIES

	2021	2020
	£'000	£'000
Deficit for the year	(5,831)	(7,170)
Gain on sales of fixed asset investments	0	0
Interest Receivable	(56)	(43)
Interest Payable	0	0
Depreciation	653	616
Impairment	0	0
Decrease in provisions	(210)	0
Surplus on disposal of fixed assets	0	(1,493)
Amortisation/Release of grants	(248)	(1,159)
Decrease in debtors	1,829	905
Increase in creditors	1,894	57
FRS102 Pension Adjustment	4,943	8,745
	2,974	**458**

17. CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2021.

18. PROVISION

At 31 March 2021, following a review by Management, and in accordance with Accounting Standards, there were £nil provisions (2020: £210k).

19. CONTINGENT LIABILITIES

In accordance with FRS 102 St Anne's recognises contingent liabilities where management (and their legal representatives) has assessed the potential liability as being possible (and would make a provision where such claims have been assessed as being probable). At the year-end there are a variety of claims which management have assessed as meeting the threshold of possible but have not been assessed as probable (and therefore no provision has been made). Estimates for any liability range from £nil to £950k.

20. LEASING COMMITMENTS

The future minimum lease payments to be made by the organisation are as follows:

	2021		2020	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
Leases expiring:				
In one year or less	290	136	143	162
Between one and five years	26	197	36	252
	316	**333**	**179**	**414**

21. PENSIONS

The organisation utilises four pension schemes: Scottish Widows, Peoples Pension, West Yorkshire Pension Fund and the National Health Service (NHS) Pension scheme. The West Yorkshire Pension Fund is a defined benefit scheme. Membership of the West Yorkshire Pension Fund was closed to new employees with effect from 31 March 2012. We have a number of TUPE staff who are members of the NHS Pension Scheme.

NHS Pension Scheme

The NHS Pension Scheme is a multi-employer defined benefit scheme. The scheme is unfunded. It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers and, due to the nature of the scheme, the income and expenditure account charge for the period under FRS102 represents the employer contribution payable.

Employer contributions were made at the rate of 14.38% during the accounting period. Payments to the scheme in the period amounted to £175k (2020: £295k). Members' contributions are banded according to earnings. The scheme is subject to full valuations every four years (previously every five years). The last valuation took place as at 31 March 2017. Between valuations, the Government Actuary provides an update of the scheme liabilities on an annual basis. The latest assessment of the liabilities of the scheme is contained in the scheme actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published every October. These accounts can be viewed on the NHS Pension Agency website at www.nhspa.gov.uk.

The People's Pension auto enrolment pension scheme

Contributions were made at 3% during 2020-21. The total payments to The People's Pension auto enrolment pension scheme during the period were £18k (2020: £10k).

Scottish Widow auto enrolment pension scheme

Contributions were made at 3% and 7% (7% for the small number of members of the Scottish Widow Group Personal Pension that preceded the auto enrolment scheme). The total payments to the Scottish Widow auto enrolment pension scheme during the period were £515k (2020: £614k).

West Yorkshire Pension Fund

The West Yorkshire Pension Fund (WYPF) is a multi-employer scheme with more than one participating employer, which is administered by the City of Bradford Metropolitan District Council under the regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. Triennial actuarial valuations of the pension scheme are performed by an independent, professionally qualified actuary using the projected unit credit method.

Contributions
The employers' regular contributions to the WYPF by St Anne's for the year ended 31 March 2020 at 37.6% of pensionable pay were £2,068k (2020: £1,475k). The employers' contribution rate has been fixed at 37.6% of pensionable pay for the year ending 31 March 2020. Employees' contribution rates have been fixed at rates between 5.5% and 8.5% dependent on salary levels.

As the scheme is closed to new members, under the projected unit method of valuation, the current service cost will increase as the members of the scheme approach retirement.

During the financial year 2021/22 the vast majority of the active membership of the scheme will be removed from the WYPF and transferred to the Scottish Widows scheme, this will therefore have a significant reduction in the contributions in the 2021/22 financial year.

