

# **St Elizabeth's Centre**

## **Annual Report and Financial Statements**

Period ending 31 December 2020

Company Limited by Guarantee  
Registration Number  
11087989 (England and Wales)

Charity Registration Number  
1176777

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## Reference and administrative information

**Board of Trustees** Sister Patricia Ainsworth  
Sister Josephine Anne Clemence  
Mr John Coleby  
Ms Claire Cook  
Mr James Conway  
Mr Richard Crean (resigned 16 February 2021)  
Sister Veronica Hagen  
Ms Freda Kelly  
Mr Christopher Kemball (Chairman)  
Reverend Father Peter Lyness  
Bishop Paul McAleenan  
Mr Robert Moore  
Mr Chris Pugh (resigned 15 March 2021)  
Mr Nicholas Seed

**Company Secretary** Ms Holly Venetia Phipps  
**Company registration number** 11087989  
**Charity registration number** 1176777

**Address** St Elizabeth's Centre  
South End  
Much Hadham  
Hertfordshire SG10 6EW

**Auditor** Buzzacott LLP  
130 Wood Street  
London EC2V 6DL

**Principal bankers** CAF Bank  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4 JQ

**Solicitors** Farrar & Co  
66 Lincoln's Inn Fields  
London WC2A 3LH  
  
Stanley Tee LLP  
95 London Road  
Bishop's Stortford  
Hertfordshire CM23 2LU

## Reference and administrative information

### Senior Leadership Team

<b>Chief Executive</b>	Mr Adam Sampson – resigned 6 October 2020 Ms Jill Rankin – appointed 6 October 2020
<b>Director of Education &amp; Head of College</b>	Dr Alec Clark
<b>Acting Director of Adult Services</b>	Ms Jill Rankin – promoted to CEO 6 October 2020
<b>Interim Director of Adult Services</b>	Ms Cheryl Allum-Clarke – appointed 6 October 2020
<b>Director of Finance &amp; IT</b>	Mr John Scarisbrick – resigned 31 December 2020 Mr Rhodri Jenkins – appointed 6 December 2020
<b>Director of HR &amp; Staff Development</b>	Ms Gail Christey

### Other officers

<b>Clinical Services Manager</b>	Ms Linah Mamvura
<b>Head of Children's Care Services</b>	Ms Diane O'Connor
<b>Head of School</b>	Mrs Samantha Steinke-Sanderson
<b>Assistant Directors – Home</b>	Ms Susan Bristow – transferred 6 October 2020 Ms Cheryl Allum-Clare – promoted 6 October 2020 Ms Jennifer Brand – appointed 6 October 2020 Ms Sam Porter – appointed 6 October 2020
<b>Head of Domiciliary Care</b>	Ms Cheryl Gow

### **Introduction**

The Board of Trustees ("**Trustees**") presents its report with the accounts of St Elizabeth's Centre ("**Charity**") for the 16 months ended 31 December 2020.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and also constitutes a directors' report and strategic report for the purposes of company legislation.

The accounts are presented in accordance with the accounting policies set out on pages 23 to 26 therein and comply with the Charity's Memorandum and Articles of Association ("**Articles**"), the Companies Act 2006 and the requirements of United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The accounts follow the principles of Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).

### **Structure, governance and management**

St Elizabeth's Centre was originally established in 1903 as one of the charitable works of the Congregation of the Daughters of the Cross of Liege (the "**Congregation**"), a Roman Catholic religious congregation, founded in 1833 in Liege, Belgium. St Elizabeth's Centre operated as part of the Congregation until 30 September 2018, when the activities and assets of St Elizabeth's Centre were transferred to a newly registered charity with the name of 'St Elizabeth's Centre'. Some Trustees of the Congregation are also Trustees of the Charity.

The Charity was incorporated as a company limited by guarantee without a share capital on 29 November 2017 and registered as charity with the Charity Commission on 22 January 2018. It is governed in accordance with the Articles.

The Articles require that the Charity has between five and fifteen Trustees. Trustees are appointed by the Archbishop of Westminster. The following Trustees were in office at 31 December 2020 and served throughout the period, except where shown.

**Structure, governance and management** (continued)

***Trustees***

<b>Trustee</b>	<b>Appointed / Resigned</b>
Mr Christopher Kemball (Chairman)	
Bishop Paul McAleenan	
Sister Patricia Ainsworth	
Sister Josephine Anne Clemence	
Sister Veronica Hagen	
Ms Claire Cook	
Mr James Conway	
Mr John Coleby	
Mr Richard Crean	Resigned 16 February 2021
Ms Freda Kelly	
Mr Robert Moore	
Ms Nicholas Seed	
Father Peter Lyness	Appointed 19 May 2020
Mr Chris Pugh	Appointed 6 October 2020 – Resigned 15 March 2021

Trustees are encouraged to attend any conferences, courses and seminars which they feel are relevant to keep themselves apprised of any changes in the relevant legislation or best practice regarding the governance of the Charity. In addition, professional advice is extensively sought and relied upon by the Trustees, particularly in the areas of law, finance, accounting, property and investment.

***Trustees' expenses***

No Trustee received any remuneration from the Charity in connection with their duties as a Trustee. No Trustee had any beneficial interest in any contract with the Charity.

***Organisation***

The Board of Trustees meets six times a year. In addition, there is a Finance Audit and Risk Committee and a Health Care and Quality Committee to consider those areas of the Charity's operations in more detail, as well as separate Boards of Governors for the School and the College. The Senior Leadership Team (SLT) consisting of the Chief Executive Officer, Principal (previously called Director of Education and Skills) Interim Director of Adult Services, Director of Finance and IT and Director of HR and Staff Development undertake the routine management of the Charity.

**Structure, governance and management** (continued)

***The Senior Leadership Team***

The following members of the SLT were in office at 31 December 2020.

<b>Senior Leadership Team</b>	<b>Role</b>
Ms Jill Rankin	Chief Executive Officer
Dr. Alec Clark	Director of Education and Head of College
Ms Cheryl Allum-Clarke	Interim Director of Adult Services
Mr Rhodri Jenkins	Director of Finance
Ms Gail Christey	Director of HR and Staff Development

The pay of the Senior Leadership Team is reviewed regularly and approved by the Trustees, based upon independent external recommendation. The pay of the Senior Leadership Team is benchmarked against other charities in the sector.

***Public Benefit***

Charity law requires the Trustees to include in their annual report a confirmation that they have had regard to the guidance of the Charity Commission regarding public benefit. The Trustees are also required to provide information which demonstrates how the Group and Charity meets the guidance.

This report describes the aims and activities of the Group and Charity which the Trustees believe contribute significantly to the aims of the Group and Charity and meet the criteria established by the Charity Commission for assessing public benefit. In particular, where fees are charged for the services provided, the services are provided on the basis of need and the cost is largely met from public finances.

**Aims and Activities**

***Aims***

The Objects of the Group and Charity are the promotion of the Catholic religion, the advancement of education and the promotion of physical and mental health for people of all ages who have epilepsy or other complex needs on the basis of need and regardless of their religious, cultural or ethnic background by the provision of:

- (a) education (including cultural, social, moral and spiritual development);
- (b) training and other activities to develop their skills, capabilities and capacity to engage in work;
- (c) care and health support; and
- (d) facilities for leisure time occupation in the interests of social, moral and spiritual welfare; in accordance with the teaching, rites and practices of the Catholic Church and (save for purposes incidental and ancillary to those objects) no other purposes.

**Aims and Activities** (continued)

**Activities**

Based on a 40-acre site in Hertfordshire, the Group and Charity provide:

- ◆ Support to over 200 children, young people and adults each year.
- ◆ Highly-specialised residential accommodation, with 24-7 care, including:
  - ◇ a care home with nursing support ("**Home**"), comprised of 12 specially-adapted bungalows;
  - ◇ supported living accommodation in the nearby town of Bishop's Stortford; and
  - ◇ a fully accessible children's home spread over eight bungalows
  - ◇ on-site supported living accommodation for our College students;
- ◆ Specialist education, including:
  - ◇ a 'non-maintained special school' for children aged 5-19 ("**School**"); and
  - ◇ a 'Section 41 approved special post-16 institution' ("**College**") for young people aged 19-25, offering a 3-year programme that focuses on developing key skills;
- ◆ Health and therapeutic support including:
  - ◇ 24-hour nursing support, including epilepsy-specialist nurses, specialist learning disability nurses and paediatric nurses; and
  - ◇ access to on-site therapeutic programmes including occupational therapy, physiotherapy, speech & language therapy and emotional & behavioural support;
- ◆ Key skills development and leisure opportunities, both on and off-site, including vocational and therapeutic activities, music, crafts, sensory activities, IT and sports.

