
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 7 th Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

ST ANNE'S COMMUNITY SERVICES

Pensions and Investment Advisors

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Trafford House
Chester Road
Manchester
M32 0RS

Purple Wealth Management LLP
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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 in 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 (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.

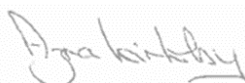
We have undertaken property options appraisal reviews for all properties, to ensure that our properties are compliant with our strategic objectives and meets our client's needs.

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:

- **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.

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
Social Housing Rent Arrears	5.7%	6.0%	6.0%	5.5%
Social Housing Voids	7.2%	6.7%	6.0%	5.5%
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

Peer Median 22/23	Housing Median 22/23
6.4%	6.3%
3.5%	1.7%

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 addition 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	31-Mar-2023
	£'000	£'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 CO₂e 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 (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	<u>(51,849)</u>	<u>(46,562)</u>
		(419)	(1,145)
Gain on disposal of housing properties	5	273	1
Deficit on loss of revaluation of investments	5a	<u>(14)</u>	<u>(33)</u>
Operating Deficit	7	(160)	(1,177)
Interest receivable and other income	6	1,667	219
Interest payable and financing costs	20	<u>-</u>	<u>(19)</u>
Surplus / (Deficit) for the year		<u>1,507</u>	<u>(977)</u>
Other Comprehensive Income			
Actuarial (loss) /gain in respect of pension schemes	20	<u>(1,553)</u>	<u>506</u>
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 £'000	Income £'000	Expenditure £'000	Closing balance £'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 £'000's	2023 £'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
	£'000	£'000	Total £'000	Total £'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	2023
	£'000	£'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	2023
	No.	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	2023
	£'000	£'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	2023
	£'000	£'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	<u><u>15,170</u></u>
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	<u><u>(5,179)</u></u>
Net book value at 31 March 2024	<u><u>9,991</u></u>
Net book value at 31 March 2023	<u><u>9,595</u></u>

	2024 £'000	2023 £'000
Expenditure on works to existing properties:		
Improvement works capitalised	334	1069
Amount charged to income and expenditure account	265	590
	<u><u>599</u></u>	<u><u>1,659</u></u>

8. TANGIBLE FIXED ASSETS – Social Housing Grant Assistance

	2024 £'000	2023 £'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	<u><u>7,161</u></u>	<u><u>7,355</u></u>
Recognised in:		
Creditors: amounts falling due within one year	194	185
Creditors: amounts falling due after more than one year	6,967	7,169
	<u><u>7,161</u></u>	<u><u>7,355</u></u>

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 £'000	Capital work in progress £'000	Office and workshop equipment £'000	Computer Equipment £'000	Furniture fixtures and fittings £'000	Intangible assets £'000	Total £'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	2023
	£'000	£'000
Interest in subsidiary	-	-
Investment fund plans, at valuation	2	2
Net book value at 31 March	<u>2</u>	<u>2</u>

Investment Fund Plans	£'000
Market value at 1 April 2023	2
Disposals	-
Additions	-
Change in market value	-
Market value at 31 March 2024	<u>2</u>

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	<u>9,654</u>	<u>9,930</u>
Released in one year	276	258
Released in more than one year	9,378	9,672
	<u>9,654</u>	<u>9,930</u>

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)
	<u>(2,029)</u>	<u>(1,298)</u>

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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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	2023
	£'000	£'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
	<u>4,975</u>	<u>4,187</u>
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
	<u>5,524</u>	<u>5,268</u>