Assumptions
The major assumptions used by the actuary in assessing scheme liabilities on an FRS 102 basis were:

	31-Mar-21	31-Mar-20	31-Mar-19	31-Mar-18
	% per annum	% per annum	% per annum	% per annum
Rate of increase in salaries	2.95	2.15	2.00	1.60
Rate of increase in pensions in payment	2.7	1.9	2.1	2.1
Discount rate	2.1	2.3	2.5	2.6
Inflation assumption - RPI	-	-	3.2	3.2
Inflation assumption - CPI	2.7	1.9	2.1	2.1

Mortality assumptions

The post retirement mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements. The sample life expectancies at age 65 resulting from these mortality assumptions are:

	2021	2020
	% per annum	% per annum
Retiring today:		
Males	21.9	21.8
Females	24.7	24.6
Retiring in 20 years:		
Males	22.6	22.5
Females	25.8	25.7

Amounts recognised in the Statement of financial position

	2021 £'000	2020 £'000
Present value of funded obligations	(118,784)	(95,054)
Fair value of plan assets	98,417	79,630
Net pension liability	**(20,367)**	**(15,424)**

Amounts recognised in surplus or deficit

	2021 £'000	2020 £'000
Current service cost	1,785	1,969
Past service cost	-	-
Amounts charged to operating costs	**1,785**	**1,969**
Interest on net defined benefit liability	316	148
Amounts charged to other finance costs	**316**	**148**

Amounts recognised in other comprehensive income

	2021 £'000	2020 £'000
Actuarial (losses)/gains on liabilities	(21,851)	915
Actuarial gain on assets	16,692	(9,021)
Net amount recognised in other comprehensive income	**(5,159)**	**(8,106)**

Changes in present value of defined benefit obligations:

	2021 £'000	2020 £'000
Opening defined benefit obligation	95,054	94,144
Current service cost	1,785	1,969
Past service cost	-	-
Interest cost	2,163	2,323
Actuarial losses/(gains) on liabilities	21,851	(915)
Benefits/transfers paid	(2,397)	(2,804)
Member contributions	328	337
Closing defined benefit obligation	**118,784**	**95,054**

Reconciliation of opening and closing balances of the fair value of scheme assets:

	2021 £'000	2020 £'000
Opening fair value of assets	79,630	87,465
Interest income on scheme assets	1,847	2,175
Actuarial gains on assets	16,692	(9,021)
Contributions by employer	2,317	1,478
Member contributions	328	337
Net benefits paid	(2,397)	(2,804)
Closing defined benefit obligation	**98,417**	**79,630**

Major categories of plan assets as a percentage of total plan assets:

	2021	2020
Equities	78.9%	77.5%
Property	4.0%	4.5%
Government Bonds	9.0%	9.6%
Corporate Bonds	4.8%	5.1%
Cash	1.3%	1.9%
Other	2.0%	1.4%
	100.0%	**100.0%**

	2021 £'000	2020 £'000
Actual return on plan assets	**18,010**	**(6,846)**

Admission Agreement for admission to West Yorkshire Pension Fund

In connection with a contract between City of Bradford Metropolitan Council and the organisation, an agreement for admission to a new section of WYPF was entered into with effect from 20 December 2011. The agreement is specific to eligible staff transferred to St Anne's by virtue of the contract and will terminate on the expiry or earlier termination of the contract. This section of the WYPF was fully funded at the start of the agreement. Subject to the organisation complying with specific clauses in the agreement, any deficit relating to this section of the fund will be subsumed by the council. Following the scheme valuation as at 31 March 2013, employer contributions of £11k were required for the year ending 31 March 2021.

Due to the subsumption arrangements in place, assets and liabilities relating to this section of the WYPF have not been included in the organisation's balance sheet.

The McCloud judgement

In December 2018, the Court of Appeal ruled that the transitional protection offered to some members of public sector pension schemes as part of reforms to those schemes amounted to unlawful discrimination, as a result an allowance should be made for the McCloud Judgement in accounts, however the allowance is highly dependent on the salary increase assumption. As the assumed rate of CPI for St Anne's salary increases is less than CPI, McCloud will not have an impact and no allowance is therefore included in these financial statements.

22. RELATED PARTY TRANSACTIONS

The organisation paid £22k (2020: £65k) on behalf of St Anne's Trading Ltd (see note 10). St Anne's Trading made a Gift Aid Distribution of profits to St Anne's Community Services of £42k (2020: £nil). There were no other related party transactions in the year. The amount due from St Anne's Trading Ltd to St Anne's Community Services at the year end was £29k (2020: £7k).

23. CATEGORIES OF FINANCIAL ASSETS AND LIABILITES

	2021	2020
	£'000	£'000
Financial Assets at amortised cost		
Rent and Service Charges receivable	371	1,281
Invoiced Debtors	1,710	1,716
Other debtors	230	497
Accrued Income	163	908
	2,474	**4,402**
Financial liabilities at amortised cost		
Trade creditors	1,530	1,062
Other creditors	604	522
Deferred income - revenue grant	242	304
Deferred capital grant	245	236
Accruals and deferred income	2,004	1,171
Other taxation and social security	1,006	444
Pension contributions	279	277
	5,910	**4,016**