Through the Charity's multi-disciplinary approach, with its academic teams, carers, health staff, therapists and managers working together towards a common goal, the Charity ensures its service users get the best possible chance to realise their full potential. The Charity provides personalised care plans that meet the needs of each individual, encompassing their education, care, health and wellbeing, and social skills, and encouraging independence so far as possible.

**Aims and Activities** (continued)

***Regulated Services***

At present there are six separate regulated services on site:

- ◆ Adult Care Home with Nursing
- ◆ Nursing Agency (provides nursing and therapy services into all the other regulated services on the site)
- ◆ Domiciliary Care Agency (which provides supported living to tenants in their own home)
- ◆ Children's Home
- ◆ College
- ◆ School

All services apart from the Children's Home are currently rated Good by either CQC or Ofsted.

In March 2019 the Children's Home was rated inadequate and following a further inspection six weeks later it was upgraded to 'requires improvement'.

The leadership team responded by restructuring the executive team and recruiting an experienced care specialist to oversee this service.

A robust action plan is in place to bring the service back to a 'Good' or better rating, and the action plan is monitored closely by the Senior Leadership Team and the Trustees.

The interim inspection indicated that the remaining barrier to moving to a Good was the unsatisfactory accommodation in two areas (Chilton House and Cookson House). The refurbishment of these to two six bed ensuite facilities is now complete and we anticipate a further inspection later 2021.

**Achievements and performance**

The period under review included the beginning of the Covid-19 pandemic in early 2020 which is still continuing and, as with other charities and businesses, has caused significant strain on the management and finances of the Charity. The result for the 16 months ended 31 December 2020 was a loss of £1.2 million. Given the grants and furlough income, and the fact that the impact of the pandemic was only a c£300k loss, this means we have an underlying £900k deficit. The new Senior Leadership Team have been tasked with improving this position.

Our overriding objective during the pandemic was to ensure the safety of our residents and staff as well as to ensure that the Charity remained solvent. Due to stringent measures taken at the onset of the pandemic, we were able to mitigate its effects and Covid deaths were limited to 1 resident with none amongst the staff in the period. Our hearts and prayers go out to the families and loved ones of the deceased.

The Charity's cash reserves are £7.3 million which the Trustees are confident is sufficient for the secure operation of the Charity.

**Achievement and performance** (continued)

Our CEO, Adam Sampson, resigned at the beginning of October and the Trustees responded to this resignation with an evaluation of the skill mix at leadership level and consequently a new CEO and Director of Finance were appointed. The Director of Education role has been replaced by a Principal role which we are currently appointing. Jill Rankin, Head of Adult Services, was promoted to CEO and we also appointed Rhodri Jenkins as Director of Finance at the beginning of December. We have made a number of other senior appointments and promotions to ensure we have a strong and effective wider Management Team.

The new CEO and her team have agreed a revised Strategic Plan with the Board which is summarised below. Given the grants and furlough income, and the fact that the impact of the pandemic was limited to a c£400k loss (see Impact of Covid below), this means we have an underlying £900k deficit and the new Senior Leadership Team have been tasked with improving this position. Our aim is to ensure that the Charity makes a sustainable surplus each year so that we can invest in, and grow, the enterprise over the next 5 years and beyond.

***Achievements***

This report covers the operations for the 16 months ended 31 December 2020. Over the past 16 months, the Charity has supported:

- ◆ 89 adults aged 18+ across 11 fully accessible residential bungalows, with nursing and therapeutic support, as part of the care home provision;
- ◆ 12 adults in the supported living accommodation in nearby Bishop's Stortford;
- ◆ 26 learners aged 19 - 25 at the College, 92% of whom were residential and living in the specially adapted on-site bungalows;
- ◆ 41 children aged 5 - 19 in the School, 88% of whom lived on site (some term-time only and others 52-weeks a year) in the specially-adapted Children's Home;
- ◆ 30 adult day service users, who live locally but come to the site to participate in the extensive daytime programme of recreational, physical and vocational activities; and

Graduation Success: Three learners from the College and 10 pupils from the School graduated in July 2020, having completed their final year.

Six students from School transitioned to St Elizabeth's College. One of the College learners continued to reside in supported living while his long term transition plan was developed. Due to the impact of Covid-19 his local authority agreed to support an extended placement at College, he is living in Jubilee House and has been attending College since November 2020. He is due to leave at the end of this academic year. Of the two remaining learners, one is living in Saffron Walden in a supported living setting and the other continues to live at home with his family in Central London.

## **Achievement and performance** (continued)

### ***Achievements*** (continued)

Academic Achievement: 'Steps of Progress' (data used to monitor progress of those with severe special educational needs) shows that 100% of School students had made progress in all of the key areas of reading, writing, communication and mathematics with 24% of students achieving more than 21 steps of progress. In College 95% of learners made progress in both English and mathematics from their starting point. In 'Preparation for Adulthood', 42% scored outstanding, 38% scored above expected and 19% scored as expected from their starting point.

Regulatory Successes: The Charity secured a 'good' rating from the Care Quality Commission for the domiciliary care agency at its latest inspection. CQC made an assurance inspection of the Adult Home Infection Protection Control and confirmed its satisfaction with our arrangements.

Art Exhibitions: Artwork produced by three adult day service user has recently been on display at the Tate Modern, in London, as part of a competition run in conjunction with the Tate and Uniting Friends (a social inclusion project for adults with a learning disability).

Adult service users who attend the art and ceramics enterprise project have also been busy creating art pieces that demonstrate what their epilepsy means to them and how their diagnosis has affected their lives. The art work has been displayed in various places and toured around the county and is currently on display in the corridors of the Charity.

Therapeutic Services: Over the past eighteen months, the Charity has adjusted its delivery methodology for therapeutic services due to the Covid-19 pandemic. The services continue to include therapeutic programs for adults and children to participate in and benefit from. These included: behaviour and emotional support programme, online music therapy, as well as group activities involving art, cooking, cheerleading and sports, development of language and communication within the homes and academic settings. The home provides care and support to eligible individuals under the direction of visiting consultants in neurology and psychiatry as well as local GPs who have a special interest in epilepsy.

Awareness-Raising: The Charity has also launched a new Blog to keep families and friends up to date on the work of St Elizabeth's, particularly important during periods of lockdown. The website continues to expand its reach, with over 47,000 users, a growth of 30% over the past 12 months. Social media has grown significantly over the period – Facebook followers have increased by over 40%, Twitter by 30% and Instagram followers have increased 96%, and on-line donations via the website reached £30,000.

Virtual tours have been created in partnership with film crews to advertise and promote our services and support ongoing priorities in Admissions

**Achievement and performance** (continued)

**Achievements** (continued)

Fundraising Successes: Thanks to the generosity of a large number of supporters, including Charitable Trusts, Corporates, Individuals and Community Groups, the Charity successfully fundraised £406k for a number of key projects. This fundraising has allowed us to invest in:

- ◆ New equipment for the on-site Sensory Rooms;
- ◆ Oxygen Convertors for the treatment of Covid, and a Syringe Driver for the administration of medication;
- ◆ Eye Gaze equipment to aid communication for non-verbal service users;
- ◆ New bed monitors and seizure monitors to help detect night-time seizures; and
- ◆ Upgrading bathrooms, bedrooms and communal areas in some of the adult accommodation.

