

**St Andrew's Healthcare  
Annual Report and Financial Statements  
for the Year Ended 31 March 2024**

# St Andrew's Healthcare

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# St Andrew's Healthcare

## Advisers

### Registered Office

Billing Road  
Northampton  
England  
NN1 5DG

### Independent Auditors

Grant Thornton UK LLP  
Chartered Accountants and Statutory Auditors  
17th Floor  
103 Colmore Row  
Birmingham  
B3 3AG

### Solicitors

Eversheds Sutherland  
1 Wood Street  
London  
EC2V 7WS

Capsticks  
1 St George's Road  
Wimbledon  
London  
SW19 4DR

### Bankers

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

# St Andrew's Healthcare

## Combined Trustees' and Directors' Report for the Year Ended 31 March 2024

### Chair's Report

Welcome to this year's Annual Report. Reflecting on the past year, I am proud to share the progress St Andrew's Healthcare ("St Andrew's") is making towards delivering our new five-year strategy, and the challenges we are overcoming.

In the past year, St Andrew's has supported over 4,505 community patients, including 222 veterans through Op COURAGE, and 1,189 inpatients. We discharged 560 patients, including 149 PICU, with 90% of the remainder either returning home or moving to lower/identical security levels closer to home. These achievements are a testament to our colleagues' hard work in helping individuals find hope and recover, equipped with the skills to live full lives.

St Andrew's is now one year into its strategy, guiding us until 2028. Our purpose is hope. Our vision is that everyone with complex mental health needs is heard, valued, and has hope for their future. St Andrew's specialises in complexity, offering tailored and innovative services, and we work with the NHS, local authorities, and prison services to support people move forward. Our understanding of complexity feeds our passion for doing the right thing and our aim to be a leading voice in the field by 2028.

To achieve this, we must be a champion, a leading provider, expert, and enabled. Our efforts focus on 12 co-produced ambitions, detailed on page 21. A key focus is service development. Supporting the National Transforming Care programme for autistic individuals and those with learning disabilities, we have opened Lime Tree Cottage; this single-occupancy house is designed for adults and younger people on a pathway to independent living, addressing complex mental health needs and sensory issues. By 2028, we aim to support many more individuals in Supported Transition Services like Lime Tree, reducing the need for secure services and facilitating seamless transitions from hospital to a place where people can continue their recovery journey.

Improving care quality is always our priority. We are proud that the Care Quality Commission no longer rates any of our divisions or hospitals as inadequate, but we aim to achieve 'good' and 'outstanding' ratings across the board. Over the past 18 months, fewer incidents and restraints indicate well-supported patients making good progress. But there remains more to do.

Good care starts with good staff, and St Andrew's continues to invest in its workforce. The award-winning ASPIRE Programme offers Healthcare Assistants pastoral and financial support while they complete a two-year nursing degree. Over 50 St Andrew's staff are currently in the ASPIRE journey, and 144 ASPIRE students have returned as Registered Nurses.

To support improved patient care, St Andrew's has developed real-time data dashboards for frontline staff. In June 2023, this was recognised by Dr Geraldine Strathdee in her national Mental Health Rapid Data Review for the Department of Health and Social Care.

We strive to be both a voice and a platform for the lived experience of people experiencing severe mental illness and continue to fight stigma. Research in 2023 found that stigma around complex mental health problems, such as psychosis, remains prevalent, with 1 in 3 people using derogatory terms in conversation. This led to the Charity's Language Matters campaign, raising awareness about the impact of language, and encouraging thoughtful speech.

We also work with and support our local communities and the environment, in recognition of the Greener NHS programme. We are investing in energy efficiency projects, recently replacing over 6,000 light fittings with motion-sensors and LED technology. These efforts, driven by our Green Champions group, have reduced our CO<sup>2</sup> emissions by 3% year on year.

## **St Andrew's Healthcare**

### **Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)**

#### **Chair's Report (*continued*)**

I am excited by the progress the Charity has made in the last few years. We have many opportunities ahead and with growing confidence in our quality and our ability to generate a financial surplus, we can reinvest in improving, innovating, and inspiring hope.

*Paul Burstow*

**Rt Hon. Paul Burstow  
Chair, Board of Trustees**

## **St Andrew's Healthcare**

### **Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)**

#### **Objectives and Activities**

St Andrew's is a charity that provides specialist mental healthcare for people with complex mental health needs.

As a leading provider we provide high quality national, regional and local services for people with complex mental health needs across the whole pathway of care from medium secure inpatient services through to care homes in the community. Our expertise includes the provision of services for people with learning disabilities, autism and neurological conditions.

All our patients with lived experience play an equal part in their own care plans and contribute to the continuing improvement and development of their services; we champion their lives, their views and their aspirations to achieve their goals and to influence wider societal change.

We offer a range of care, therapeutic activities and treatment to foster new skills, develop independence and help people have purpose, hope and enjoyment in life. These transcend all aspects of life including work-related skills, education, independent living, self-care and pleasure, as well as managing their mental health and physical health needs.

These services are delivered by expert multi-disciplinary teams made up of capable and compassionate staff who live by our CARE values; all our staff receive support and development to ensure they are able to provide care and treatment in line with best practice at the cutting edge of the latest research and thinking to achieve good and outstanding services for all.

#### **Public Benefit**

St Andrew's is a thriving charity with a proud history of helping those with a mental health need find hope. This is endorsed within our strategy and strategic ambitions, with a vision of a society in which everyone living with mental health is heard, valued and has hope for their future. The Charity's 2028 mission is to be a local, regional, national and international leader in helping people with complex mental health need transform their lives.

Our mission derives from our charitable objects to "promote the healing of sickness, the relief of suffering and the relief of need of those experiencing mental disorder". These objects are set out in our Articles of Association and constitute the charitable purposes for the public benefit.

Our activities aim to ensure that knowledge and understanding of a patient's needs are catered for; that patients are valued as individuals and that patients (and their families and carers) have access to help when they need it.

We are a charity providing specialist care, education and research to help people with mental health disorders to live a more rewarding life. The Trustees have given due regard to the Charity Commission's guidance on public benefit when exercising their relevant powers and duties.

The 2028 strategy sets out our approach to achieving our mission and builds on these areas further through the twelve co-produced ambitions that enable us to deliver our charitable purpose of Hope every day in all our services. Further details of our strategy are shown on page 21.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Achievements and Performance

We are continuously striving to deliver the very best care for our patients. We aim to help everyone in our care to lead a meaningful life, and where possible, discharge from hospital as soon as they are ready.

We discharged 560 patients in period 1 April 23 to 31 March 24. This included 149 patients supported through our PICUs. Of the remaining 411 patients who moved on from St Andrew's, 244 progressed to a lower level of security. Of the 151 (37%) that transitioned to an identical level of security we were pleased to be able to support nearly everyone to move closer to home.

We are continuing to lobby for an improvement in the approach to commissioning, and plan to develop more community services ourselves. This will help us to support more patients to move into a less restrictive environment within the community.

#### Patients and Service Users

Our patients and service users are at the heart of everything we do, and we are committed to working with them, their families and their carers to deliver the best outcomes possible. To do this, it is vital that we seek, listen, and learn from their voice, ensuring their feedback and experiences are embedded from 'ward to board'. Patients and service users can feed back via the following ways:

- Complaints, concerns, comments and compliments via post, email, telephone, in person, advocacy;
- My Voice (patient feedback): online and via paper copies;
- Carers Centre: drop-ins and booked visits with loved ones;
- Community meetings;
- Charity wide patient forums/meetings;
- Divisional service user groups;
- Commissioner service user reference groups;
- Co-production networks (internal & external); and
- Patients have direct access via ward telephones and can contact: Patient Advice and Liaison Service ("PALS") and Complaints, Care Quality Commission ("CQC"), Parliamentary and Health Service Ombudsman ("PHSO") and Advocacy (Together), at any time.

It is essential that patients and their loved ones are at the centre of our service and provide us with their valuable insight and experiences to ensure we deliver the best care possible. Below are examples of what we have achieved with active collaboration with our experts-by-experience and staff in promoting the patient & carer voice, and responding to their feedback:

- Established a Co-production Framework;
- Established a Co-production Network and Committee to evidence, discuss and monitor good practice;
- Began to establish a carers' voice system that consists of questions developed by carers, for carers;
- Co-produced and delivered staff and patient training courses; and
- Developed co-production e-learning for all staff that will be categorised as 'essential'.

In addition, the Charity has implemented the following to promote the patient and carer voice:

- First Non NHS Mental Health Provider to become a member of the Triangle of Care, working towards Level 1 of the accreditation;
- Established a Patient and Carer Race Equality Framework (PCREF) plan;
- Established and began to deliver the Patient and Carer Experience Strategy;
- A ward, divisional and charity-wide action log to monitor actions in response to patient and carer feedback;
- Began to develop and expand 'Expert by Experience' roles across the Charity; and
- Began to develop direct communication pathways with patients and carers by utilising current IT systems so that communication does not rely on members of a patient's Multi-Disciplinary Team.

## **St Andrew's Healthcare**

### **Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)**

#### **External Stakeholder Reviews of Our Services**

Over the past year, we have combined our Northampton inpatient services into one CQC registered service, in addition to our services at other locations. At the point of publication we have two at 'Good', four at 'Requires Improvement' and none as 'Inadequate' CQC ratings. We have no conditions applied to our registration, and no warnings or enforcement notices have been issued in this period. Across all our sites, we are constantly seeking to improve the quality of care and outcomes we deliver for our patients and service users. In order to do this, we have implemented robust plans that will address issues highlighted by the CQC.

Another important element to support our patients' needs has been to take a more active role in the East Midlands and West Midlands Provider Collaboratives and work with our NHS partners to make sure that as many patients as possible receive their care closer to home. By working in this way, we are playing a critical role in supporting local healthcare systems to use their collective resources most effectively, delivering consistent outcomes and keeping people and families connected.

As always, we welcome scrutiny, as it provides an opportunity to reflect and to continue to make changes to improve the experiences and outcomes for our patients and staff. The CQC regulates us, but other bodies also review aspects of our work. These include NHS England, NHS Wales, and the Safeguarding Boards for adults and children in the areas where we operate, the Charity Commission, Health and Safety Executive and Ofsted.

#### **Vocational Services and Recovery**

Workbridge Education offers a vocational skills route into volunteering, employment or independent living as part of a patient's recovery. We also support external service users with learning needs, autistic spectrum disorder, acquired brain injury or mental health illness to access our services.

Our learners can access vocational sessions where they have the opportunity to work towards an accredited employability qualification and gain meaningful work experience. All service users are supported to access digital literacy sessions. Some service users also access independent living and community living sessions. A person-centred plan is completed on referral and diagnostic testing is undertaken to help establish learning needs. All learning is tracked using our skills builder framework, as well as frameworks in place for external qualifications.

During the past 12 months, over 40,000 hours' of sessions were booked for Workbridge vocational education, with over 90% attendance. We have grown our overall sessions offered and currently have a mix of 45% patients and 55% external service users. There is also a dedicated in-reach team who work within the hospital delivering sessions full-time. These session numbers are not reflected here.

In addition, Our REDS Recovery College (Recovery and Every Day Skills) supported over 4,000 learners across all our services in a wide range of topics. They also supported local external events and research projects. This ensures those with lived experience of mental health are sharing and using their voice to create powerful and impactful education, which makes a real difference and supports a co-productive culture.



## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Education

St Andrew's College is rated 'good' by Ofsted, with 'outstanding' features. The college has developed a personalised curriculum called Activ8, enhanced by an in-house micro-outcome course called 'Learning Moments', which offers small incremental goals to help students re-engage with learning, improve their confidence, and give them hope for the future. The curriculum also includes enrichment activities such as horse riding and rock climbing.

The college is registered with The Duke of Edinburgh's Award, enabling learners to achieve Duke of Edinburgh awards. The Duke of Edinburgh's team were recognised for their service to young learners by being invited to Buckingham Palace for the Duke's celebration in May 2024.

The Pearson National Teaching Awards also recognised the College's service to the local community through its LightBulb programme. The college was invited to the awards ceremony in November 2023, where the LightBulb programme team received a silver award for dedication.

Adult service users have access to education focused on improving their numeracy and literacy skills. These skills are essential for better understanding their care plans, aiding their recovery, and promoting independence. Additionally, these skills enable them to access community services, reintegrate into society, and secure employment.

#### Staff Education and Career Development

Our staff were provided with around 20,000 days of learning during the year, which is the equivalent of six days per annum per staff member, ranging from mandatory training to long-term career development. In addition, our online learning platform enabled the completion of 60,000 e-learning modules in a comprehensive range of topics.

To support the development of senior leadership talent we have facilitated over 100 team development days, supported 60 new managers through a foundation programme and enabled self-insight through Myers Briggs Type Indicator and 360 feedback tools. Within our network of internal coaches and mentors, we have provided around 150 hours of individual support to leaders focused on helping them to improve their performance and achieve Charity goals.

We have 80 apprentices on various clinical and non-clinical programmes and a further 30 developing functional skills. In addition, around 100 staff access various innovative higher education programmes such as ASCEND (non-medical approved clinician training) and ASPIRE (nursing degree programme).

Across the year, we have made 351 internal promotions and hosted over 500 students from UK universities across a variety of professions such as nursing, occupational therapy, psychology and medical students.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Research and Innovation

Our strategy focusses on four core research themes: Physical Health and Mental Health, Trauma Focussed Care, Complex Mental Health, and Progressive Neurological Conditions. Service developments in these areas are underpinned and assessed by service evaluations to drive evidence-based change.