**Future Plans**

The new CEO, Jill Rankin, along with the Senior Leadership Team have developed an ambitious 5-year strategic plan (2021-2025). This plan has been presented to and agreed by the Trustees and at a strategic level, six key objectives have been identified:

<b>Respected provider of choice</b>	To be the respected provider of choice and market leader, centre of excellence initially in the South East, for people with learning disabilities, epilepsy and other challenging health conditions.
<b>Robust operating model</b>	Ensure a robust operating model that delivers a consistent and sustainable financial surplus. Retain services for adults, but focus on growing and developing services for children as this is where we are most likely to be able to make the most impact.
<b>Property upgraded</b>	The on-site property portfolio is to be significantly upgraded. Capital expenditure will be managed on a priority basis to include utilities, fire safety and infrastructure. We recognise that fundraising will be integral to the success of these projects. Off-site opportunities and services to also be developed for adults to create real opportunities for community living in partnership with capital providers.
<b>Be a leading employer</b>	Promote excellence, pride, continuous improvement and personal growth. Offer ethical pay scales.
<b>Respected brand</b>	A respected, recognisable, brand, supported by effective communications that engages the widest possible audience.
<b>Modern business intelligence</b>	Modern integrated systems and a developed Business Intelligence function.

## Future Plans (continued)

### *The Environment*

The Trustees are conscious of the Charity's corporate social responsibility to protect the environment. The Charity has adopted an Environmental Sustainability Policy.

### *Volunteers*

Over 10,000 hours of volunteering have been provided by a team of very dedicated volunteers, who support the work of the Fundraising Team and within the Charity Shop

## Financial Review

The net (expenditure) / income for the unrestricted and restricted funds were as follows (16 months of trading):

	Total	Charitable activities			
		Home & Day Services	School & Children's Home	College & Domiciliary Care	Fundraising, shops & Investments
	£'000	£'000	£'000	£'000	£'000
School, College and Home income	<b>32,944</b>	14,464	10,729	6,162	1,589
Cost of raising funds	<b>(151)</b>	—	—	—	(151)
Fundraising and Trading	<b>(1,286)</b>	—	—	—	(1,286)
Charitable Activities	<b>(32,903)</b>	(15,637)	(10,805)	(6,461)	—
Net (expenditure) income before transfers	<b>(1,396)</b>	(1,173)	(76)	(299)	152

The net (expenditure)/ income for the unrestricted and restricted funds were as follows (16 months of trading):

- ◆ The Charity made an overall deficit of £1,260k before transfers to restricted funds.
- ◆ The restricted funds made a deficit of £136k in the period, giving an overall deficit of £1,396k.

All charitable activities make a positive contribution to the recovery of support service costs.

## Reserves Policy and Financial Position

The Trustees are conscious of the need to balance the requirements of the Charity's present service users and students against those in the future. This means that they have to determine the level of reserves to be carried forward to invest in future development. The Trustees consider that, given the nature of the Charity's work, the minimum level of reserves should be 3 months' annual expenditure.

The unadjusted general fund reserves of £6,742k represent approximately 3.8 months of annual expenditure. The Trustees are currently adopting a new 5-year strategy with the aim of generating sustainable operating surpluses to support investment in new facilities and improved services. In this context the reserves policy will be reviewed to ensure it is consistent with the long term financial strategy.

**Reserves Policy and Financial Position** (continued)

Restricted funds of £137k, as at 31 December 2020, are available for a range of smaller projects for which the Charity has received donations, but has not yet incurred the expenditure.

Designated reserves of £19,741k principally comprise the fixed asset fund, representing all net assets and liabilities connected to the fixed assets of the Charity.

Cash balances total £7,341k at 31 December 2020.

**The Group and Charity's Assets**

The acquisitions and disposals of fixed assets during the period are recorded in note 10 to the financial statements.

Since the transfer of the Congregation's assets and activities to the Charity, the Charity's land and buildings have not been revalued.

**Fundraising**

During the period a total of £1,556k was raised from gift aid, donations, legacies, shops and fundraising activities of which £1,150k was from shops and £406k from other activities. Of this income, £152k was for restricted purposes.

The internal Fundraising Team engages with corporate partners to encourage their employees to raise funds and volunteer to support the work of the Centre, and work closely with the local community to develop income- and awareness-raising relationships. Applications are also made to grant-making Trusts for capital projects, specific projects, and unrestricted funding.

The Centre has 9 charity shops across Hertfordshire and Essex; the 11th, in Harlow Town Centre, and 10th, in Waltham Abbey, were closed in September 2019 and December 2020 respectively. Due to National Lockdown restrictions as a result of the Covid-19 pandemic, the charity shops were only able to open for a maximum of 10 months in this period, and were required to follow strict social distancing measures, including limiting customer numbers and quarantining donations. The overall impact of the pandemic is discussed further on page 14.

The Fundraising Team also runs a series of on-site events to raise funds, and supports individuals to fundraise and donate, by participating in challenge events, hosting fundraisers and raising awareness, although these were limited this year due to lockdown restrictions. Sadly, due to the Covid-19 pandemic, the 3 on-site fundraising events for 2020 were cancelled, as well as the London Marathon and Ride London. A range of virtual events were organised in their place.

The Centre sends a newsletter twice-yearly to supporters who have expressed an interest in our work and runs 2 fundraising raffles throughout the year. The Centre does not make use of professional fundraising agencies.

The Charity is registered with the Fundraising Regulator and is committed to adhering to the Fundraising Code of Practice.

**Fundraising (continued)**

Complaints are reported to the Fundraising Regulator in accordance with their timetable. There were no complaints in the last reporting period. The Charity has not had any adjudications and had no significant failures, ensuring compliance with these standards. Detailed policies and procedures are in place and compliance is reviewed through audit, by monitoring feedback and taking corrective action where required.

Supporters are asked whether they would like the Charity to keep in touch with them, by way of regular updates on our work and how they have helped the Charity. Recipients of both email and mail-based communications are given the option to confirm if they prefer less contact or no longer wish to receive correspondence, and these preferences are immediately updated.

The Charity does not sell or exchange lists of data with any other charities or companies. The Charity's fundraisers have been briefed to protect people in vulnerable circumstances. If they encounter someone showing signs of distress, confusion or vulnerability, the fundraisers are trained to politely end the conversation and refuse any donation offered in such circumstances. In the unlikely event of a donation being taken, the donation would be refunded.

**Promoting the success of the charity and employee engagement**

As the Trustees of St Elizabeth's, we have a legal responsibility under section 172 of the Companies Act 2006 to act in the way we consider, in good faith, would be most likely to promote the Charity's success for the benefit of all stakeholders, and to have regard to the long-term effect of our decisions on the Charity. This statement addresses the ways in which we as Trustees execute this responsibility.

*Promoting the Charity's success for its stakeholders*

St Elizabeth's became an independent charity in 2018 with a Board of Trustees and is run on a day to day basis by a Senior Leadership Team. We are proud to deliver of the ways in which, over a century the charity has provided care and support for children and adults of all ages with epilepsy and other complex medical conditions, the severity of which impacts their health, social, behaviour, learning and emotional development. The decisions we make as a Charity, from the ground level through to the Board of Trustees, are for their benefit.

We are a values driven organisation and strive to demonstrate the following ideals:

**Compassionate** We care. We think of life as a gift, to be respected, celebrated and cherished.

**Aspirational** We are ambitious for people we work with. We work with passion to ensure that they live their lives to the full, and with dignity. We set high standards and stretching goals, and support people to achieve their potential.

**Creative** We seek out opportunities to be creative, to innovate and to have a positive impact. We embrace change.

**Promoting the success of the charity and employee**

**engagement** (continued)

<b>Collaborative</b>	We are collaborative, professional and inclusive. We respect, value and learn from each other. We work in partnership.
<b>Joyful</b>	We strive never to lose sight of the fun and joy in life. Our success is dependent on the collective energy and contribution of our staff. Staff who enjoy their work and enjoy being at work, are the bedrock of a high quality sustainable service.

There are wider consultation mechanisms which support us in fostering healthy relationships with stakeholders. These include:

- 6 meetings annually with the Senior Leadership Team
- Family Forum
- Residents Forum
- School Council
- College Council
- Information and Consultation Group

We have agreed and approved a 5-year strategic plan, which emphasises the delivery of market leading services providing the required returns to reinvest in the infrastructure of the operation and property portfolio to build further success. It underlines the need to build a talented team and a respected brand that is recognisable for its purpose and quality of service delivery. We recognise that to succeed we will need to build strategic partnerships with other organisations that can provide the infrastructure to successfully deliver this ambitious plan.