Collaborations in these areas have delivered some exciting projects that support improved outcomes for our patients. We have 48 projects in our current portfolio. This is made up of 28 research projects and 20 service evaluations. We have initiated some new and exciting research programmes, which, although at an early stage, have the potential to create a step change in the treatment of severe mental illness. We are collaborating with 12 UK universities and a number of mental health charities across these projects.

We are part of an Innovate-UK funded collaboration with MeOmics Precision Medicine Ltd called 'Neuronal Screening Platform for Improved Mental Health' (NSP-4-IMH). This innovative scientific venture aims to screen next generation psychiatric drugs using neuronal stem cells grown 'in a dish', rather than in clinical trials, and has the potential to drive the next generation of antipsychotic medication. Our research nurse has recruited 50 participants for the project at St Andrew's and the laboratory work to characterise the cells is well underway.

We also deliver external evaluations, such as the CAMHS Transformation Evaluation project, funded by NHS England, which is assessing the implementation of the East Midlands CAMHS Provider Collaborative.

#### Volunteers

St Andrew's volunteers provide hope, joy and enrichment to both the lives of our patients and to the Charity itself. With over 400 volunteers from a diverse array of ages, genders, countries and communities, there is always an individual perfectly suited to our patients' needs. Our volunteers are based at all of our hospital sites, plus as far away as Norfolk and Scotland. Between them, they donate over 15,000 hours of free time per annum. We also have 28 patient volunteers, who assist within the hospital doing tasks they enjoy or will benefit their recovery journey. At the time of writing, our youngest volunteer is 19, our oldest is 95 and our longest serving volunteer has been with us for 55 years.

Our volunteers do an incredible job of visiting patients as befrienders or as patient activity volunteers and assisting with activities such as gardening, arts and crafts, drama, and music, or by bringing in their pets, as therapy dogs to visit the patients. We also have admin, research, IT and retail volunteers. Since our last report, the Charity has introduced Veteran Peer Support Volunteers, as part of the Charity's outpatient work with the national Op Courage initiative. So far, four veterans have been signed up and are finding volunteering a really beneficial part of their own recovery from PTSD and are looking to launch a 'Community Buddies' volunteer role, to provide support for patients moving back into the community.

We were thrilled to see two of our volunteers rewarded for their services to St Andrew's when they were invited to attend the Royal Garden Party at Buckingham Palace in May 2024. Our volunteers were also nominated and shortlisted for the King's Award for voluntary services. The announcement of the winners will be made on the King's birthday on 14 November 2024, so we eagerly await the results.

We continue to be humbled by the dedication and involvement of our volunteers, which is a huge help to the Charity and the departments they support. Thank you to each one of them for going above and beyond for St Andrew's.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Diversity and Inclusion

At St Andrew's, we know that diversity is one of our greatest strengths, contributing positively to our success and most importantly, to the care we provide for our patients. There is significant evidence that when diversity practices and trust co-exist in an organisation, it increases colleague engagement, they feel valued, and their wellbeing improves.

As a charity, we have a clear commitment to being an inclusive employer and take great pride in our diversity and inclusion initiatives, and we are extremely proud of our results. We have a diverse workforce, where 66% of our staff are female and a third of our staff are from an ethnic minority background.

#### Inclusion Projects

We have four established colleague networks: PRIDE, DAWN (Disability and Wellbeing Network - covering physical disability, sensory, neurodiversity and mental health) UNITY and our WISH Network (Women in St Andrew's Healthcare). All networks raise awareness, promote inclusive practice and engage colleagues in a number of events throughout the year.

Key highlights included:

- Celebrating Black History Month;
- Our annual PRIDE walk with staff and patients;
- Celebrating International Women's Day;
- Rolling out 'pause cafes' to encourage open discussion about menopause; and
- Holding various events for Mental Health Awareness week.

We continue to see fantastic results from our Peer Support Worker programme, which brings people with lived experience of mental health recovery to support our patients.

This year we relaunched our colleague forum in September 2023. STEER (St Andrew's Employee Engagement Representatives) is a group of colleague representatives from across the Charity who form a two-way discussion, and information-sharing group with the Charity. Our colleague networks also form part of the STEER committee.

# St Andrew’s Healthcare

## Combined Trustees’ and Directors’ Report for the Year Ended 31 March 2024 (continued)

### Streamlined Energy and Carbon Reporting (‘SECR’)

#### Summary

St Andrew’s are committed to reducing our environmental footprint and, as part of the St Andrew’s Green Plan launched in 2022 have pledged to achieving net zero emissions by 2035 and a net zero supply chain by 2045.

We are seeing continued success as a result of this commitment, as for the third year we have reduced our energy consumption compared to the prior year. The Charity’s total energy consumption was 5% lower compared to the prior year.

St Andrew’s key sustainability performance indicators for the period April 2023 to March 2024 are shown below:

#### Greenhouse Gas Emissions and Energy Consumption

Energy Consumption	2023/24 Emissions (tCO2e)	2023/24 Consumption (kWh)	2022/23 Emissions (tCO2e)	2022/23 Consumption (kWh)	2022/23 – 2023/24 Change (tCO2e)	2022/23 – 2023/24 Change (kWh)
Natural gas	3,380	18,479,787	3,636	19,918,500	-7%	-7%
Electricity	2,506	11,138,189	2,487	11,780,796	1%	-5%
Transport	204	852,524	199	777,013	3%	-10%
Facility Operations	406	-	421*	-	-3%	
Oil	74	282,967	-	-		
<b>Total</b>	<b>6,571</b>	<b>30,753,467</b>	<b>6,743</b>	<b>32,476,309</b>	<b>-3%</b>	<b>-5%</b>
Building Gross Internal Area (m2)	116,571	116,571	116,571	116,571	0%	0%
<b>Intensity (per m2)</b>	<b>0.056</b>	<b>264</b>	<b>0.058</b>	<b>279</b>	<b>-3%</b>	<b>-5%</b>

\*An improved method was used to calculate F-gas emissions in the figures for the financial year ending March 2024 and for consistency has been applied to the prior year scope 1 emissions.

Greenhouse gas emissions were 6,571 tonnes CO<sub>2</sub>e; 3% lower than the prior year. Increases in greenhouse gas emissions from purchased electricity increased by 1% year on year, however this reflects the change in the UK government’s emissions conversion factors rather than consumption, which has declined by 5% compared to the prior year.

#### Boundary, Methodology and Exclusions

An ‘operational control’ approach has been used to define the greenhouse gas emissions boundary<sup>1</sup>. This approach captures emissions associated with the operation of all buildings plus transport used for business purposes. This report covers UK operations only, as required by SECR for non-quoted large companies.

This information was collected and reported in line with the methodology set out in the UK Government’s Environmental Reporting Guidelines, 2019. Emissions have been calculated using the latest conversion factors provided by the UK Government. There are no material omissions from the mandatory reporting scope.

<sup>1</sup> An operational control approach to GHG emissions boundary is defined as: “Your organisation has operational control over an operation if it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies at the operation”.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Boundary, Methodology and Exclusions (*continued*)

The GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2023 have been used to calculate the SECR disclosures. During this reporting period, the F-gas Refrigerant R449A was not present in 2023 conversion factors provided by the government and the value for refrigerants R449A was determined using independent sources. The way F-gas emissions have been calculated has been improved and in order to maintain consistency, modifications were made to the calculations of the preceding SECR.

#### Energy Efficiency Initiatives

The Charity is constantly investing in projects and technology to increase our energy efficiency. The initiatives undertaken in the period have been detailed below:

- Building Management System hardware upgrades and strategy enhancements;
- Replacing light fittings with motion-sensors and LED technology;
- Replacement of existing boilers with more energy-efficient technology;
- Energy & environmental awareness campaigns;
- Ongoing e-learning for staff and service users;
- Regular meetings of the Energy & Sustainability Champions group to support charity-wide engagement and awareness; and
- Introduction of Hydrochloric Acid (Magic Water) as the main cleaning solution reducing staff time with training and the added resources that come with the use of harmful chemicals by 40%. It is safer to use and the reusable bottles and containers avoid land fill with added CO<sup>2</sup> benefits through our waste streams.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Governance

##### Status and Structure

St Andrew's Healthcare is registered in England and Wales as a company limited by guarantee and a registered charity. It is governed by its Articles of Association. The Charity is registered with the Care Quality Commission (CQC), holds a provider licence from the NHS and is regulated by Ofsted.

The Charity is governed by a Court of Governors and a Board of Trustees. All Trustees are also directors of the company.

##### Court of Governors

The Governors are members of the Charity and at the date of signing the statutory accounts, there were 25 Governors.

<b>Active Governors</b>		
Victoria Akinwumi	Robert Heygate	Bukunola Popoola
Anne Burnett	Crispin Holborow	Lady Proby
James Charrington	Sandy Howse	Stuart Richmond-Watson
Tim Davy	Frances Jackson	Adrian Spooner
Lord Charles FitzRoy	Amanda Lowther	Ria Stanyer
Jane Forman Hardy	Oliver Mackaness	Johnny Wake
Dr Martin Gaskell	The Marchioness of Northampton	Peter Winslow OBE
Dr Michael Harris	Rob Nelson	
Nick Heygate	Rupert Perry	

The Governors receive the annual report and accounts, elect or re-elect trustees, and approve the appointment of the Charity's external auditors. The Board also informs the Governors about the Charity's recent performance and future development during quarterly meetings.

To ensure that key stakeholders have a voice in the overall direction and management of the Charity, there are five Constituency Governors, representing different groups of stakeholders. We currently have two representing carers and three representing St Andrew's staff. Constituency Governors are appointed for an initial three-year term, which can be extended for a further three-year term.

Many of the Governors play a more active role in the Charity through ward and service visits and involvement in patient engagement and voluntary services, as well as attendance at committee meetings and groups, all of which provide an important form of assurance to the Governors and helpful intelligence to the Charity's executive team regarding current issues.

The Lead Governor position is held by Oliver Mackaness, who was appointed in November 2022 on an initial three year term. This role aims to improve the efficiency and effectiveness of communication between the Governors and the Charity and its Trustees. The Lead Governor attends Board of Directors meetings and is supported by a small group of experienced governors, and together they assist in developing existing governor processes and understanding across the Charity, as well as attending a number of board committees.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### The Board of Trustees

The Board of Trustees operates as a unitary board, which means that it has a single Board of Directors, made up of Executive and Non-Executive members. The Board is currently comprised of eight Non-Executive Directors and four Executive Directors. The Executive Directors are also members of the Charity's Executive Team. In addition to the trustees, members of the Charity Executive Team are in attendance at board meetings.

There are no corporate trustees and no trustees hold title to property belonging to the Charity. No one person is entitled to appoint trustees, with trustees appointed via the Nomination and Remuneration Committee and confirmed at the Annual AGM.

All new trustees are required to undergo a comprehensive induction programme, to introduce them to the Charity and explain their obligations as trustees. This includes visits to our service facilities, discussions with executive directors, our corporate induction, and any appropriate training, including board related development.

Non-Executive Trustees are appointed for an initial three-year term, which can be extended for a further three-year term.

The Board considers the Non-Executive Trustees to be independent. All Non-Executive Trustees, except for the Rt Hon. Paul Burstow, have no financial or other business relationship with St Andrew's and act as Non-Executive Directors on an unpaid (with expenses reimbursed) and voluntary basis. The Rt Hon. Paul Burstow is remunerated for being the Chair, in light of the time commitment required.

#### Non-Executive Directors/Trustees

Name	Office (if any)	Dates acted if not for a whole year
Rt Hon. Paul Burstow	Charity Chair Chair of Governors	
Ruth Bagley	Charity Deputy Chair Senior Independent Director	
Dawn Brodrick		
Andrew Lee		
Rupert Perry		
Sheryl Lawrence		Appointed on 1 December 2023
Stephen Shrubbs		
Karen Turner		
Professor Stanton Newman		Resigned 30 September 2023

#### Executive Directors/Trustees

Name	Office (if any)	Dates acted if not for a whole year
Dr Vivienne McVey	Chief Executive Officer	
Kevin Mulhearn	Chief Finance Officer	
Dr Sanjith Kamath	Executive Medical Director	
Dawn Chamberlain	Chief Operating Officer	
Andrew Brogan	Chief Nurse	Resigned on 30 June 2023
Martin Kersey	Managing Director of Education, Research and Training	Resigned on 31 August 2023

# St Andrew’s Healthcare

## Combined Trustees’ and Directors’ Report for the Year Ended 31 March 2024 (continued)

### Officers

Name	Office (if any)	Dates acted if not for a whole year
Duncan Long	Company Secretary	

### Board Responsibilities

The Board is responsible for the overall leadership of the Charity, and for the approval and monitoring of the Charity’s vision, values, purpose, long-term objectives, and strategy. The Board meets at least six times a year, with a board plan in place to ensure that issues are discussed at the right time. In addition to the six scheduled meetings, the Board meets regularly throughout the year to discuss, review, and determine the Charity’s strategy, as well as to attend structured board development sessions. The day-to-day running of the Charity is the responsibility of the Charity’s Executive Team.

The Board has continued to oversee reviews and improvements of its governance arrangements, with further revisions to the board’s matters reserved, terms of reference and specific board code of conduct. The Charity’s authority matrix has been further reviewed and updated, along with the terms of reference for all board committees. The Board continues to monitor and review its skills and experiences and undergoes regular development sessions and targeted training as identified through its annual skills review and through guidance from the Nomination and Remuneration Committee.