Our key stakeholders, and the ways in which we engage with them, are as follows:

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<b>Our clients</b>	<p>The views of our clients is of paramount importance to us and forms the basis of our work and there are forums for them in each service area.</p> <p>Additionally we have annual surveys, monthly house meetings and weekly key note session to ensure the views, wishes and aspirations of those who use our services.</p>
<b>Regulatory authorities</b>	<p>St Elizabeth's provides services to vulnerable children and consequently is a highly regulated environment. We engage proactively with Ofsted, CQC and multiple local authorities who carry out compliance visits. St Elizabeth's operates in an open and transparent manner with regulators and aspire to reach the highest possible standard across our services.</p>

**Promoting the success of the charity and employee engagement** (continued)

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**Our employees**

Below are ways we engage with our employees:

- We operate a well embedded staff consultation process, to include our Information and Consultation Group, which comprises elected staff representatives who meet every 2 months with the CEO and Senior Leadership Team.
- There are annual all staff surveys and an annual staff conference.
- Collaborative staff working parties both for ad hoc issues or longer term initiatives/areas of interest, for example our Equality, Diversity and Inclusion Group and our Environmental Sustainability Group.
- Regular cross service Senior Leadership Team meetings, to include our Operational Senior Leadership Team meetings (every 2 weeks, chaired by the CEO) of all our Heads of Department and our Care and Health Leadership Team meetings.
- Appraisal and supervision processes which are designed to support reflective two way discussion between staff and line managers.
- Other opportunities for feedback from staff and effective engagement are also in place to include a “Moving On” (exit interview) process.
- Our People Strategy has been created following a comprehensive engagement process with staff.

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**The wider community**

The Centre is committed to working with and alongside the local community to increase awareness of St Elizabeth’s and the work they do. Nine charity shops across Essex, Hertfordshire and North London support fundraising efforts and help to spread awareness amongst their customers, supported by over 100 volunteers from the local area. St Elizabeth’s is also a member of a number of Business Improvement District (BID) initiatives in towns where our shops are based.

St Elizabeth’s is a member of several Chambers of Commerce and Networking Groups, working alongside town councillors, local businesses and community groups to raise awareness and develop potential partnerships. These continued during lockdown on a virtual forum, and led to significant donations, marketing opportunities and pro-bono support.

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### Streamlined Energy and Carbon Reporting requirements

We detail below our reporting obligations in relation to the energy use and carbon emissions for the accounting period under review.

<b>UK Greenhouse Gas Emissions and Energy Use Data for the Period 1 September 2019 to 31 December 2020</b>	
Energy Consumption used to Calculate Emissions (kWh)	<b>2,532,461</b>
Energy Consumption break down (kWh) (Optional)	
Gas	979,371
Electricity	1,553,090
Transport Fuel	-
	<b>2,532,461</b>
<b>Scope 1 Emissions in Metric Tonnes</b>	
CO2e Gas Consumption	180
Owned Transport - mini-buses, cars and vehicles	40
<b>Total Scope 1</b>	<b>220</b>
<b>Scope 2 Emissions in Metric Tonnes</b>	
CO2e Purchased Electricity	362
<b>Total Scope 2</b>	<b>362</b>
<b>Scope 3 Emissions in Metric Tonnes CO2e</b>	
Taxis to Work	13
Bus Services	12
Business Travel in Employee Owned Vehicles	-
Leased vehicles	104
<b>Total Scope 3</b>	<b>129</b>
<b>Total Gross Emissions in Metric Tonnes CO2e</b>	
	<b>711</b>
<b>Intensity Ratio</b>	
Tonnes CO2e per Resident	4

#### *Quantification and Reporting Methodology*

Where the information has been available we have taken this directly from primary records, for example, gas and electricity invoices and statements. For transport costs, we have taken information from mileage records and applied UK Government's guidance in relation to energy conversion factors. Where information and data has not been recorded in a comprehensive manner, we have made informed assumptions and judgements in relation to activity and usage. This has applied to the information we have applied in relation to the use of taxis and the staff bus service.

We are actively looking at new approaches and processes which will provide further clarity to our record keeping for emissions, energy consumption and energy efficiency.

### **Streamlined Energy and Carbon Reporting requirements (continued)**

#### *Intensity measurement*

Our intensity measurement is based upon the average number of residents on site over the period under review.

#### *Measures Taken to Improve Energy Efficiency*

The Charity has in place a range of operational initiatives aimed at making a positive contribution towards reducing our carbon footprint, emissions and energy consumption and at improving its energy efficiency. Such initiatives include, but are not limited to:

- The formation of an Environment and Sustainability working group to provide leadership and direction on energy related matters;
- Recycling and waste management improvements in relation to food waste, mixed recycling and composting;
- Travel and transport – developing further the bus service to staff members and other uses; a continuation of the car share scheme arrangements; cycle to work initiatives; and expanding electric vehicle charging points; and
- Energy usage and renewables – replacing electric bulbs with LED equivalents when they are ready for replacement; reviewing solar panel usage, wind turbine expansion and looking and cavity wall insulation.

Additionally, in relation to procurement (services and works) the Charity will be actively assessing suppliers and contractors in relation to waste disposal, the use of recycled materials and policies for energy efficiency and reducing their carbon footprint, emissions and energy consumption.

### **Risk Management**

All major risks to which the Charity is exposed have been assessed including those relating to the specific operational aspects of the Charity, its investments and finances. The Trustees believe that by examining the operational and business risks faced by the Group and Charity, and by monitoring reserve levels and ensuring proper systems of financial control are in place, they have established effective procedures and safeguards to mitigate all reasonably known risks.

The most significant risks faced by the Charity are:

- ◆ residents suffering harm;
- ◆ a safeguarding incident occurring; or
- ◆ a decline in income from local authorities and central government, being the Charity's main funders, resulting in lower referrals and/or pressures on fee levels.

The Charity operates a system of annual planning and budgeting. Performance is monitored against the approved budget with the use of financial and non-financial metrics and targets.

**Risk Management** (continued)

Risks are identified by the Senior Leadership Team and senior managers and the likelihood and impact on the Charity is assessed. Mitigating actions are identified and kept under review. The major risks are set out below:

Risk	Mitigation
<b>Clinical quality</b> - service users suffer harm or death as a result of inappropriate action or omission	<ul style="list-style-type: none"> <li>• robust clinical policies and procedures</li> <li>• staff training and development</li> <li>• clinical supervisions</li> <li>• monitoring visits and audits</li> </ul>
<b>Services</b> - services may be further impacted by Covid 19 and changes in commissioning intentions, competition and social care policy	<ul style="list-style-type: none"> <li>• infection protection controls</li> <li>• robustly reviewed business continuity and risk assessment planning</li> <li>• engagement with key commissioners</li> <li>• review and updating of care model</li> <li>• diverse portfolio of services</li> </ul>
<b>Financial</b> - failure to secure adequate funding to maintain the quality of services	<ul style="list-style-type: none"> <li>• regular updating of fees from new admissions</li> <li>• ongoing negotiations with local authorities to secure cost of living increases</li> <li>• control and ongoing review of costs</li> <li>• diversified income from fundraising and retail activities</li> </ul>
<b>Data and information security</b> - breach or loss or compromise	<ul style="list-style-type: none"> <li>• robust data protection and security policies</li> <li>• audit of data across Charity</li> <li>• training of staff and managers</li> <li>• incident reporting and monitoring</li> </ul>

**Impact of Covid-19**

The activities of the Charity have been considerably impacted by the Covid-19 pandemic and the senior leadership team have had to take significant steps to protect the safety of residents and staff and to ensure compliance with Government guidelines. This has required implementing additional processes on site and incurring increased costs to cover site wide infection control. The Charity has also had to close the charity shops for significant periods of time, which reduced year on year shop receipts by c£500k. It also suffered significant shortfalls in expected income from fundraising and the provision of day services.