The Board is supported by a number of committees:

Committee	Responsibilities	Number of meetings per year	Chair
The People Committee	<ul style="list-style-type: none"> <li>Provides assurance that the Charity’s people strategy and associated plan, structures, systems, and processes are in place and operating in line with best practice to support employees in the delivery of high quality and safe patient care.</li> <li>Seeks assurance that processes are in place to ensure the Charity meets its legal and regulatory duties in relation to its employees.</li> </ul>	4	Dawn Brodrick
The Finance Committee	<ul style="list-style-type: none"> <li>Provides assurance, scrutiny and governance oversight of the financial management of the Charity to ensure long and short-term viability.</li> </ul>	4	Andrew Lee
The Audit and Risk Committee	<ul style="list-style-type: none"> <li>Provides assurance and governance oversight of the Charity’s arrangements over governance, risk, audit, legal and regulatory compliance, and internal control systems.</li> <li>Provides a risk assurance function, focusing on ensuring adequate and effective risk management and assurance frameworks are in place.</li> </ul>	4	Sheryl Lawrence



## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Board Responsibilities (*continued*)

Committee	Responsibilities	Number of meetings per year	Chair
The Quality and Safety Committee	<ul style="list-style-type: none"> <li>Seeks assurance on all aspects of quality and clinical safety and compliance with statutory requirement.</li> <li>Responsible for the Charity's quality strategy, and monitoring the implementation and delivery of it.</li> <li>Responsible for promoting learning and sharing for all areas of Quality and Safety activity, both from within and outside the Charity, including benchmarking with areas of recognised best practice where appropriate.</li> </ul>	6	Stephen Shrubbs
The Nomination and Remuneration Committee	<ul style="list-style-type: none"> <li>Makes recommendations regarding new Governors, Trustees, Board and Governor Committees, and nominates candidates for appointment to Executive and Director positions.</li> <li>Approves the remuneration policy for all employees. Determines the pay and benefits packages of senior management.</li> <li>Oversees succession planning, development and training requirements for the Board.</li> </ul>	4	Ruth Bagley
The Research Committee	<ul style="list-style-type: none"> <li>Provides strategic leadership and direction to the Charity's research centre and the approach to research and development.</li> </ul>	4	Karen Turner
St Andrew's College Governing Body	<ul style="list-style-type: none"> <li>Provides strategic leadership and accountability to St Andrew's College by ensuring clarity of vision, ethos, and strategic direction.</li> <li>It seeks assurance as to the quality of education of all pupils attending the college.</li> </ul>	4	Ruth Bagley

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Remuneration Statement

Our reward approach is designed to deliver market competitive remuneration for all colleagues, while recognising our status as a charity.

We recognise the extraordinary efforts of our colleagues as we continuously improve quality. Alongside our remuneration, we provide a range of benefits, development opportunities and wellbeing support. All which help make St Andrew's a great place to work, grow, and progress.

As part of our reward strategy, we review salaries and our wider benefits package regularly for all colleagues, taking into account data and insights from the wider market. For our Executive Team, we have a remuneration policy that describes how remuneration is positioned relative to the market, ensuring we can attract and retain the talent we need.

We continue to invest in colleague remuneration, in the financial year 2023/24, this included increasing our minimum pay levels above the real living wage for all employees, positively affecting a large number of our colleagues. In September 2023, we awarded colleagues in career levels A - D (c.2,700 employees) a cost of living increase of 5%, backdated to April 2023, and a 2.5% increase for colleagues at Level E.

We have a clear commitment to being an inclusive employer and we continue to monitor both gender and ethnicity pay gaps. The Charity's gender pay gap ratio, which was published in March 2024 (reflecting the financial year 2022/23), showed the median pay gap of 1.9%, this is significantly better than the national pay gap of 15.5%.

Showing our commitment to transparency and being an inclusive organisation is important to us. The Charity's ethnicity pay gap ratio was published internally and externally for the fifth time in 2024 showing our median ethnicity pay gap is -1%.

#### Reference and Administrative Details

The Charity's name is St Andrew's Healthcare, its charity number is 1104951 and its company number is 5176998. The principal and registered office address is Billing Road, Northampton, Northamptonshire, NN1 5DG.

Other names associated with the Charity include 'Workbridge'. Workbridge, at our Northampton and Birmingham hospital sites, gives patients and service users from the community an opportunity to work as a team, learning and developing work and life skills through a broad range of meaningful activities to help them realise their potential in the community.

The consolidated financial statements of the group incorporate the financial statements of St. Andrew's Healthcare (the 'Charity'), St Andrews Property Management Limited and Three Shires Hospital LLP.

#### Political Donations and Political Expenditure

No political donations or political expenditure have been incurred during the year (2023: None).

#### Qualifying Third Party and Director Indemnity Provisions

The Charity maintains trustees' and officers' qualifying third-party indemnity insurance to provide cover for legal action against its Trustees and Officers. This has been in place throughout the year and remains in place at the date of approval of the financial statements.

## **St Andrew's Healthcare**

### **Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)**

#### **Dividends**

No dividends were paid or recommended in the year (2023: £nil).

#### **Post Balance Sheet Events**

There are no post balance sheet events to report.

#### **Funds Held as Custodian Trustees on Behalf of Others**

The Charity manages cash and bank balances on behalf of some of its patients. A specific bank account is used for patient money to keep it separate from corporate money, and a patient money system called Harlequin is used to manage patients' individual accounts. The balance at 31 March 2024 was £2.5m (2023: £2.4m) and this account has been included in the Charity's balance sheet in both years.

#### **Employee Statement**

The Charity's policy on employment, training, career development and promotion for disabled people is as follows:

- Full and fair consideration of applications for employment made by disabled persons is given, having regard to their particular aptitudes and abilities;
- Continuing the employment of, and arranging training for employees who have become disabled persons while employed by the Charity; and
- Training, career development and promotion of disabled persons is given by the Charity.

## St Andrew's Healthcare

### Combined Trustees' and Directors' Report for the Year Ended 31 March 2024 (continued)

#### Statement of Trustees' Responsibilities

The Trustees (who are also Directors of St Andrew's for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

#### Independent Auditors

The Trustees/Directors who held office at the date of approval of this report confirm that: so far as they are aware:

- there is no relevant audit information of which the Charity's auditors have not been made aware of; and
- The Trustees/Directors have taken all the steps they should have taken as a trustee/director in order to make themselves aware of any relevant audit information and to ensure that the Charity's auditors are aware of that information.

# St Andrew’s Healthcare

## Combined Trustees’ and Directors’ Report for the Year Ended 31 March 2024 (continued)

### Financial Instruments

The group has exposures to two main areas of risk; liquidity risk and interest rate risk.

#### *Liquidity Risk*

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, the group has credit facilities available. Given the maturity of the bank loan in note 19, the group is in a position to meet its commitments and obligations as they fall due.

#### *Interest Rate Risk*

The group borrows from its bankers using term loans and in order to manage risk arising for interest rates, the Charity entered into a Swaps and Derivatives agreement for the majority of the revolving credit facility. This agreement was effective from 30th June 2023.

### Approval and Signing

The Trustees/Directors declare that they have approved the combined Trustees’ and Directors’ report above.

Signed on behalf of the Charity’s Trustees/Directors:

Signature(s):

*Paul Burstow*

*V m m cvey*

Full name(s):

**Rt Hon. Paul Burstow**

**Dr Vivienne McVey**

Position:

**Chairman**

**Chief Executive Officer**

Date:

12 November 2024

12 November 2024

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024

### Review of the Group's Business

#### Business Review

A financial review of the business has been carried out and is shown on pages 30-32.

#### Our 2028 Strategy

St Andrew's vision is a society in which everyone living with mental health need is heard, valued and has hope for the future. Our 2028 mission is to be a local, regional, national and international leader in helping people with complex mental health need transform their lives. Our strategy sets out our approach to achieving our mission.

**What we do** – as a leader in helping people with complex mental health need transform their lives we must be: a champion, a leading provider, expert and enabled.

**How we do it** – we lead and live by our CARE values.

**CARE values:** Compassion, Accountability, Respect and Excellence.

We have evolved our co-produced ambitions within the 2023-2028 Strategy, together these 12 ambitions will achieve our mission:

#### Champion

- **Voice:** People living with complex mental health need are treated with equity, dignity and respect. Their voice is heard.
- **Society:** We have a vital role in society as a leader in complex mental healthcare.

#### Leading Provider

- **Quality:** We are at the forefront of best practice delivering high quality care every day.
- **Service Improvement:** We deliver operational excellence.
- **Service Development:** We develop innovative new services to meet complex mental health needs.

#### Expert

- **People:** Our colleagues live our CARE values with a sense of pride.
- **Education & Research:** We transform lives through education and research.
- **Data:** We lead the way in using data to improve outcomes in complex mental healthcare.

#### Enabled

- **IT:** We continually improve our systems to support our charitable ambitions.
- **Commercial:** We generate funds to invest in the future of our Charity.
- **Estates:** Our estate is fit for purpose and enables our charitable mission.
- **Finance:** Our Charity is financially strong.

This forward-looking strategy was developed during a period of great challenge for the Charity and initially ran in parallel with an 18 month transformation programme (Thrive). The Thrive programme focused on returning the Charity to a sustainable footing across our top three immediate priorities: quality, colleagues and finance.

Whilst stabilising the Charity through the Thrive programme we were equally focused on securing the future. Our refreshed purpose is unmistakably familiar, true to the spirit of the philanthropists who founded St Andrew's, yet reflective of the feedback of people living with complex mental health needs today. Our vision recognises we are part of a solution that is bigger than ourselves and our mission sets out the part we play.

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Our 2028 Strategy (*continued*)

We are galvanized by our purpose, with our new vision and mission providing clear resolute direction. Collectively these reinforce the importance of our charitable status. By occupying a clear space between the NHS and the independent sector we are uniquely placed to support the system - utilising our expertise to help the increasing number of people with complex mental health need transform their lives. Any surplus we make is reinvested in this purpose.

As the successful Thrive programme draws to a close we are able to celebrate the improvements made and the strong foundation this creates as we progress towards our mission.

### Principal Risks and Uncertainties and Risk Management Statements

In order to support the delivery of high quality care to our patients and service users, it is important for us to identify and understand the risks and uncertainties that could disrupt our care activities or could lead to loss or damage to our resources and properties. The better we are at anticipating and managing risks and uncertainties, the more effective and reliable we can be in delivering value-based patient outcomes and our strategic ambitions, milestones and vision.

This report on principal risks, outlines the continued journey of risk management within St. Andrew's, highlighting the advancements and improvements made in our charity-wide risk management processes, the embedding of our strategic risk management via the Board Assurance Framework, the proactive development of our material risk management procedures and the continued effective management of our functional risk registers.

Strategic risks include those that are inherent to the delivery of the Charity's strategic ambitions, vision and mission. The strategic risks are relational to our material and functional risks. Material risks reflect those that by their potential impact or likelihood, could significantly impact the achievement of the Charity's operational objectives. Functional risks impact operational objectives and day to day activities across all functions.

Our Board of Trustees are responsible for ensuring the arrangements for identifying and managing risks are appropriate, and they review these (along with the strategic and material risks) at least annually. Strategic risks are monitored via the Board Assurance Framework, which is reviewed and discussed in detail at every second board meeting.

A summary of our current principal risks and uncertainties is shown in the following table, along with an explanation of what we are doing to address them. All of the risks described within this section are classified as principal risks within the Charity's risk management framework and are considered to be important to the future development, performance and position of the Charity.

# St Andrew’s Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Principal Risks and Uncertainties and Risk Management Statements (continued)

Risk Theme	Risk Description	Management Response
<b>Quality of Services</b>	<p>Failure to deliver high standards of clinical care and/ or deliver services compliant to the required regulations and standards. This may result in poor patient care, sub-optimal quality of services, and will result in regulatory breaches, regulatory interventions, reputational damage and potential financial implications.</p>	<p>Our service is underpinned by clinical and professional excellence and any risks that impact quality could have significant consequences for our patients. We recognise that quality is delivered through a whole system quality approach. This includes a well-established charity-wide clinical governance framework, with focused clinical governance meetings held across different levels within our services, at ward, divisional and executive levels.</p> <p>The framework ensures that there are clear reporting lines so that any areas of concern are escalated promptly. We have a quality management system that integrates planning, control, assurance and improvement and we have an evidence-based Quality Improvement Programme, which enables us to record and monitor the improvements we are making to address any concerns regarding the quality of services.</p>
<b>Financial Objectives</b>	<p>Failure to achieve agreed financial objectives, control direct costs, together with maintaining the required income levels, will result in potential challenges for financial sustainability (including pressures on cash flow, bank credit facility and level of reserves) of the Charity and restrict future growth.</p> <p>As well as the potential impact should the Defined Benefit Pension Scheme Funding levels reduce, requiring the Charity to increase cash contributions.</p>	<p>The Charity must remain financially viable, we strive to deliver our services within our budget and will only consider accepting or taking financial risks where this is required to mitigate risks to patient safety or quality of care.</p> <p>The Charity has mechanisms in place to help us to deliver services within annual budgets. We have a well-established committee and meeting structure which helps us gain assurance regarding the delivery of our financial plans.</p> <p>There are effective monitoring and assessment processes in place for the DB Pension scheme along with a well-established Investment strategy.</p>
<b>Delivery Against Strategy</b>	<p>Failure to deliver the Charity’s strategy as measured by achievement of the strategic mission. The non-achievement of ambitions or enablers will increase the likelihood of not achieving the Charity’s strategic mission.</p>	<p>Delivery of the strategy and achievement of the Charity’s mission will be via 12 ambitions. Each ambition has confirmed goals, measures and agreed change activities. A detailed operating plan sets out the implementation of the change activities that will deliver the ambitions and in turn achieve the mission. These change activities are phased across the agreed strategic period and are based upon prioritisation and are informed by sequencing. Progress on delivering the strategy is overseen by the Executive Team supported by programme management and regular updates to the Charity Board.</p>



# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Principal Risks and Uncertainties and Risk Management Statements (continued)

Risk Theme	Risk Description	Management Response
<b>Workforce</b>	<p>Failure to attract, recruit and retain the right number of qualified and skilled staff will increase the likelihood of one or more of the following implications:</p> <ol style="list-style-type: none"> <li>1. Unsafe staffing levels across some or all services</li> <li>2. Breach of regulatory/contractual requirements</li> <li>3. Avoidable and undue pressure on existing staff affecting the organisational culture, staff morale and performance</li> <li>4. Reduced health and wellbeing of workforce.</li> </ol>	<p>The Charity is committed to recruit and retain staff that meet its high-quality standards and will provide on-going development to ensure all staff reach their full potential. This development supports our values and objectives to maximise the potential of our staff to implement initiatives and procedures that support transformational change, whilst ensuring the Charity remains a safe place to work.</p> <p>We adopt a conservative approach to manage this risk and for all decisions taken in relation to workforce. We will not accept risks, nor any incidents or circumstances which may compromise the safety of any staff members and patients or contradict our values.</p> <p>We have a comprehensive people plan and associated guiding principles in place that drive the recruitment initiatives and plans, along with a number of retention focused recognition programmes and employee wellbeing programmes.</p>
<b>Reputation</b>	<p>A failure to proactively manage known or knowable issues, or maintaining ineffective responses to serious incidents leads to reputational harm, which impacts on the strategic, financial, operational, commercial and purpose-based interests of the Charity.</p>	<p>Key to maintaining reputation is upholding a quality and safe service for our patients and service users, and operating the Charity in accordance with our values, culture and principles. Delivery of the strategy is key to improving and maintaining the quality and safety of our services, as well as ensuring they are financially sustainable.</p> <p>We have well-established communications plans, and we maintain a stakeholder engagement programme to proactively manage our relationships with key internal and external stakeholders. We have proactive and responsive media engagement plans, effective internal disclosure processes for our staff, and we monitor our brand awareness and trust through the Net Promoter Score.</p>

# St Andrew’s Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Principal Risks and Uncertainties and Risk Management Statements (continued)

Risk Theme	Risk Description	Management Response
<b>IT and Cyber</b>	A balanced view of the risks exposed due to advancement in emerging potential threats in the cyber-world may adversely impact the Charity’s information systems and applications vulnerable to cyber-attacks.	<p>We have a well-established Information Security team and our continued assurance activity as part of complying with the NHS Data Security &amp; Protection Toolkit has resulted in an annual level of “Standards Exceeded” being awarded, further supporting the continued mitigation of these risks.</p> <p>This is an area that the Charity continues to focus on to ensure our mitigating actions remain robust and effective and is actively monitored by our Executive Team, through the Audit and Risk Committee and by the Board of Directors.</p>
<b>Estates</b>	<p>Failure to maintain a “right-sized” and “fit for purpose” estate; coupled with ineffective management of it will result in:</p> <ol style="list-style-type: none"> <li>1. the inability to support the delivery of strategic ambitions;</li> <li>2. impact on the completion of essential maintenance and repairs;</li> <li>3. impact on financial sustainability and profitability, diverting funds from direct patient care; and</li> <li>4. potential breach of statutory regulations and compliance requirements.</li> </ol>	<p>We know that the condition of our estate is integral to keeping patients and staff safe. We are committed to ensuring that our services are provided in buildings that are fit for purpose, are compliant with legislation and do not represent a health and safety risk.</p> <p>We have developed detailed functional strategies for the management of our estate, which are fully aligned with the Charity’s overall strategy for 2023-28 and have a robust asset management policy, which is supported by internal performance reviews.</p>
<b>Organisational culture</b>	Failure to foster a “charity-wide” culture derived from our CARE values that is positive and challenging, and promotes openness, transparency, diversity, inclusion, and ethical behaviour and drives a quality first ethos, will result in a disjointed and fragmented approach to delivery of strategic business plans and achievement of charity-wide objectives.	<p>We recognise that our culture is crucial to ensuring the delivery of high-quality, safe and effective patient care and strive to develop a culture that values our staff as individuals to ensure that we can attract and retain our caring staff.</p> <p>We have implemented a number of activities to ensure that the Charity maintains an ‘open’ culture. These include encouraging staff to speak up, supported by our Speak-up Policy, STEER employee engagement group, ‘Your Voice surveys’, Whistle-blowing external hotline and our Freedom to Speak Up Guardians. Our people plan sets out a number of key areas of activity which support and provide a framework for improving and creating a consistent culture.</p>

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Section 172 Statement

The Trustees of St Andrew's are aware of their requirement under s.172 of the Companies Act 2006, to act in the way they consider, in good faith, would most likely promote the success of the Charity for the benefit of its patients, employees and other key beneficiaries and stakeholders, and in doing so, have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Charity's employees;
- the need to foster the Charity's business;
- the relationships with suppliers, customers and others;
- the impact of the Charity's operations on the community and the environment;
- the desirability of the Charity maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Charity.

The Trustees have taken steps to incorporate the s.172 requirements as part of the matters and decisions reserved for the Board, with due consideration given to potential impacts and risks for our stakeholders. The Trustees take account of these factors before making strategic decisions that they believe are in the best interests of the Charity and are in keeping with the Charity's purpose to relieve suffering, give hope and promote recovery.

The Charity continues with its process of transformation and quality improvement, driven by its strategy. Reflection and learning in response to performance issues identified through our stakeholders ensures that the Trustees are aware of the significance of these areas when discharging their duties. Learning from previous decisions and actions, the Trustees ensure the Charity's strategy, vision and mission consider the longer-term consequences for the Charity and its key beneficiaries and stakeholders. This is reflected in the Charity strategy looking ahead to 2028 and beyond and laying the necessary foundations for the continued delivery of high quality care and recovery outcomes to our patients and service users through our quality first ethos.

The Board of Trustees regularly reviews our main stakeholders and how we engage with them. The Board has many ways of doing this, including reports and updates from members of management who directly engage with the stakeholders; direct engagement with them by the Trustees, membership and attendance of board committees by representatives of the stakeholder groups and inclusion within board papers of appropriate stakeholder interests in relation to proposed courses of action and potential decisions.

The section below provides examples of how we have engaged with our stakeholders in the year, as well as demonstrating stakeholder considerations in the decision-making process.

#### Patients

At the heart of the Charity are our patients, as such, it is crucial for the voice of our patients to be heard throughout the Charity, especially at board level. Our divisions and the Patient Experience Team have a range of initiatives to capture and act on patients' opinions and collaborate about decision making and service improvement, and a "Service and Patient Story" section is included on all board agendas.

The Charity's strategy, overseen by the Board via the relevant board committees and at regular focused board strategy days, has clear ambitions directly focused on the considerations of our patients, with agreed milestones co-produced with patients, carers and staff.

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Section 172 Statement (*continued*)

#### Patients (*continued*)

Trustees regularly attend our Birmingham, Essex and Northampton Service (BENS) bi-monthly meetings, to hear patients' views and concerns from across all three regional sites and services. The patient story is heard at every meeting of the Board of Directors and wherever possible patients attend an element of the board meeting to share their experience and discuss topics of interest with the Trustees and senior management. The Board also includes ward and therapy area visits during some of its meetings enabling the Trustees to visit patients and staff in their own settings. The patient-led sessions directly influence the decisions made at board in relation to patient services, and the impact of them is followed up at the relevant board committee.

The Charity's patient experience survey, My Voice, aims to capture patient feedback so that the Charity can make the necessary improvements to their care. The survey is designed to help improve the patient experience, as well as their care. The results are anonymised and feed into updates at divisional and charity-wide groups and meetings, are regularly discussed at the Quality & Safety Committee and are included in performance reports discussed at every board meeting.

Where a significant event is planned that may or may not impact patients, a quality impact assessment is completed and overseen by our Executive Trustees, ensuring any impact on the quality of care given to our patients is given the highest priority during the decision process. Quality impact assessments are also discussed at our Quality & Safety Committee. In order to ensure the continued effectiveness of the assessments, this year, the process has undergone a continuous quality improvement (CQI) review.

#### Carers

We recognise and value that our patients and service users are supported by a network of families, friends and carers who share their journey here at St Andrew's. We continually seek and welcome the experience and knowledge carers contribute to our patients' and service users' journey, without this we cannot continually learn, improve our services or co-productively make important decisions about the patient's care. Within our Court of Governors are two Constituency Carer Governors who bring lived experience to the group, as they are both carers of people accessing secure mental health services. Their valuable insights ensure that we make well informed decisions in patients and carers best interests. Carer Governors carry out regular visits to our wards which are now informed by patient and carer feedback, following up on actions to ensure the process of receiving feedback to the delivery of actions is completed and continues.

Regular feedback from our families and carers has contributed to the creation of our Patient and Carer Experience strategy, which is entirely based on patient and carer feedback and outlines how the Charity will take action over the next five years to improve our services. Patients and carers also contributed to the establishment and delivery of our new Co-production Framework which will support divisions to ensure that families and carers are involved in their loved ones care at every point of their journey.

#### Employees

The Charity recognises the value of its employees and volunteers and the important role they have to play in its success. During the year, an employee survey was conducted with the results from this survey being published to the whole Charity and cascaded via team and ward meetings. Significant increases in every area were reported, indicating that staff felt proud, energised and optimistic about the work they do.

STEER was launched this year. Meeting every two months, it exists for employee champions to provide constructive feedback, support the cascade of key messages, and the development of tailored communications and generate ideas for improving effectiveness, productivity and efficiency. The group also supports the CARE award selection process.

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Section 172 Statement (continued)

#### Employees (continued)

The "Freedom to Speak Up" Guardians, together with a newly appointed Lead Guardian, have continued to provide confidential advice and support to employees about any concerns, through helping to create a culture of openness and support and provide guidance to employees to speak up, working collectively to remove any barriers that stop our employees from doing so. Regular reports on all these topics are shared directly with the Trustees at the Board and through the Audit & Risk Committee and People Committee.

The Charity maintains four focused employee Networks that support the Charity's Diversity and Inclusion Strategy, namely WiSH (Women in St Andrew's Healthcare), Unity (focusing on Black, Asian, Minority and Ethnic), DAWN (focusing on disability and wellbeing) and PRIDE (focusing on LGBTQ+). All these networks have Executive sponsors and our Executives also actively take part in network meetings and events, allowing the Board to remain sighted with any emerging discussions, themes or issues and the ability to consider them when making decisions.

Our Court of Governors also includes three dedicated staff governors, who bring the views and different experiences of the Charity's employees to the discussions at the Court of Governors.

#### Governors

Whilst the Trustees understand their obligations to the Charity as Directors, the Charity operates an additional level of oversight through its Court of Governors. The Trustees meet with our Governors formally, four times each year, to provide updates on the Charity's performance and ability to meet its strategic objectives. This allows our Governors the opportunity to ensure that our Trustees are meeting their statutory obligations toward the Charity and acting in a way that promotes its success.

The Lead Governor, Oliver Mackaness, together with the Lead Governor Group, ensures a high level of interaction and communication between the Court of Governors and the Trustees. These governors regularly attend board and board committees and there are regular meetings held between the Chair of the Charity, Chief Executive Officer, and Lead Governor. This high level of interaction and discussion ensures effective ongoing communication between the Court and the Trustees together with an increased level of assurance gained by the Court through the increased level of scrutiny.

The majority of governors perform ward and service visits, using a structured visits programme to review the care provided and feed this back to ward management, the Executive Team, and the Board. The visits programme is regularly reviewed by members of the Lead Governor Group, our Constituency Governors, Governance Administrator and Company Secretary, in order to ensure that all areas of the Charity are included. In particular, governor visibility on the wards gives an opportunity for both patients and staff to provide direct feedback that helps governors in their role of holding the Charity's board to account.

Governors have an important role of reflecting the interests of the communities and the Charity they represent and bring valuable perspectives and contributions on their behalf to improve the Charity's health services for the future.

#### Regulators

As a result of the care that the Charity provides, we are subject to review through a number of external regulators. Our Trustees are committed to working closely with our regulators and taking account of their views. To this end the Charity meets regularly with a variety of these regulators to discuss ongoing matters but also to seek advice and guidance on decisions, including the Care Quality Commission and the UK Health Security Agency.

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Section 172 Statement (*continued*)

#### Regulators

As a provider of health and social care, Care Quality Commission standards must be met. We run our own internal quality assessments and have governance and reporting systems to monitor how services are doing. We work in a collaborative and transparent manner with our regulators to enable good service user outcomes. Governance and effective communication are key in fostering these relationships. The openness and level of cooperation of this relationship is set by the tone at executive level, where there is continuous engagement with the regulators. This is reflected locally, where heads of service develop and maintain relationships with inspectors.

#### Suppliers

The Charity works with a wide range of suppliers, the majority situated within the UK. We remain committed to being fair and transparent in our dealings with all of our suppliers and wherever possible prioritising smaller suppliers in the local community.

The Charity undergoes due diligence before appointing any new suppliers, including a review of their internal governance, for example, their anti-bribery and corruption practices, data protection policies and modern slavery matters.