The Charity has, in mitigation, received both national and local government assistance through Covid-19 grants for infection control and furlough payments. The Trustees estimate that the overall, adverse, impact on the financial performance for the reporting period was c£387k. The elements are set out below:

**Impact of Covid-19**

	£k	£k
<b>Lost Income</b>		
Shops	(£534)	
Day Services	(£564)	
Fundraising	(£53)	
	<hr/>	(£1,151)
<b>Expenditure</b>		
Lower Agency & Bank Staff	£208	
Permanent Staff Costs	(£108)	
PPE Costs	(£304)	
	<hr/>	(£205)
<b>Net Income Impact</b>		<b>(£1,356)</b>

**Local & National Government Support**

Centre Grant Support (PPE)	£632	
Shop Grants	£107	
Furlough Support	£229	
<b>Total Grant &amp; Furlough Support</b>		<b>£968</b>
<b>Net Covid Impact</b>		<b>(£388)</b>

Whilst the pandemic has had an impact on the finances of the Charity the Trustees remain satisfied that the Charity has sufficient financial reserves and cash to ensure that there is minimal disruption to the continuing operations of the charity and the well-being of its beneficiaries.

**Solvency statement**

Trustees have conducted a thorough risk assessment and are confident that, should the Covid-19 pandemic continue at its current level, the Charity has adequate funds to continue trading.

**Statement of Trustees' responsibilities**

The Trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the income and expenditure of the Charity for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;

**Statement of Trustees' responsibilities** (continued)

- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the Charity's Auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Charity's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

**Thanks**

We would like to record our thanks to all of our staff, volunteers and donors for their hard work, commitment and continuing support throughout the severely testing conditions of the Covid-19 pandemic. Without their dedication, St Elizabeth's Centre would not be able to offer the excellent life style and opportunities it does to the adults, young people and children who are placed in its care.



Christopher Kemball



Jill Rankin

Signed on behalf of the Board of Trustees:

Date of approval: 23 June 2021

## Independent auditor's report to the members of St Elizabeth's Centre

### Opinion

We have audited the financial statements of St Elizabeth's Centre ("**parent charitable company**") and its subsidiary ("**the group**") for the period ended 31 December 2020 which comprise the group statement of financial activities, the group and charitable company balance sheets, the consolidated statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 December 2020 and of its income and expenditure for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

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

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

- ◆ the information given in the Trustees' Report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' Report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Group and Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group's and the charitable parent 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 group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### *How the audit was considered capable of detecting irregularities including fraud*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We identified the laws and regulations applicable to the charity through discussions with key management and from our knowledge and experience of the charity sector;
- ◆ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, the Charities SORP and specific Education and Care legislation relating to vulnerable individuals;
- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of Trustees' meetings.

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

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

- ◆ Making enquiries of key management as to where they considered there was susceptibility to fraud,
- ◆ their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of Trustees;
- ◆ Reading Ofsted and CQC reports; and
- ◆ Enquiring of us as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of key management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://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 Charity's member, 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 member 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 member, for our audit work, for this report, or for the opinions we have formed.



28 June 2021

Edward Finch (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

## Consolidated statement of financial activities 31 December 2020

	Notes	16-month period ended 31 December 2020			11-month period ended 31 August 2019		
		Unrestricted funds £'000	Restricted funds £'000	Total funds 2020 £'000	Unrestricted funds £'000	Restricted funds £'000	Total funds 2019 £'000
<b>Income and expenditure</b>							
<b>Income from:</b>							
Donations and legacies		192	152	344	55	147	202
Other trading activities	1	1,212	—	1,212	1,278	—	1,278
Investment income	2	33	—	33	26	—	26
Charitable activities	3	31,355	—	31,355	20,351	—	20,351
Transfer from The Congregation of the Daughters of the Cross of Liege	23	—	—	—	28,175	192	28,367
<b>Total income</b>		<b>32,792</b>	<b>152</b>	<b>32,944</b>	<b>49,885</b>	<b>339</b>	<b>50,224</b>
<b>Expenditure on:</b>							
Raising funds							
. Costs of raising funds	4	151	—	151	86	—	86
. Cost of goods sold and other costs	5	1,286	—	1,286	829	—	829
Charitable activities							
. Home and Day Services	6	15,395	242	15,637	10,013	52	10,065
. School & Children's Home	6	10,759	46	10,805	7,017	14	7,031
. College & Domiciliary Care	6	6,461	—	6,461	4,197	—	4,197
<b>Total expenditure</b>		<b>34,052</b>	<b>288</b>	<b>34,340</b>	<b>22,142</b>	<b>66</b>	<b>22,208</b>
<b>Net (expenditure) income for the period and net movement in funds</b>		<b>(1,260)</b>	<b>(136)</b>	<b>(1,396)</b>	<b>27,743</b>	<b>273</b>	<b>28,016</b>
Funds at the start of the period		27,743	273	28,016	—	—	—
<b>Funds at the end of the period</b>		<b>26,483</b>	<b>137</b>	<b>26,620</b>	<b>27,743</b>	<b>273</b>	<b>28,016</b>

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

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

The notes on pages 34 to 45 form part of these financial statements

## Balance sheets 31 December 2020

	Notes	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Charitable activities</b>					
Income from Home and Day Services	3	14,464		9,666	
Expenditure on Home and Day Services	6	(15,637)		(10,065)	
Deficit on Home and Day Services			(1,173)		(399)
Income from School and Children's Home	3	10,729		7,042	
Expenditure on School and Children's Home	6	(10,805)		(7,031)	
Surplus on School and Children's Home			(76)		11
Income from College and Domiciliary Care	3	6,162		3,643	
Expenditure on College and Domiciliary Care	6	(6,461)		(4,197)	
Deficit on College and Domiciliary Care			(299)		(554)
<b>Deficit on charitable activities</b>			<b>(1,548)</b>		<b>(942)</b>
<b>Income from:</b>					
Donations and legacies			344		202
Other trading activities	1		1,212		1,278
Investment income	2		33		26
			<b>1,589</b>		<b>1,506</b>
<b>Expenditure on raising funds</b>	4,5		<b>(1,437)</b>		<b>(915)</b>
<b>Net expenditure before transfer from The Congregation of the Daughters of the Cross of Liege</b>			<b>(1,396)</b>		<b>(351)</b>
Transfer from The Congregation of the Daughters of the Cross of Liege	23		—		28,367
<b>Net (expenditure) income for the period</b>			<b>(1,396)</b>		<b>28,016</b>

**Balance sheets** 31 December 2020

	Notes	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000	Group at 31 August 2019 £'000	Charity at 31 August 2019 £'000
<b>Fixed assets</b>					
Tangible assets	10	19,741	19,741	18,945	18,945
<b>Current assets</b>					
Debtors	12	1,695	1,695	1,485	1,485
Short term deposits	13	3,345	3,345	3,562	3,562
Cash at bank and in hand	13	3,996	3,996	5,719	5,719
		<b>9,036</b>	<b>9,036</b>	10,766	10,766
<b>Creditors:</b> amounts falling due within one year	14	<b>2,157</b>	<b>2,157</b>	1,695	1,695
<b>Net current assets</b>		<b>6,879</b>	<b>6,879</b>	9,071	9,071
<b>Net assets</b>		<b>26,620</b>	<b>26,620</b>	28,016	28,016
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds					
. Designated funds	15	19,741	19,741	19,078	19,078
. General fund		6,742	6,742	8,665	8,665
Total unrestricted funds		<b>26,483</b>	<b>26,483</b>	27,743	27,743
Restricted funds	16	137	137	273	273
		<b>26,620</b>	<b>26,620</b>	28,016	28,016

Approved by the Board of Trustees and signed on their behalf by:



Trustee

Date: 23 June 2021

St Elizabeth's Centre

Company Registration Number 11087989 (England and Wales)

Consolidated Statement of cash flows 31 December 2020

	Notes	<b>16 month Period ended 31 December 2020 £'000</b>	11 month Period ended 31 August 2019 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	A	<b>305</b>	(48)
<b>Cash flows from investing activities</b>			
Interest received		<b>33</b>	26
Purchase of tangible fixed assets		<b>(2,278)</b>	(773)
Cash transferred from the Congregation of the Daughters of Liege/Restricted Reserves		—	10,074
<b>Net cash (used in) provided by investing activities</b>		<b>(2,245)</b>	9,327
<b>(Decrease) increase in cash</b>	B	<b>(1,940)</b>	9,279

Notes to the statement of cash flows for the period to 31 December 2020.