The Charity has systems and processes in place to ensure suppliers are paid in a timely manner.

#### Partners

Due to the nature of the Charity, we work closely with key partners throughout the country and value the role that they play in shaping our strategy. To support the Trustees in understanding this wide range of views, the Charity encourages open dialogue with our partners through a number of channels. We also work jointly with partners on initiatives both regionally and nationally that promote our mutual success and the best outcomes for our patients.

The Charity's strategy contains specific strategic ambitions and milestones relating to being an outward facing organisation, with ambitions and objectives focused on engaging with communities, as well as new or existing partners. Our aim is to build new partnerships where we can share expertise and experience for the benefit of people with complex mental health needs.

As a charity we continue to develop research and education opportunities, foster strong external engagement that ensures future service offerings are built on partnerships and a widening of our range of partners and external stakeholders, along with co-production and advocacy. The Charity is a member of numerous alliances and provider collaboratives within the East and West Midlands and continues to grow these partnerships via collaborative board meetings. There are also regular corporate partnership meetings held on a monthly and quarterly basis. The development of these collaboratives and alliances is reviewed regularly by our Trustees via board and board committees. Alliances aim to build strong relationships with our NHS Partners and look at the direction and development of services, and are therefore an integral part of our future decision making processes.



## St Andrew's Healthcare

### Strategic Report for the Year Ended 31 March 2024 (continued)

#### Financial Review of the Group

The Group measures its results using Key Performance Indicators ('KPI's'). Non-financial KPI's are included in the Combined Trustees' and Directors' report and the main financial KPI's are shown below:

KPI		Metric	2024	2023	Movement
In-patient occupancy	Annual Avg	Volume	623	604	3.1%
In-patient occupancy % of available beds	Annual Avg	%	89	86	3.5%
Surplus / (deficit)	Annual Total	£m	2.6	(4.6)	156.5%
Loan balance	at 31st March	£m	(19.0)	(20.0)	(5.0)%
Investments held	at 31st March	£m	18.1	17.1	5.8%
Cash balance held	at 31st March	£m	21.7	15.1	43.7%
Current Assets to Current Liabilities ratio	at 31st March	Ratio	1.23:1	1.07:1	16.0%

At the end of the 2023/24 financial year, St Andrew's reported a surplus for the first time in seven years reflecting the positive impact of the Charity's Thrive programme launched in March 2023. The Group reported a £2.6m surplus (2023: £4.6m deficit) from underlying activities in the year and this was supported by a 3.1% increase in patients accessing our services, Thrive transformation programme, and ongoing robust control of costs and implementing efficiency optimisation initiatives.

This improvement was reflected at year end with the Charity strengthening its balance sheet reserves (total funds of £191.8m compared to £190.4m in 2023) providing the platform for the Charity to reduce its loan balance, make capital investment decisions to continuously enhance the facilities and services provided to staff and patients, along with increasing the level of charity cash reserves.

#### Income of the Group

Income from:	2024 £m	2024 %	2023 £m	2023 %
Donations	0.1	-	0.2	0.1
Charitable Activities	191.8	88.1	170.0	87.1
Other Trading Activities	25.0	11.5	24.7	12.6
Investments	0.9	0.4	0.4	0.2
<b>Total Income</b>	<b>217.8</b>	<b>100.0</b>	<b>195.3</b>	<b>100.0</b>

Funding received for charitable activities predominantly relates to funding from NHS Commissioners for patient care, along with income for educational services provided. The total income received for the year was £191.8m (2023: £170.0m), an increase of 12.8% on the previous year, which was mainly due to a 3.1% increase in patients accessing our services along with annual inflationary increases.

Other trading activities mainly relates to funding from the Three Shires Hospital LLP totalling £25.0m (2023: £24.7m) in the year, which was a modest increase of 1.2% from the previous year. Income from investments in the year was £0.9m (2023: £0.4m) reflecting a positive movement in the equity market in the final quarter of 2023/24.

## St Andrew's Healthcare

### Strategic Report for the Year Ended 31 March 2024 (continued)

#### Financial Review of the Group (continued)

##### Expenditure of the Group

Expenditure on:	2024 £m	2024 %	2023 £m	2023 %
Charitable activities	(194.3)	90.8	(178.8)	90.3
Other trading activities	(18.2)	8.5	(18.1)	9.1
Interest	(1.6)	0.7	(1.1)	0.6
<b>Total expenditure</b>	<b>(214.1)</b>	<b>100.0</b>	<b>(198.0)</b>	<b>100.0</b>

In 2023/24, total expenditure was £214.1m (2023: £198.0m), 8.1% more than in the previous year, which is directly relational to the increased income reported. The main cost increase relates to staffing, with more staff employed to support the increase in patients accessing our services and the annual inflationary cost of living wage increase.

Charitable activities accounted for 90.8% of the group's expenditure, amounting to £194.3m (2023: £178.8m), and was used in either directly caring for our patients or providing the infrastructure and enabling services required to make that possible.

##### Pensions

The Charity's defined benefit pension scheme is closed to new entrants and in December 2023 Capital Cranford were appointed as professional independent sole trustees of the scheme. The next triennial scheme valuation is March 2025 but during 2023/24 a liability increase of £0.8m was recognised in the accounts.

The defined contribution pension scheme is open to new entrants and managed on behalf of the Charity by Scottish Widows.

##### Investments

St Andrew's investment portfolio is managed by Evelyn Partners. The Charity is committed to ethical investments and we ensure that our portfolio is invested in line with this.

The Group holds investments with an overall objective to maximise the returns received while maintaining the capital value of investments in real terms over the long term. The investments are held as part of the Charity's reserves policy.

By the end of the financial year the investments had increased by £1.0m due to favourable stock market movements.

##### Reserves

Reserves are shown by the total fund balances on the balance sheet on page 40. The balance sheet shows total net assets of £191.8m (2023: £190.4m). It shows total unrestricted reserves of £188.9m (2023: £187.5m) and restricted reserves of £1.1m (2023: £1.1m).



# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2024 (continued)

### Financial Review of the Group (continued)

#### Reserves (continued)

A significant proportion of the above reserves relate to fixed assets, £186.5m (2023 £191.0m) that are excluded from the Charity's reserves policy, which exists to ensure financial stability and assurance in the ability of the Charity to continue to operate as a going concern, meeting all liabilities as they fall due. The Charity's reserves are intended to provide a source of funds for circumstances including:

- Operating Reserve: short and medium term cash flow to meet all liabilities as they fall due.
- Unforeseen Reserve: cash flow to cover any material unbudgeted expenditure, unanticipated loss in funding, unexpected and extended material financial losses, strategic priorities and other unforeseen events creating longer term financial distress.
- Essential Maintenance Reserve: cash flow to cover unexpected repairs to critical assets to maintain ongoing services.

Charity reserves are not intended to replace a permanent loss of income or eliminate an ongoing budget gap. It is the intention of St Andrew's that reserves are to be used and replenished within a reasonably short period of time and such reserves are intended to support the strategic priorities of the Charity.

The Charity has significant assets but utilises cash balances, investments and bank credit facility headroom to provide liquid resources to support the reserves policy, without adversely affecting the running of the business or quality of patient care.

The Board is sighted via the Finance Committee of the actual levels of reserves and how this compares to the reserves policy, along with regular reporting and monitoring of financial resources, including bank covenants.

The Charity's actual level of reserves will increase over the four year Financial Plan but continue to fall below the desired levels of the policy. A critical factor in reducing this gap in future years will be the Charity maintaining a net surplus and balanced investment plans.

#### Forward Look

The financial plan approved by the Board in March 2024 projects that the Charity will report a small net surplus for each year of the plan, which covers four years from 2024/25 to 2028/29. This financial plan is the base financial position for which the going concern review has been completed, where further risk scenarios have been modelled to ensure financial stability.

Over the next few years, there will be a variety of efficiency initiatives to improve processes and systems, along with investment in a variety of areas aligned to the strategy, balancing the need to ensure the support and care for current and future patients is of the highest quality but with financial sustainability for the Charity.

We continue to work closely with our commissioning partners to align our services to the patient needs and demands both locally and across the country for our bespoke services, providing agility to the services we provide and the evolving commissioning requirements.

# St Andrew's Healthcare

## Strategic Report for the Year Ended 31 March 2023 (continued)

### Going Concern

The Trustees have a responsibility to make sure that the Group continues in existence for the foreseeable future (at least 12 months from signing these accounts) and to do so they have to be assured that there are always sufficient funds to meet the Group's liabilities as they fall due.

The Trustees are confident that the Group remains a going concern, and have not identified any material uncertainty in their assessment. The Group has a bank facility that is sufficient to meet all foreseeable requirements, which is managed carefully and only drawn upon where additional funding is required. The existing banking credit facility was signed and commenced on 4 October 2022 at a level of £27m. The duration of the facility is three years, with a further two-year extension option, which was executed in August 2024. The facility is structured to provide a £27m loan from commencement but reducing by £1m per annum to £22m by 30 September 2027.

During 2023/24, the Charity has created a far stronger financial platform compared to previous years. The Charity's current financial plan builds upon this over the next four years and it is projected that the Charity will continue delivering a small annual surplus, with the ability to reduce down the loan facility if desired.

The Group's review of going concern has been extensive and included the financial impact over the next 18 months. The key scenarios modelled ascertaining impact to the Charity's financial plan are:

- Reduced patient's accessing our services limiting the Charity's income;
- Not fully achieving the full efficiencies for any remaining Thrive initiatives;
- Annual income inflation increase falls below the levels estimated reducing income; and
- The implementation of the Charity growth plans happen slower reducing EBITDA.

All of the downside risk scenarios would increase cash requirements. However, the additional cash that would be required remains within the available cash reserves or loan facility and without breaching any covenant restrictions. The impact of these scenarios was modelled without any mitigating actions taken by the Charity.

Therefore, in the Trustees' opinion these scenarios would not compromise the Group's ability to continue as a going concern, with an expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and withstand any worst case scenarios that could occur. For this reason, the Trustees continue to adopt the going concern basis in preparing the presented Financial Statements.

### Approval and Signing

The Trustees/Directors declare that they have approved the strategic report above. Signed on behalf of the Charity's Trustees/Directors:

Signature(s):

*Paul Burstow*

*V M McVey*

Full name(s):

**Rt Hon Paul Burstow**  
**Chairman**

**Dr Vivienne McVey**  
**Chief Executive Officer**

Position:

Date:

12 November 2024

12 November 2024

## St Andrew's Healthcare

### Independent Auditor's Report to the Members and Trustees of St Andrew's Healthcare

#### Opinion

We have audited the financial statements of St Andrew's Healthcare (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Funds 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 Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for Opinion

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions Relating to Going Concern

We are responsible for concluding on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the Trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as cost inflation, we assessed and challenged the reasonableness of estimates made by the Trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

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.

## St Andrew's Healthcare

### Independent Auditor's Report to the Members and Trustees of St Andrew's Healthcare (continued)

#### Conclusions Relating to Going Concern (*continued*)

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

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

#### Other information

The other information comprises the information included in the 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report, prepared for the purpose of company law, included in the Annual 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 Annual Report have been prepared in accordance with applicable legal requirements.

#### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Annual Report.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

## St Andrew's Healthcare

### Independent Auditor's Report to the Members and Trustees of St Andrew's Healthcare (continued)

#### Responsibilities of the trustees

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

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

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006, Charities Act 2011, Children and Social Work Act 2017, Care Standards Act 2014 and Data Protection Act 2018;
- We understood how the group is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board and other minutes and through our legal and professional expenses review;
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - Challenging assumptions and judgements made by management in its significant accounting policies
  - Identifying and testing journal entries, with a focus on unusual journals with specific risk characteristics and large value journals
  - Identifying and testing related party transactions
  - Inspecting the board and other committee minutes; and
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

## St Andrew's Healthcare

### Independent Auditor's Report to the Members and Trustees of St Andrew's Healthcare (continued)

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

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the Charity sector; and
  - understanding of the legal and regulatory requirements specific to the group including:
  - the provisions of the applicable legislation; and
  - guidance issued by the Charity Commission.
- The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the group's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - the group's control environment, including:
    - the policies and procedures implemented by the group to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations;
    - the adequacy of procedures for authorisation of transactions and review of management accounts; and
    - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

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

## St Andrew's Healthcare

### Independent Auditor's Report to the Members and Trustees of St Andrew's Healthcare (continued)

#### Use of our report

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Jim McLarnon*

**Jim McLarnon ACA**  
**Senior Statutory Auditor**  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Birmingham  
12 November 2024

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



## St Andrew's Healthcare

### Consolidated Statement of Financial Activities For the Year Ended 31 March 2024

		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2024		2024	2023		2023
Note		£m	£m	£m	£m	£m	£m
<b>Income from:</b>							
		0.1	-	<b>0.1</b>	0.2	-	<b>0.2</b>
		191.8	-	<b>191.8</b>	170.0	-	<b>170.0</b>
		25.0	-	<b>25.0</b>	24.7	-	<b>24.7</b>
		0.9	-	<b>0.9</b>	0.4	-	<b>0.4</b>
		217.8	-	<b>217.8</b>	195.3	-	<b>195.3</b>
<b>Expenditure on:</b>							
		(194.3)	-	<b>(194.3)</b>	(178.8)	-	<b>(178.8)</b>
		(18.2)	-	<b>(18.2)</b>	(18.1)	-	<b>(18.1)</b>
		(1.6)	-	<b>(1.6)</b>	(1.1)	-	<b>(1.1)</b>
		(214.1)	-	<b>(214.1)</b>	(198.0)	-	<b>(198.0)</b>
		3.7	-	<b>3.7</b>	(2.7)	-	<b>(2.7)</b>
		0.7	-	<b>0.7</b>	(0.4)	-	<b>(0.4)</b>
		4.4	-	<b>4.4</b>	(3.1)	-	<b>(3.1)</b>
		-	-	-	-	-	-
		4.4	-	<b>4.4</b>	(3.1)	-	<b>(3.1)</b>
		-	-	-	0.9	(0.9)	-
		(2.0)	-	<b>(2.0)</b>	(1.6)	-	<b>(1.6)</b>
		2.4	-	<b>2.4</b>	(3.8)	(0.9)	<b>(4.7)</b>
<b>Other recognised gains:</b>							
		0.2	-	<b>0.2</b>	0.1	-	<b>0.1</b>
		2.6	-	<b>2.6</b>	(3.7)	(0.9)	<b>(4.6)</b>

Included above are all gains and losses recognised in the year. All income and expenditure derive from continuing activities.