**A Adjustment of net (expenditure) income before transfers to net cash inflow from operating activities**

	<b>Period ended 31 December 2020 £'000</b>	11 month Period ended 31 August 2019 £'000
Net (expenditure) income before transfers	<b>(1,351)</b>	28,016
Net assets transferred from the Congregation of the Daughters of the Cross of Liege	—	(28,367)
Depreciation charge	<b>1,482</b>	864
Interest receivable	<b>(33)</b>	(26)
Movement in debtors excluding amounts transferred	<b>(210)</b>	1,621
Movement in creditors excluding amounts transferred	<b>417</b>	(2,169)
Loss on disposal of tangible fixed assets	—	13
<b>Net cash inflow from operating activities</b>	<b>305</b>	(48)

**B Analysis of changes in net debt**

	At 1 September 2019 £'000	Cash flows £'000	At <b>31 December 2020 £'000</b>
Cash at bank and in hand	5,719	(1,723)	<b>3,996</b>
Short term deposits	3,562	(217)	<b>3,345</b>
<b>Total</b>	<b>9,281</b>	<b>(1,940)</b>	<b>7,341</b>

St Elizabeth's Centre does not have any borrowings or lease obligations. Net debt consists therefore of the cash at bank and in hand.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

**Basis of preparation**

These financial statements have been prepared for the 16-month period ended 31 December 2020 with comparative information given in respect to the 11-month period ended to 31 August 2019.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

St Elizabeth's Centre is a public benefit entity as defined by FRS 102.

**Basis of consolidation**

The consolidated statement of financial activities and group balance sheet includes the financial statements of St Elizabeth's Centre and St Elizabeth's Centre Welfare Services Limited, made up to the balance sheet date. St Elizabeth's Centre Welfare Services Limited is ultimately under the control of St Elizabeth's Centre but did not trade during this period.

No separate statement of financial activities has been presented for the Centre alone, as permitted by section 408 of the Companies Act 2006.

**Assessment of going concern**

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

The Trustees have concluded that there are no material uncertainties related to events or conditions that would cast significant doubt on the ability of St Elizabeth's Centre to continue as a going concern. As explained in the trustees' report, the Covid-19 pandemic has had a significant impact on day to day operations and will have some financial impact. However the trustees believe that the Charity has sufficient reserves and resources to withstand any temporary drop in income or any additional unexpected liability.

### **Income**

Income is recognised in the period in which the group and charity is entitled to receipt, the amount can be measured reliably and it is probable that the funds will be received.

Legacies are included in the statement of financial activities when there has been a grant of probate, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the Group and Charity.

Investment income, representing dividends, interest, and income from property, includes any associated tax recoverable.

Restricted grants and awards are included once the amount is known and receipt is probable.

Donated goods (with the exception of donated stock in the Group and Charity's shops) are valued by the Trustees on the basis of their worth to the Group and Charity, are included in the statement of financial activities in the year in which they are received.

### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenditure is inclusive of irrecoverable VAT. Expenditure comprises the following:

- a. The costs of raising funds include expenses incurred in generating income for the organisation, including the costs of fundraising events and the charity shops.
- b. The costs of charitable activities comprise all the costs of carrying out the charitable objectives of St Elizabeth's Centre. Costs incurred by central services departments are allocated based on the established use of each of the Home, School and College. Governance costs have been allocated to the costs of charitable activities. Governance costs are the costs associated with the governance arrangements of the Centre that relate to the general running of the Centre as opposed to those costs associated with fundraising or charitable activities. Included within this category are costs associated with the strategic as opposed to day to day management of the Centre's activities.

### **Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the group and charity, it is necessary to provide support in the form of personal development, financial procedures, provision of office services and equipment and a suitable working environment. Governance costs comprise the costs involving the public accountability of the group and charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on the proportion of floor area occupied by the activity. Staff related costs are allocated in the same proportion as directly attributable staff costs.

#### **Tangible fixed assets**

All assets costing more than £5,000 and with an expected useful life exceeding one year are capitalised.

Assets transferred to the group and charity are recognised at their fair value, which is treated as deemed cost. Other assets are recognised at their purchase cost.

Depreciation is calculated at the following annual rates in order to write down each asset to its estimated residual value over its estimated useful life:

Freehold buildings	3 - 10% on cost or revalued amounts
Furniture and office equipment	10 - 33% on cost
Motor vehicles	20% on cost

No depreciation is provided on freehold land or assets under construction.

#### **Fund accounting**

The Restricted Funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed condition.

The Designated Funds are monies set aside out of General Funds and designated for specific purposes by the trustees in consultation and agreement with the trustees. Designated Funds also include funds represented by tangible fixed assets and not available for general expenditure.

The General Fund represents unrestricted and undesignated monies used to fund working capital and which the trustees may use at their discretion in furtherance of the group and charity's objectives.

#### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the life of the lease.

#### **Cash**

Cash is held in bank accounts or in hand and money available on demand or term deposits with an expiry date within three months of the balance sheet date.

#### **Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount paid in advance.

**Creditors**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount St Elizabeth's Centre anticipates it will pay to settle the debt.

**Pension costs**

St Elizabeth's Centre operates a defined contribution pension scheme. The amounts charged represent the employers' contributions payable to the scheme in the year.

The Centre contributes to the Teachers' Pension Scheme which is an unfunded scheme and members contribute on a pay as you go basis. The Centre is unable to identify its share of the underlying net assets and liabilities of the scheme and accounts for its contributions as if it were a defined contribution scheme.

**1 Other trading activities**

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Charity shops	1,150	—	1,150
Events	62	—	62
<b>Total 2020</b>	<b>1,212</b>	<b>—</b>	<b>1,212</b>

	Unrestricted funds £'000	Restricted funds £'000	11-month period ended 31 August 2019 £'000
Charity shops	1,210	—	1,210
Events	68	—	68
<i>Total 2019</i>	<i>1,278</i>	<i>—</i>	<i>1,278</i>

**2 Investment income**

	Unrestricted funds £'000	Restricted funds £'000	16-month period ended 31 December 2020 Total £'000
Bank interest receivable	33	—	33
<b>Total 2020</b>	<b>33</b>	<b>—</b>	<b>33</b>

	Unrestricted funds £'000	Restricted funds £'000	11-month period ended 31 August 2019 £'000
Bank interest receivable	26	—	26
<i>Total 2019</i>	<i>26</i>	<i>—</i>	<i>26</i>

### 3 Income from charitable activities

	Unrestricted funds				16-month p Total £'000
	Home and Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
<b>Government fees and grants</b>					
Local Authorities (Social Services)	12,809	—	4,216	—	<b>17,025</b>
Local Education Authorities and Department for Education	—	10,430	1,678	—	<b>12,108</b>
Department of Work & Pensions	120	—	—	—	<b>120</b>
Health Authorities	1,036	—	—	—	<b>1,036</b>
	<b>13,965</b>	<b>10,430</b>	<b>5,894</b>	<b>—</b>	<b>30,289</b>
Rent	37	24	21	—	<b>82</b>
Day activity sales	32	—	—	—	<b>32</b>
Restaurant sales	41	26	24	—	<b>91</b>
Other	389	249	223	—	<b>861</b>
<b>Total 2020</b>	<b>14,464</b>	<b>10,729</b>	<b>6,162</b>	<b>—</b>	<b>31,355</b>

	Unrestricted funds				11-month period ended 31 August 2019 £'000
	Home and Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	Restricted funds £'000	
<i>Government fees and grants</i>					
<i>Local Authorities (Social Services)</i>	<i>7,992</i>	<i>—</i>	<i>2,489</i>	<i>—</i>	<i>10,481</i>
<i>Local Education Authorities and Department for Education</i>	<i>—</i>	<i>6,969</i>	<i>1,084</i>	<i>—</i>	<i>8,053</i>
<i>Department of Work &amp; Pensions</i>	<i>87</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>87</i>
<i>Health Authorities</i>	<i>1,451</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>1,451</i>
	<b>9,530</b>	<b>6,969</b>	<b>3,573</b>	<b>—</b>	<b>20,072</b>
<i>Rent</i>	<i>33</i>	<i>21</i>	<i>19</i>	<i>—</i>	<i>73</i>
<i>Day activity sales</i>	<i>11</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>11</i>
<i>Restaurant sales</i>	<i>46</i>	<i>30</i>	<i>27</i>	<i>—</i>	<i>103</i>
<i>Other</i>	<i>46</i>	<i>21</i>	<i>24</i>	<i>—</i>	<i>92</i>
<b>Total 2019</b>	<b>9,666</b>	<b>7,041</b>	<b>3,643</b>	<b>—</b>	<b>20,351</b>