## St Andrew's Healthcare

### Consolidated Balance Sheet As at 31 March 2024

		2024	2023
	Note	£m	£m
<b>Fixed assets:</b>			
Intangible assets	15	0.7	1.0
Tangible assets	15	185.8	190.0
Investments	16	18.1	17.1
		<b>204.6</b>	<b>208.1</b>
<b>Current assets:</b>			
Stock		0.8	0.8
Debtors	17	14.5	13.8
Cash at bank and in hand	18	21.7	15.1
		<b>37.0</b>	<b>29.7</b>
<b>Current liabilities:</b>			
Creditors falling due within one year	19	(30.0)	(27.9)
<b>Net current assets</b>		<b>7.0</b>	<b>1.8</b>
<b>Total assets less current liabilities</b>		<b>211.6</b>	<b>209.9</b>
Creditors falling due after one year	19	(18.6)	(19.0)
<b>Net assets excluding pension scheme liability</b>		<b>193.0</b>	<b>190.9</b>
Pension scheme liabilities	22	(1.2)	(0.5)
<b>Total net assets</b>	21	<b>191.8</b>	<b>190.4</b>
<b>Funds of the Group:</b>			
Restricted funds	21	1.1	1.1
Unrestricted funds		188.9	187.5
		190.0	188.6
EFRBS pension reserve		(0.5)	(0.5)
<b>Total funds of the Group</b>		<b>189.5</b>	<b>188.1</b>
Non-controlling interests	8	2.3	2.3
<b>Total funds</b>		<b>191.8</b>	<b>190.4</b>

The notes on pages 44 to 69 are an integral part of the financial statements.

The financial statements on pages 39 to 69 were approved by the Board of Directors on 12 November 2024 and were signed on its behalf by:

*Paul Burstow*

**Rt Hon Paul Burstow**  
**Chairman and Trustee**

*Kevin Mulhearn*

**Kevin Mulhearn**  
**Chief Financial Officer and Trustee**

Members of the Board of Directors of St Andrew's Healthcare Company number: 5176998

# St Andrew's Healthcare

## Company Balance Sheet As at 31 March 2024

	Note	2024 £m	2023 £m
<b>Fixed assets:</b>			
Intangible assets	15	0.7	0.9
Tangible assets	15	194.1	199.5
Investments	16	18.1	17.1
		<b>212.9</b>	<b>217.5</b>
<b>Current assets:</b>			
Stock		0.5	0.4
Debtors	17	13.1	11.3
Cash at bank and in hand	18	17.3	10.7
		<b>30.9</b>	<b>22.4</b>
<b>Current liabilities:</b>			
Creditors falling due within one year	19	(25.9)	(23.4)
<b>Net current assets / (liabilities)</b>		<b>5.0</b>	<b>(1.0)</b>
<b>Total assets less current liabilities</b>		<b>217.9</b>	<b>216.5</b>
Creditors falling due after one year	19	(18.6)	(19.0)
<b>Net assets excluding pension scheme liability</b>		<b>199.3</b>	<b>197.5</b>
Pension scheme liabilities	22	(1.2)	(0.5)
<b>Total net assets</b>		<b>198.1</b>	<b>197.0</b>
<b>Funds of the Charity:</b>			
Restricted funds	21	1.1	1.1
Unrestricted funds		197.5	196.4
		198.6	197.5
EFRBS pension reserve		(0.5)	(0.5)
<b>Total funds</b>		<b>198.1</b>	<b>197.0</b>

The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activity. The Charity's surplus / (deficit) before other recognised gains was £0.9m (2023: (£7.1m)).

The notes on pages 44 to 69 are an integral part of the financial statements.

The financial statements on pages 39 to 69 were approved by the Board of Directors on 12 November 2024 and were signed on its behalf by:

*Paul Burstow*

**Rt Hon Paul Burstow**  
**Chairman and Trustee**

*Kevin Mulhearn*

**Kevin Mulhearn**  
**Chief Financial Officer and Trustee**

Members of the Board of Directors of St Andrew's Healthcare Company number: 5176998

## St Andrew's Healthcare

### Consolidated Cash Flow Statement For the Year Ended 31 March 2024

	Note	2024 £m	2023 £m
<b>Net cash from operating activities</b>	24	15.5	9.2
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments	5,6	1.4	0.9
Dividends paid		(3.2)	(2.0)
Purchase of property, plant & equipment	15	(6.0)	(3.8)
Proceeds from sale of investments	16	3.1	2.0
Purchase of investments	16	(3.1)	(2.2)
Other movement on investments		(0.1)	0.1
<b>Net cash used in investing activities</b>		<b>(7.9)</b>	<b>(5.0)</b>
<b>Cash flows from financing activities:</b>			
Repayments of borrowing	19	(1.0)	-
<b>Net cash used in financing activities</b>		<b>(1.0)</b>	<b>-</b>
<b>Change in cash and cash equivalents in the reporting year</b>		<b>6.6</b>	<b>4.2</b>
Cash and cash equivalents at the beginning of the reporting year		15.1	10.9
<b>Cash and cash equivalents at the end of the reporting year</b>	18	<b>21.7</b>	<b>15.1</b>

## St Andrew's Healthcare

### Consolidated Statement of Changes in Funds For the Year Ended 31 March 2024

	Restricted & unrestricted funds £m	EFRBS pension reserve £m	Non-controlling Interests £m	Group Total £m
Balance as at 1 April 2023	188.6	(0.5)	2.3	<b>190.4</b>
Net Income attributable to the group	2.4	-	-	<b>2.4</b>
Actuarial gains on pension schemes	0.2	-	-	<b>0.2</b>
NCI element of TPC Dividend	0.4	-	(0.4)	-
Net income attributable to non-controlling interests	-	-	2.0	<b>2.0</b>
Dividends paid	(1.6)	-	(1.6)	<b>(3.2)</b>
<b>Balance as at 31 March 2024</b>	<b>190.0</b>	<b>(0.5)</b>	<b>2.3</b>	<b>191.8</b>

	Restricted & unrestricted funds £m	EFRBS pension reserve £m	Non-controlling Interests £m	Group Total £m
Balance as at 1 April 2022	194.6	(0.6)	2.1	196.1
Deficit in the year	(4.7)	-	-	(4.7)
Actuarial gains on pension schemes	-	0.1	-	0.1
Net income attributable to non-controlling interests	-	-	1.6	1.6
Dividends paid	(1.0)	-	(1.0)	(2.0)
Other movements	(0.3)	-	(0.4)	(0.7)
<b>Balance as at 31 March 2023</b>	<b>188.6</b>	<b>(0.5)</b>	<b>2.3</b>	<b>190.4</b>

# St Andrew's Healthcare

## Notes to the Financial Statements

### 1. General Information

St Andrew's is incorporated and registered in England and Wales as a charity and as a private company limited by guarantee. The address of its registered office is Billing Road, Northampton, Northamptonshire NN1 5DG.

The Charity has no share capital and is limited by guarantee. Each of the members has a liability of £1 should there be a deficit of assets after meeting liabilities on winding up.

### 2. Accounting Policies

#### Basis of Preparation

The financial statements of the Group and the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102 (Charities SORP FRS 102 (2019)), the Companies Act 2006 and the Charities Act 2011.

#### Going Concern

The Trustees have a responsibility to make sure that the Group continues in existence for the foreseeable future (at least 12 months from signing these accounts) and to do so they have to be assured that there are always sufficient funds to meet the Group's liabilities as they fall due.

The Trustees are confident that the Group remains a going concern and have not identified any material uncertainty in their assessment. The Group has a bank facility that is sufficient to meet all foreseeable requirements, which is managed carefully and only drawn upon where additional funding is required. The existing banking credit facility was signed and commenced on 4 October 2022 at a level of £27m. The duration of the facility is three years, with a further two-year extension option, which was executed in August 2024. The facility is structured to provide a £27m loan from commencement but reducing by £1m per annum to £22m by 30 September 2027.

During 2023/24, the Charity has created a far stronger financial platform compared to previous years. The Charity's current financial plan builds upon this over the next four years and it's projected that the Charity will continue delivering a small annual surplus, with the ability to reduce down the loan facility if desired.

The Group's review of going concern has been extensive and included the financial impact over the next 18 months. The key scenarios modelled ascertaining impact to the Charity's financial plan are:

- Reduced patients accessing our services limiting the Charity's income;
- Not fully achieving the full efficiencies for any remaining Thrive initiatives;
- Annual income inflation increase falls below the levels estimated reducing income; and
- The implementation of the Charity growth plans happen slower reducing EBITDA.

All of the downside risk scenarios would increase cash requirements. However, the additional cash that would be required remains within the available cash reserves or loan facility and without breaching any covenant restrictions. The impact of these scenarios was modelled without any mitigating actions taken by the Charity.

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 2. Accounting Policies (continued)

#### Going Concern (continued)

Therefore, in the Trustees' opinion these scenarios would not compromise the Group's ability to continue as a going concern, with an expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and withstand any worst case scenarios that could occur. For this reason, the Trustees continue to adopt the going concern basis in preparing the presented Financial Statements.

#### Basis of Consolidation

The Group's consolidated financial statements include the financial statements of the Charity and all of its subsidiary undertakings:

- St Andrew's Healthcare, the Charity;
- St Andrew's Foundation for Mental Health, a wholly owned subsidiary of St Andrew's Healthcare (dormant since 2017);
- St Andrews Property Management Limited, a wholly owned subsidiary of St Andrew's Healthcare; and
- Three Shires Hospital LLP, a subsidiary of St Andrews Property Management Limited.

All the subsidiaries of the Charity are incorporated in the United Kingdom and have a year end of 31 March. Uniform accounting policies have been adopted across the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation. New subsidiaries included in the Group for the first time are consolidated from the date of acquisition.

#### Income

Income from charitable activities largely consists of fees for the provision of services and facilities to our service users. This is recognised when the service has been provided, the Charity has entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

Income from other trading activities consists of income generated by subsidiary undertakings through provision of services and income generated by the Charity in respect of its garden centre and coffee shop. This income is recognised to the extent that the service has been provided, or the significant risks and rewards of ownership have transferred to the buyer, receipt is probable, and the income can be reliably measured.

Investment income in relation to dividends and interest is recognised when receivable.

Donations are recognised as income when entitlement has passed to the Charity, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the Charity is probable and that economic benefit can be measured reliably. If any conditions of the donation are not met, the income is deferred as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the conditions that limit recognition are met.

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 2. Accounting Policies (continued)

#### Expenditure

Expenditure is accounted for on an accruals basis and is classified under headings that aggregate costs related to that category and includes estimations where actual cost data is unavailable. Liabilities are recognised when an obligation exists, it is probable that settlement will be required, and the amount can be measured or estimated reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred or capitalised as part of the cost of the related asset, where appropriate.

#### Non-underlying items

In order to illustrate the underlying performance of the Group, presentation has been made of performance measures excluding those items which it is considered would distort the comparability of the Group's results. These non-underlying items are defined as those items that, by virtue of their nature, size or expected frequency, warrant separate additional disclosure in the financial statements in order to fully understand the underlying performance of the Group.

#### Employee Benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and pension plans.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

The Group has two types of pension schemes, defined contribution and defined benefit. The assets of these are held separately from each other and those of the Group in independently administered funds.

A defined contribution plan is a pension plan under which contributions are paid into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. The contributions are recognised as an expense in the Statement of Financial Activity when they are due. A defined benefit plan is a pension plan that is not a defined contribution plan. The defined benefit plan was closed to new entrants on 1 April 2003 and closed to future accrual from 31 March 2012. The fair values of plan assets and liabilities are measured in accordance with FRS 102 by independent actuaries. Any surplus of assets over liabilities is not recognised as the Charity is not entitled to a refund of any of the surplus.

The defined benefit obligation is calculated using the projected unit credit method. Annually, the group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

When the defined benefit obligations exceed the fair value of plan assets, an amount equal to this is recognised as a liability in the Group's balance sheet. This liability is secured on a proportion of the Charity's land and building portfolio.

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 2. Accounting Policies (continued)

#### Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of a resources will be required to settle the obligation and the amount can be reliably estimated.

Restructuring costs are recognised once there is a legal or constructive obligation to undertake restructuring activities, which includes redundancy payments.

#### Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged/received against profit and loss account on a straight-line basis over the period of the lease.

#### Hire purchase and finance lease agreements

Assets held under hire purchase and finance lease agreements are capitalised and disclosed under tangible fixed assets at their fair value and subsequently measured at historical cost, less accumulated depreciation, and any recognised provision for impairment. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight-line basis.