### 4 Cost of raising funds

	16-month period ended 31 December 2020		Total £'000
	Unrestricted funds £'000	Restricted funds £'000	
Staff costs	121	—	<b>121</b>
Other costs	30	—	<b>30</b>
<b>Total 2020</b>	<b>151</b>	<b>—</b>	<b>151</b>

Notes to the financial statements 31 December 2020

**4 Cost of raising funds** (continued)

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>11-month period ended 31 August 2019 Total £'000</i>
<i>Staff costs</i>	74	—	74
<i>Other costs</i>	12	—	12
<b><i>Total 2019</i></b>	<b>86</b>	<b>—</b>	<b>86</b>

**5 Cost of goods sold and other costs**

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>16-month period ended 31 December 2020 Total £'000</i>
<i>Fundraising activities, including the costs of charity shops</i>			
· <i>Cost of events including events staff</i>	62	—	<b>62</b>
· <i>Staff costs</i>	623	—	<b>623</b>
· <i>Property</i>	373	—	<b>373</b>
· <i>Other</i>	228	—	<b>228</b>
<b><i>Total 2020</i></b>	<b>1,286</b>	<b>—</b>	<b>1,286</b>

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>11-month period ended 31 August 2019 Total £'000</i>
<i>Fundraising activities, including the costs of charity shops</i>			
· <i>Cost of events including events staff</i>	25	—	25
· <i>Staff costs</i>	484	—	484
· <i>Property</i>	172	—	172
· <i>Other</i>	148	—	148
<b><i>Total 2019</i></b>	<b>829</b>	<b>—</b>	<b>829</b>

**6 Cost of charitable activities**

	Home & Day Services £'000	School & Children's Home £'000	College & Domiciliary Care £'000	16-month period ended 31 December 2020 Total £'000
<b>Staff costs</b>				
Academic	—	1,735	644	<b>2,379</b>
Residential	9,869	5,161	3,297	<b>18,327</b>
Day Services	867	—	—	<b>867</b>
Nursing	546	905	256	<b>1,707</b>
Support Services	373	240	215	<b>828</b>
Administration	1,098	647	580	<b>2,325</b>
	<b>12,753</b>	<b>8,688</b>	<b>4,992</b>	<b>26,433</b>
Facilities costs*	960	620	556	<b>2,136</b>
Depreciation	640	671	171	<b>1,482</b>
Other	1,284	826	742	<b>2,852</b>
<b>Total 2020</b>	<b>15,637</b>	<b>10,805</b>	<b>6,461</b>	<b>32,903</b>
	<i>Home &amp; Day Services £'000</i>	<i>School &amp; Children's Home £'000</i>	<i>College &amp; Domiciliary Care £'000</i>	<i>11-month period ended 31 August 2019 Total £'000</i>
<i>Staff costs</i>				
<i>Academic</i>	—	1,385	775	2,160
<i>Residential</i>	6,427	3,182	1,832	11,441
<i>Day Services</i>	616	—	—	616
<i>Nursing</i>	361	598	169	1,128
<i>Support Services</i>	224	144	129	497
<i>Administration</i>	574	370	331	1,275
	<b>8,202</b>	<b>5,679</b>	<b>3,236</b>	<b>17,117</b>
<i>Facilities costs*</i>	1,068	688	617	2,373
<i>Depreciation</i>	374	392	100	866
<i>Other</i>	421	272	244	937
<i>Total 2019</i>	<b>10,065</b>	<b>7,031</b>	<b>4,197</b>	<b>21,293</b>

Depreciation for the Centre totalling £207k (£121k in 2019) has been allocated across the three activities on the basis of cost.

\*Note that for the period up to 31 August 2019, the full depreciation charge for the centre is included in Facilities costs line. For the period up to 31 December 2020, the trustees agreed a change in allocation to better reflect the spread of depreciation with the full charge being allocated across departments and only a share of this being included within Facilities costs.

**7 Net (expenditure) income**

This is stated after charging:

	<b>16-month period ended 31 December 2020 Total £'000</b>	11-month period ended 31 August 2019 Total £'000
Staff costs (note 8)	<b>27,130</b>	17,693
Auditor's remuneration		
. Audit	<b>28</b>	22
Depreciation of tangible fixed assets	<b>1,482</b>	864
Operating lease rentals – land and buildings	<b>397</b>	173
Operating lease rentals – other	<b>79</b>	65

**8 Staff costs, and Trustees' and Management Team members' remuneration**

	<b>16-month period ended 31 December 2020 Total £'000</b>	11-month period ended 31 August 2019 Total £'000
Staff costs during the period were as follows:		
Wages and salaries	<b>20,343</b>	12,422
Social security costs	<b>1,565</b>	988
Other pension costs	<b>752</b>	373
Employee costs	<b>22,660</b>	13,783
Agency costs	<b>4,470</b>	3,910
Total staff costs	<b>27,130</b>	17,693

Included above are £96k of redundancy costs (2019 – £25k). All redundancy costs are recognised in the period as incurred and charged to the income and expenditure account.

	<b>16-month period ended 31 December 2020 Total £'000</b>	11-month period ended 31 August 2019 Total £'000
Staff costs per function were as follows:		
Cost of generating donations and legacies	<b>121</b>	74
Events	<b>48</b>	18
Shops	<b>623</b>	484
Operating activities		
. Home and Day Services	<b>11,282</b>	8,171
. School and Children's Home	<b>7,801</b>	4,567
. College and Domiciliary Care	<b>4,197</b>	2,607
Support costs	<b>3,058</b>	1,772
	<b>27,130</b>	17,693

**8 Staff costs, and Trustees' and Management Team members' remuneration**  
(continued)

The average number of employees, calculated on a headcount basis, was as follows:

	<b>2020</b>	2019
	<b>No.</b>	No
	<b>£'000</b>	£'000
Annualised staff costs*	<b>£20,348</b>	£19,301

Due to the differing accounting periods, staff costs have been annualised above to provide contextual information regarding costs over a 12-month period, in order to better facilitate comparison to the staff numbers.

Employees who earned £60,000 per annum and grossed-up over the 16-month period or more in the following ranges:

	<b>2020</b>	2019
	<b>No.</b>	No.
£60,001 - £70,000	<b>5</b>	3
£70,001 - £80,000	<b>7</b>	—
£80,001 - £90,000	<b>2</b>	1
£100,001 - £110,000	<b>—</b>	1
£111,001 - £120,000	<b>2</b>	1
£140,001 - £150,000	<b>1</b>	—
£220,001 - £230,000	<b>1</b>	—

No Trustees received any remuneration during the 16-month period and no Trustees received any reimbursed expenses in respect of their services during the 16-month period (11-month period ended 31 August 2019 – £87 to one Trustee).

Members of the Management Team are executive officers who were paid in accordance with their contracts of employment.

***Key management personnel***

The aggregate remuneration including employer pension contributions for key management personnel for the 16-month period was £958,746 (11-month period ended 31 August 2019 – £453,300).

The average number of employees, calculated on a full time equivalent basis, analysed by function is shown on the next page:

**8 Staff costs, and Trustees' and Management Team members' remuneration**  
(continued)

	2020 FTE	2020 FTE	2019 FTE	2019 FTE
<b>School</b>				
Academic	31		35	
Children's Home	115	146	107	142
<b>College and Domiciliary Care</b>				
Academic	13		14	
College residential and Domiciliary Care	87	100	65	79
<b>Home</b>				
Residential	204		180	
Day services including social enterprises	25	229	28	208
<b>Health Agency</b>		36		29
<b>Central Support Services</b>		23		20
<b>Fund Raising and Shops</b>		21		26
<b>Management and Administration</b>		55		36
		<b>610</b>		<b>540</b>

In addition, the cost of agency staff represents approximately 171 (2019 – 153) people on a full time equivalent basis. Please note the agency staff FTE determination covers the periods under review for 2020 and 2019 respectively.