#### Investments

Investments comprise investment properties, stock market investments and investments in subsidiaries and joint ventures. Investment properties are revalued to fair value on an annual basis by Berry's Chartered Surveyors and Valuers. Stock market investments are managed by Evelyn Partners and revalued using the latest available mid-market prices at the year end. Investments in subsidiaries & joint ventures are held at cost. Investment gains and losses are reported in the Statement of Financial Activities.

#### Stocks

Stock is included at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If the stock is impaired, the carrying value is reduced to its selling price less costs to complete and sell. The impairment is recognised immediately in the Statement of Financial Activities.

#### Service Users Funds

The Charity holds cash in current accounts on behalf of service users. The asset (being the amount held at the bank) is shown within cash at bank and in hand and the liability (being the offsetting amount payable to service users) is shown within other creditors.

#### Cash at Bank and in Hand

Cash at bank and in hand includes cash and any short term highly liquid investments that are not volatile in value and have a short maturity of three months or less from the date of acquisition or deposit.

#### Financial instruments

##### *Financial Assets*

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.



# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 2. Accounting Policies (continued)

#### Financial Instruments (continued)

Basic financial assets include trade and other receivables and cash, and bank balances are initially recognised at fair value, being the transaction price. Such assets are subsequently carried at amortised cost using the effective interest method.

Other financial assets, including investments in equity instruments that are not subsidiaries, associates or joint ventures, are initially measured at fair value that is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Consolidated Statement of Financial Activities.

Basic financial assets are recognised at cost (being transaction price) and subsequently measured at amortised cost using the effective interest rate method. For trade and other receivables, cash and bank balances, their settlement value (net of any discount offered or provision for doubtful debt) is used to determine fair value. For investments in equity instruments which are not subsidiaries, market value is used to determine fair value. Any changes in fair value are recognised in the consolidated statement of financial activities.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in finance costs or finance income as appropriate.

#### Financial Liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price. Bank loans are subsequently carried at amortised cost, using effective interest rate method. They are then subsequently carried at amortised cost, calculated using the effective interest rate method.

#### Tangible Fixed Assets

Tangible fixed assets are measured at historical cost, less accumulated depreciation, and any recognised provision for impairment. Historical cost includes the purchase price of the asset, expenses attributable to bringing the asset to the location and working condition necessary, and any capitalised borrowing costs.

Depreciation is calculated to write down the cost of assets to their residual values, over their expected useful lives, on a straight-line method, on the following bases:

Land	Not depreciated
Freehold property	50 years
Building extensions	25 years
Building refurbishments	10 or 15 years (major refurbishments)
Assets Under Construction	Not depreciated
Fixtures, fittings, machinery and equipment	3 to 5 years (or the lease term if shorter)
Motor Vehicles	5 years (or the lease term if shorter)

At each reporting date, the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting year. The effect of any change is accounted for prospectively.

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 2. Accounting Policies (continued)

##### Tangible Fixed Assets (continued)

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

##### Intangible Fixed Assets

Software is measured at cost less accumulated depreciation and any recognised provision for impairment. Software is depreciated in equal instalments over its estimated useful economic life (three to five years). Software assets in the course of construction are not depreciated.

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis over its useful economic life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### Funds

Unrestricted funds are available to spend as the Trustees see fit, in accordance with the objectives of the Charity.

Restricted funds are donations that the donor has specified are to be solely used for particular areas of the Charity's work.

#### 3. Accounting Estimates and Judgements

In the application of the Charity's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

##### a. Critical Judgements in Applying the Group's Accounting Policies

###### *Control of Three Shires Hospital LLP*

Assessing whether the Group controls Three Shires Hospital LLP requires judgement. St Andrews Property Management Limited holds 50% of the issued share capital of the partnership and the Group has a controlling interest in this company through the provisions of a LLP members' agreement giving the Group the power to appoint the Chairman and under certain circumstances, exercise a casting vote. The Group considers that this demonstrates control of Three Shires Hospital LLP. See notes 8, 13 and 14.

###### *Assessment of Going Concern*

The ability of the Charity to continue to operate as a going concern requires judgement over the ongoing financial and operation projections and also the impact of risks that present themselves to the Charity. The consideration of risk requires management judgement at the point of going concern assessment and the judgements made are included on page 33 of the Strategic Report.

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 3. Accounting Estimates and Judgements (continued)

#### Accounting Estimates and Assumptions

The preparation of these financial statements includes estimation; relevant estimates are disclosed below:

#### *Depreciation, Amortisation and Impairment of Fixed Assets*

When calculating depreciation and amortisation, the residual value of fixed assets (with the exception of land and assets under construction) is assumed to be zero, as the intention is to keep fixed assets for their entire useful economic lives. Residual values and useful economic lives are reviewed annually at the end of the reporting year, with any appropriate adjustments being made via depreciation, amortisation and impairment of fixed assets. See notes 7, 15 and 24.

#### *Defined Benefit Pension Scheme*

The value of assets and liabilities of the scheme are estimated annually by an independent and qualified actuary. The cost of the benefits and the present value of future obligations depend on a number of factors, including life expectancy, inflation, asset valuations and the discount rate. Assumptions made in relation to these factors are based on years of past experience and current trends. However, they are tested for accuracy on a regular basis, with appropriate recommendations being made by the actuary to ensure the scheme remains solvent. See notes 21 and 22.

#### *Investment Property Valuations*

Investment properties are revalued to fair value on an annual basis by Berry's Chartered Surveyors and Valuers using a combination of estimated future rental income and potential market value for development of the site. Whilst factors outside the control of Berry's could affect property valuations, revaluations are based on years of past experience and current trends in the property market. See notes 16 and 23.

### 4. Income from Charitable Activities

Relates entirely to providing care for individuals either in inpatient or community based services.

<b>5. Income from Other Trading Activities</b>	<b>2024</b>	<b>2023</b>
	<b>£m</b>	<b>£m</b>
Three Shires Hospital LLP - healthcare activities	23.8	23.6
Other - healthcare related services	0.7	0.6
Rental income	0.5	0.5
<b>Total</b>	<b>25.0</b>	<b>24.7</b>

  

<b>6. Income from Investments</b>	<b>2024</b>	<b>2023</b>
	<b>£m</b>	<b>£m</b>
Dividends received	0.2	0.2
Interest received	0.7	0.2
<b>Total</b>	<b>0.9</b>	<b>0.4</b>

Dividends, interest and rents received amounted to £1.4m (2023: £0.9m).

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

7. Expenditure on Charitable Activities	2024	2023
	£m	£m
<b>Staff costs</b>		
Wages and salaries	137.6	122.4
Social security costs	12.4	13.1
Other pension costs	4.6	4.0
Training	1.0	1.2
Other	0.7	0.7
<b>Facilities and residents' amenities</b>	14.5	13.4
<b>Administration</b>	13.2	12.4
<b>Advertising</b>	-	0.1
<b>Depreciation of fixed assets</b>	9.9	11.1
<b>Operating lease costs</b>	0.1	-
<b>External governance costs:</b>		
Statutory audit	0.1	0.1
Legal advice	0.2	0.3
<b>Total</b>	<b>194.3</b>	<b>178.8</b>

Staff costs include £162k (2023: £103k) in relation to redundancy and termination payments where individuals were notified during the financial year. £175k is accrued at the year-end (2023: £250k). Audit fees for the Group were £106k (2023: £100k). Fees charged by the Group auditor for subsidiary audits were £8.5k (2023: £8.0k). Non-audit fees for the Group were £20k (2023: nil). There were no non-audit fees for the subsidiary (2023: nil). There are no non-underlying items in the year ended 31 March 2024 (2023: None).

### Expenditure on charitable activities by fund type

	Unrestricted funds 2024 £m	Restricted funds 2024 £m	Total funds 2024 £m	Unrestricted funds 2023 £m	Restricted funds 2023 £m	Total funds 2023 £m
Patient/Service User Services	130.0	-	130.0	120.8	-	120.8
Support Services	57.2	-	57.2	53.3	-	53.3
Education & Research	7.1	-	7.1	4.7	-	4.7
<b>Total</b>	<b>194.3</b>	<b>-</b>	<b>194.3</b>	<b>178.8</b>	<b>-</b>	<b>178.8</b>

### Expenditure on charitable activities by activity type

	Activities undertaken directly 2024 £m	Grant funding of activities 2024 £m	Support costs 2024 £m	Total 2024 £m	Activities undertaken directly 2023 £m	Grant funding of activities 2023 £m	Support costs 2023 £m	Total 2023 £m
Patient/Service User Services	130.0	-	-	130.0	120.8	-	-	120.8
Support Services	-	-	57.2	57.2	-	-	53.3	53.3
Education & Research	9.7	(2.6)	-	7.1	7.1	(2.4)	-	4.7
<b>Total</b>	<b>139.7</b>	<b>(2.6)</b>	<b>57.2</b>	<b>194.3</b>	<b>127.9</b>	<b>(2.4)</b>	<b>53.3</b>	<b>178.8</b>

# St Andrew’s Healthcare

## Notes to the Financial Statements (continued)

### 8. Non-Controlling Interests

	Share of net income	Share of net assets	Share of net income	Share of net assets
	2024 £m	2024 £m	2023 £m	2023 £m
Three Shires Hospital LLP	2.0	2.3	1.6	2.3

### 9. Taxation

The Charity is exempt from taxation in respect of income and capital gains received within categories covered under Part 11 Chapter 3 Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

The Charity’s subsidiaries are subject to corporation tax and deferred tax in the same way as commercial organisations.

The tax charge on the profit on ordinary activities of the subsidiaries was:

	2024 £m	2023 £m
<b>Current tax:</b>		
UK corporation tax	-	-
<b>Tax on profit on ordinary activities of subsidiaries</b>	-	-

#### Factors Affecting Tax Charge

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 25% (2023: 19%). The differences are explained below:

	2024 £m	2023 £m
<b>Profit on ordinary activities of subsidiaries before tax</b> (note 14)	5.6	4.7
Less profit not subject to corporation tax	(4.0)	(3.2)
<b>Profits subject to corporation tax</b>	1.6	1.5
Profit on ordinary activities multiplied by standard rate of UK corporation tax of 25% (2023: 19%)	0.4	0.3
<b>Effects of:</b>		
Losses arising in the year not relievable against current tax	(0.4)	(0.3)
<b>Total tax charge for the year</b>	-	-

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 10. Staff Numbers

The average monthly numbers of employees (including Directors) were:

	Consolidated Group		Charitable Company	
	2024	2023 Restated	2024	2023 Restated
Care for service users	4,094	4,171	4,094	4,171
Other healthcare related services	298	294	43	42
<b>Total</b>	<b>4,393</b>	<b>4,466</b>	<b>4,138</b>	<b>4,214</b>

2023 has been restated to show the average monthly numbers of employees rather than the average monthly numbers of FTE's.

### 11. Emoluments Analysis

The number of employees whose total employee benefits excluding pension contributions for the year from £60,000 upwards is as follows:

	2024 Number	2023 Number
£60,000 to £70,000	87	57
£70,001 to £80,000	45	50
£80,001 to £90,000	29	24
£90,001 to £100,000	16	15
£100,001 to £110,000	12	14
£110,001 to £120,000	6	5
£120,001 to £130,000	7	9
£130,001 to £140,000	9	4
£140,001 to £150,000	4	6
£150,001 to £160,000	7	6
£160,001 to £170,000	5	4
£170,001 to £180,000	4	4
£180,001 to £190,000	5	4
£190,001 to £200,000	2	1
£200,001 to £210,000	1	1
£210,001 to £220,000	-	1
£220,001 to £230,000	1	-
£230,001 to £240,000	1	-
£240,001 to £250,000	1	-
£250,001 to £260,000	-	-
£260,001 to £270,000	-	-
£270,001 to £280,000	-	1
£280,001 to £290,000	1	-
<b>Total</b>	<b>243</b>	<b>206</b>

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 12. The Cost of Key Management Personnel

Amounts paid to key management personnel is shown in this table, explanatory notes are also included below.

		Salaries	Pension	Other	Total	Expenses
		<sup>1</sup> £'000	£'000	Benefits <sup>2</sup> £'000	£'000	<sup>3</sup> £'000
<b>2023/2024</b>						
<b>Rt Hon Paul Burstow</b>	Chairman	53	-	15	<b>68</b>	2.1
<b>Andrew Lee</b>		-	-	-	-	0.5
<b>Karen Turner</b>		-	-	-	-	1.4
<b>Stephen Shrubbs</b>		-	-	-	-	2.2
<b>Prof. Stanton Newman</b>		-	-	-	-	0.5
<b>Non-Executive Director Total</b>		<b>53</b>	<b>-</b>	<b>15</b>	<b>68</b>	<b>6.7</b>
<b>Vivienne McVey</b>	Chief Executive Officer	287	26	-	<b>313</b>	1.0
<b>Dawn Chamberlain</b>	Chief Operating Officer	176	16	8	<b>200</b>	-
<b>Kevin Mulhearn</b>	Chief Finance Officer	187	17	6	<b>210</b>	0.2
<b>Andrew Brogan</b>	Chief Nurse	90	6	6	<b>102</b>	-
<b>Dr Sanjith Kamath</b>	Executive Medical Director	220	4	20	<b>244</b>	0.5
<b>Martin Kersey</b>	Executive HR Director	201	13	4	<b>218</b>	0.2
<b>Stacey Carter</b>	Executive HR Director	85	7	-	<b>92</b>	0.4
<b>Key management personnel who are not Trustees</b>		<b>765</b>	<b>73</b>	<b>71</b>	<b>909</b>	<b>1.1</b>
<b>Executive Director Total</b>		<b>2,011</b>	<b>162</b>	<b>115</b>	<b>2,288</b>	<b>3.4</b>
<b>Duncan Long</b>	Company Secretary	102	9	6	<b>117</b>	0.3
<b>Total</b>		<b>2,166</b>	<b>171</b>	<b>136</b>	<b>2,473</b>	<b>10.4</b>

### Notes

- Salaries include severance pay of £30k paid to both Martin Kersey and John Clarke. It also includes lieu pay of £93.4k, £45.1k and £110.5k paid to Martin Kersey, Andrew Brogan and John Clarke respectively.
- Other benefits include admin support fees of £13k for the Rt Hon Paul Burstow which were invoiced by Indy Associates Limited. Also included in other benefits are car scheme payments, responsibility allowances, pension compensation, consultancy pay and holiday pay.
- Expenses relate primarily to travel & subsistence costs.