**9 Taxation**

As a registered charity, St Elizabeth's Centre is not liable to income tax or corporation tax on income and capital gains derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**10 Tangible fixed assets**

Group and charity	Freehold land and buildings £'000	Assets under construction £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 September 2019	18,299	—	3,537	399	22,235
Additions	792	907	538	41	2,278
Disposals	—	—	—	(31)	(31)
At 31 December 2020	19,091	907	4,075	409	24,482
<b>Depreciation</b>					
At 1 September 2019	694	—	2,296	300	3,290
Disposals	—	—	—	(31)	(31)
Charge for period					
. School	377	—	208	26	611
. Home	347	—	179	21	547
. College	74	—	38	5	117
. Centre	132	—	67	8	207
At 31 December 2020	1,624	—	2,788	329	4,741
<b>Net book values</b>					
At 31 December 2020	17,467	907	1,287	80	19,741
At 31 September 2019	17,605	—	1,241	99	18,945

**10 Tangible fixed assets** (continued)

Fixed assets include buildings constructed in 1990-91 and 2001-02 costing £1,938,000 in total, which are subject to joint venture arrangements with Aldwyck Housing Association (now Catalyst Housing Limited) and Springboard (now Genesis Notting Hill) Housing Association. £1,251,000 has been received in the form of grants by the Housing Associations in respect of these buildings. The joint venture arrangements include the granting of 99 year leases to the Housing Associations of the land on which the buildings are built, and management agreements renewable every five years enable the Group and Charity to operate the buildings, and be responsible for the care of the residents occupying them, as an integral part of the Home.

**11 Investments**

St Elizabeth's Centre Welfare Services Limited (incorporated on 25 October 2019), a private company limited by guarantee and not having share capital, is under the control of St Elizabeth's Centre. The company did not trade in the period ended 31 December 2020.

**12 Debtors**

	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000	Group at 31 August 2019 £'000	Charity at 31 August 2019 £'000
Fees	1,360	1,360	1,139	1,139
Other debtors	45	45	137	137
Prepayments and accrued income	290	290	209	209
	<b>1,695</b>	<b>1,695</b>	<b>1,485</b>	<b>1,485</b>

**13 Short term deposits and cash at bank and in hand**

	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000	Group at 31 August 2019 £'000	Charity at 31 August 2019 £'000
Short term deposits	3,345	3,345	3,562	3,562
Cash at bank and in hand				
· Current accounts	3,949	3,949	5,694	5,694
· Cash in hand	47	47	25	25
	<b>3,996</b>	<b>3,996</b>	<b>5,719</b>	<b>5,719</b>
Total	<b>7,341</b>	<b>7,341</b>	<b>9,281</b>	<b>9,281</b>

**14 Creditors: amounts falling due within one year**

	Group at 31 December 2020 £'000	Charity at 31 December 2020 £'000	Group at 31 August 2019 £'000	Charity at 31 August 2019 £'000
Suppliers	367	367	461	461
PAYE and social security	304	304	271	271
Other creditors	187	187	184	184
Accruals	1,142	1,142	568	568
Income received in advance	157	157	211	211
	<b>2,157</b>	<b>2,157</b>	<b>1,695</b>	<b>1,695</b>

In 2019 the holiday pay accrual was deemed to not be material. Due to Covid-19 the holiday pay accrual for 2020 has been estimated at £395,000 (2019 £Nil)

## 15 Designated funds

The unrestricted funds of the group and charity include the following designated funds which have been set aside by the trustees for specific purposes.

	At 1 September 2019 £'000	Additions /Disposals £'000	Depreciation £'000	At 31 December 2020 £'000
Building replacement fund	156	(156)	—	—
Fixed assets fund	18,922	819	—	19,741
	19,078	663	—	19,741

	At 1 September 2018 £'000	Additions /Disposals £'000	Depreciation £'000	At 31 August 2019 £'000
Building replacement fund	—	156	—	156
Fixed assets fund	—	18,922	—	18,922
	—	19,078	—	19,078

The fixed assets fund represents the net book value of fixed assets which are used in the day-to-day work of the Charity and hence are not available for working capital.

The building replacement fund has been established to set aside funds for future refurbishment of Jubilee House.

## 16 Restricted funds

	Develop- ments £'000	31 December 2020 £'000	Develop- ments £'000	31 August 2019 £'000
<b>Group and charity</b>				
Total income	152	152	339	339
Total expenditure	(288)	(288)	(66)	(66)
(Decrease) increase in funds	(136)	(136)	273	273
<b>Balance at 1 September 2019</b>	273	273	—	—
<b>Balance at 31 December 2020</b>	137	137	273	273

Developments represents funds raised to redevelop the Charity and its activities less expenditure on the redevelopment to date.

## 17 Pension commitments

The Charity makes contributions in respect of the current service of its employees to either the Teachers' Pensions Scheme or the Scottish Widows scheme.

The Scottish Widows scheme is a defined contribution scheme. The Charity matches employee contributions to the Scottish Widows scheme between 1% and 6%.

## 17 Pension commitments (continued)

### *Teacher's Pension Scheme (TPS)*

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for full-time teachers in schools. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ◆ employer contribution rates set at 23.68% of pensionable pay (including 0.08% administration levy)
- ◆ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- ◆ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The employer contributions payable to the scheme for the 16-month period were £178k (11-month period ended 31 August 2019 – £92k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

## 18 Leasing commitments

### Operating leases

At 31 December 2020 the group and charity had total commitments under non-cancellable operating leases for equipment as follows:

	Land and buildings		Other	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Operating leases which expire:				
Within one year	11	9	9	21
Within two to five years	481	325	400	152
More than 5 years	416	835	—	—
	<b>908</b>	<b>1,169</b>	<b>409</b>	<b>173</b>

## 19 Contingent liabilities

There is a potential liability for the group and charity to repay government grants of £646,000 received towards the cost of Cookson and Chilton houses in the event of the sale of those houses. There are no plans to sell them.

There is also a potential liability to repay Housing Association grants in the event of the sale of the buildings constructed under the joint venture arrangements or in the event of a breach of the management agreements (see note 10). There are no plans to sell the buildings.

## 20 Capital commitments

The group and charity had capital commitments of £157k at 31 December 2020 in respect of the asset under construction included at note 10 (31 August 2019 – £nil).

## 21 Analysis of net assets between funds

	Building replace- ment fund £'000	Fixed Assets fund £'000	General fund £'000	Total un- restricted funds £'000	Restricted funds £'000	Total funds 2020 £'000
<b>Group and charity</b>						
Fixed assets	—	19,741	—	19,741	—	<b>19,741</b>
Cash resources	—	—	7,204	7,204	137	<b>7,341</b>
Other current assets	—	—	1,695	1,695	—	<b>1,695</b>
Creditors falling due within one year	—	—	(2,157)	(2,157)	—	<b>(2,157)</b>
<b>Total net assets</b>	<b>—</b>	<b>19,741</b>	<b>6,742</b>	<b>26,483</b>	<b>137</b>	<b>26,620</b>

	Building replace- ment fund £'000	Fixed Assets fund £'000	General fund £'000	Total un- restricted funds £'000	Restricted funds £'000	Total funds 2019 £'000
<b>Group and charity</b>						
Fixed assets	—	18,922	23	18,945	—	18,945
Cash resources	—	—	9,008	9,008	273	9,281
Other current assets	156	—	1,329	1,485	—	1,485
Creditors falling due within one year	—	—	(1,695)	(1,695)	—	(1,695)
<b>Total net assets</b>	<b>156</b>	<b>18,922</b>	<b>8,665</b>	<b>27,743</b>	<b>273</b>	<b>28,016</b>

**22 Related parties**

With the exception of the amounts due to and from the charity's wholly owned subsidiary, St Elizabeth's Centre has identified no related party transactions.

It continues to have an independent working relationship with The Congregation of the Daughters of the Cross of Liege, a charity.

**23 Net assets transferred into the Charity**

On 30 September 2018, the following assets were transferred to the Charity from the Congregation of the Daughters of the Cross of Liege:

	£'000
Tangible fixed assets	19,051
Debtors	3,106
Cash	10,074
Creditors: amounts falling due in less than 1 year	(3,864)
<b>Total</b>	<b>28,367</b>