With the exception of Rt. Hon. Paul Burstow, all other Non-Executive Directors are volunteers and unpaid apart from the reimbursement of expenses.

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 12. The Cost of Key Management Personnel (continued)

Amounts paid to key management personnel is shown in this table, explanatory notes are also included below.

		Salaries £'000	Pension £'000	Other Benefits <sup>2</sup> £'000	Total £'000	Expenses <sup>1</sup> £'000
<b>2022/2023</b>						
<b>Rt Hon Paul Burstow</b>	Chairman	51.5	-	24.9	<b>76.4</b>	2.6
<b>Elena Lokteva</b>		-	-	-	-	1.4
<b>Stephen Shrubbs</b>		-	-	-	-	1.0
<b>Dawn Brodrick</b>		-	-	-	-	0.4
<b>Karen Turner</b>		-	-	-	-	0.8
<b>Non-Executive Director Total</b>		<b>51.5</b>	<b>-</b>	<b>24.9</b>	<b>76.4</b>	<b>6.2</b>
<b>Vivienne McVey</b>	Chief Executive Officer	171.4	6.9	-	<b>178.3</b>	0.7
<b>Oliver Shanley</b>	Interim Chief Executive Officer	110.7	-	-	<b>110.7</b>	3.0
<b>Jess Lievesley</b>	Deputy / Interim Chief Executive Office	58.7	1.9	2.1	<b>62.7</b>	-
<b>Dawn Chamberlain</b>	Chief Operating Officer	92.2	3.7	4.6	<b>100.5</b>	-
<b>Kevin Mulhearn</b>	Chief Finance Officer	173.4	6.5	8.5	<b>188.4</b>	0.5
<b>Andrew Brogan</b>	Chief Nurse	180.3	7.2	8.5	<b>196.0</b>	-
<b>Martin Kersey</b>	Executive HR Director	157.2	-	29.8	<b>187.0</b>	0.1
<b>Dr Sanjith Kamath</b>	Executive Medical Director	214.2	1.3	60.7	<b>276.2</b>	0.5
<b>Key management personnel who are not Trustees</b>		<b>842.4</b>	<b>39.0</b>	<b>25.5</b>	<b>906.9</b>	<b>0.1</b>
<b>Executive Director Total</b>		<b>2,000.5</b>	<b>66.5</b>	<b>139.7</b>	<b>2,206.7</b>	<b>4.9</b>
<b>Duncan Long</b>	Company Secretary	96.2	3.8	6.3	<b>106.3</b>	0.4
<b>Total</b>		<b>2,148.2</b>	<b>70.3</b>	<b>170.9</b>	<b>2,389.4</b>	<b>11.1</b>

#### Notes

- Expenses relate primarily to travel and subsistence.
- Other benefits include administration support fees and leadership coaching fees for the Rt. Hon. Paul Burstow. These were invoiced by Indy Associates Limited and The Developing Leaders Partnership Limited respectively. Also included are pension compensation and car scheme payments.

With the exception of Rt. Hon. Paul Burstow, all other Non-Executive Directors are volunteers and unpaid apart from the reimbursement of expenses.



## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 13. Related Party Transactions

##### Consolidated Group

The Group has not entered into any transactions with Trustee Directors or the Company Secretary during the year. The Charity paid £71k (2023 £Nil) for membership fees to the Royal College of Psychiatrists in the year of which Karen Turner is a trustee.

There are no related party transactions with group companies other than those noted below:

##### Entity with significant influence over Three Shires Hospital LLP

Trading and balances between Three Shires Hospital LLP and Circle Health Group Limited was as per below:

	2024 £m	2023 £m
Charges to Three Shires Hospital LLP by Circle Health Group Limited:		
Management charges	1.5	1.5
Purchased goods and other recharges	0.3	0.4
Amounts owed by Three Shires Hospital LLP to Circle Health Group Limited	0.3	0.6

In 2023 and 2024 there is no fixed date for repayment and no interest is charged on the amounts owed.

##### Entity with significant control over The Pavilion Clinic Ltd

	2024 £m	2023 £m
Dividend paid to Three Shires Hospital LLP	0.9	0.9

##### Charitable Company

##### St Andrews Property Management Limited and St Andrew's Healthcare

St Andrews Property Management Limited manages construction projects and certain non-core facilities for the Group which are charged onto the Charity. Each year, any surplus that the company makes is donated to the Charity.

Some of the Trustee Directors of St Andrew's Healthcare are also Directors of St Andrews Property Management Limited.

Trading with St Andrews Property Management Limited during the year was as follows:

	2024 £m	2023 £m
Gift aid donation paid by St Andrews Property Management Limited to the Charity	1.6	1.0

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 13. Related Party Transactions (*continued*)

##### Three Shires Hospital LLP and St Andrew's Healthcare

Three Shires Hospital LLP leases the Three Shires Hospital buildings from St Andrew's Healthcare.

Some of the Trustee Directors of St Andrew's Healthcare are also Partnership Board Directors of Three Shires Hospital LLP.

Trading with Three Shires Hospital LLP during the year was as follows:

	<b>2024</b>	<b>2023</b>
	<b>£m</b>	<b>£m</b>
Rental income	1.4	1.4

#### 14. Subsidiary Undertakings

All subsidiary undertakings are registered in England and Wales.

St Andrews Property Management Limited manages construction projects and certain non-core facilities for the Group, although no such activity has taken place this year or in the prior year. The Charity owns 100% of the ordinary shares of this company. Each year any surplus the Company makes is distributed via gift aid to the Charity.

The Charity is the ultimate controlling party of Three Shires Hospital LLP. St Andrews Property Management Limited owns 50% of the issued share capital of the partnership, with the remaining share capital being held by Circle Health Group. The Group has a controlling interest in this company through the provisions of the LLP members' agreement, giving the Group the power to appoint the Chairman and, under certain circumstances, exercise a casting vote. Three Shires Hospital LLP operates an acute medical surgical hospital situated in the grounds of St Andrew's Healthcare in Northampton.

The Charity is the ultimate controlling party of St Andrew's Foundation for Mental Health (Company number 10938734) and of St Andrew's Pension Trustees Limited (Company number 5597060). Both are dormant companies and both are exempt from preparing or filing individual accounts under CA 2006, s. 394A. The registered office of both these companies is St Andrew's Healthcare, Billing Road, Northampton, England, NN1 5DG.

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 14. Subsidiary Undertakings (continued)

The financial performance for the subsidiary undertakings, prior to the elimination of intercompany balances and transactions, included within the consolidated financial statements is as follows:

	<b>St Andrews Property Management Limited</b>		<b>Three Shires Hospital LLP</b>	
Company number	2798380		OC398963	
Registered office	Billing Road Northampton Northamptonshire NN1 5DG		1st Floor 30 Cannon Street London EC4M 6XH	
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>£m</b>	£m	<b>£m</b>	£m
Income	1.6	1.4	24.6	23.7
Expenditure	-	-	(20.6)	(20.4)
<b>Net income</b>	<b>1.6</b>	<b>1.4</b>	<b>4.0</b>	<b>3.3</b>
Fixed assets	1.5	1.5	2.8	2.8
Current assets	0.1	0.1	6.0	6.4
Liabilities due within one year	-	-	(4.2)	(5.4)
<b>Net assets</b>	<b>1.6</b>	<b>1.6</b>	<b>4.6</b>	<b>3.8</b>

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 15. Tangible and Intangible assets

Consolidated Group	Freehold land and buildings £m	Assets under construction £m	Fixtures, fittings, machinery & equipment £m	Motor vehicles £m	Total tangible assets £m	Software £m	Goodwill £m	Total intangible assets £m
<b>Cost</b>								
At 1 April 2023	277.6	0.4	26.5	0.5	<b>305.0</b>	9.6	1.8	<b>11.4</b>
Additions	0.9	1.7	3.4	-	<b>6.0</b>	-	-	-
Reclassifications	(0.4)	(0.3)	0.6	-	<b>(0.1)</b>	0.1	-	<b>0.1</b>
<b>At 31 March 2024</b>	<b>278.1</b>	<b>1.8</b>	<b>30.5</b>	<b>0.5</b>	<b>310.9</b>	<b>9.7</b>	<b>1.8</b>	<b>11.5</b>
<b>Accumulated depreciation</b>								
At 1 April 2023	95.5	-	19.0	0.5	<b>115.0</b>	8.9	1.5	<b>10.4</b>
Charge for the year	7.7	-	2.4	-	<b>10.1</b>	0.3	0.1	<b>0.4</b>
<b>At 31 March 2024</b>	<b>103.2</b>	<b>-</b>	<b>21.4</b>	<b>0.5</b>	<b>125.1</b>	<b>9.2</b>	<b>1.6</b>	<b>10.8</b>
<b>Net book value</b>								
<b>At 31 March 2024</b>	<b>174.9</b>	<b>1.8</b>	<b>9.1</b>	<b>-</b>	<b>185.8</b>	<b>0.5</b>	<b>0.2</b>	<b>0.7</b>
<b>At 31 March 2023</b>	<b>182.1</b>	<b>0.4</b>	<b>7.5</b>	<b>-</b>	<b>190.0</b>	<b>0.7</b>	<b>0.3</b>	<b>1.0</b>

The net book value of tangible fixed assets includes £0.9m (2023: £nil) in respect of assets held under hire purchase and finance lease agreements.

Included in the net book value of freehold land and buildings is £21.1m (2023: £21.1m) and £20.4m (2023: £20.4m) relating to freehold land owned by the Group and Charity respectively.

FitzRoy House and William Wake House at our Northampton site together with the buildings at our Essex site are held as security against the Charity's lending facilities. The carrying value of these properties at 31 March 2024 amounted to £102.7m (2023: £105.3m).

Also included are restricted fixed assets, see note 21.

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 15. Tangible and Intangible Assets (continued)

Charitable Company	Freehold land and buildings	Assets under construction	Fixtures, fittings, machinery & equipment	Motor vehicles	Total tangible assets	Software	Goodwill	Total intangible assets
	£m	£m	£m	£m	£m	£m	£m	£m
<b>Cost</b>								
At 1 April 2023	290.3	0.4	19.9	0.6	<b>311.2</b>	9.6	0.4	<b>10.0</b>
Additions	-	1.7	2.9	-	<b>4.6</b>	0.1	-	<b>0.1</b>
Reclassification	(0.5)	(0.3)	0.7	-	<b>(0.1)</b>	0.1	-	<b>0.1</b>
<b>At 31 March 2024</b>	<b>289.8</b>	<b>1.8</b>	<b>23.5</b>	<b>0.6</b>	<b>315.7</b>	<b>9.8</b>	<b>0.4</b>	<b>10.2</b>
<b>Accumulated depreciation</b>								
At 1 April 2023	97.7	-	13.4	0.6	<b>111.7</b>	8.9	0.2	<b>9.1</b>
Charge for the year	7.9	-	2.0	-	<b>9.9</b>	0.4	-	<b>0.4</b>
<b>At 31 March 2024</b>	<b>105.6</b>	<b>-</b>	<b>15.4</b>	<b>0.6</b>	<b>121.6</b>	<b>9.3</b>	<b>0.2</b>	<b>9.5</b>
<b>Net book value</b>								
<b>At 31 March 2024</b>	<b>184.2</b>	<b>1.8</b>	<b>8.1</b>	<b>-</b>	<b>194.1</b>	<b>0.5</b>	<b>0.2</b>	<b>0.7</b>
<b>At 31 March 2023</b>	<b>192.6</b>	<b>0.4</b>	<b>6.5</b>	<b>-</b>	<b>199.5</b>	<b>0.7</b>	<b>0.2</b>	<b>0.9</b>

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 16. Investments

Consolidated Group and Charitable Company	As at 1 April 2023		Purchases	Sales	Mvmt in cash balance	As at 31 March 2024	
	Cost	Market value				Cost	Market value
	£m	£m	£m	£m	£m	£m	£m
Stock market investments	9.6	11.4	3.1	(3.1)	0.2	9.8	12.3
Cliftonville House investment Property	8.4	5.0	-	-	-	8.4	5.0
Well Vale Estates investment property	-	0.7	-	-	-	-	0.8
<b>Total</b>	<b>18.0</b>	<b>17.1</b>	<b>3.1</b>	<b>(3.1)</b>	<b>0.2</b>	<b>18.2</b>	<b>18.1</b>
Deficit of market value over cost		(0.9)					(0.2)
Less: prior year deficit		0.5					0.9
Unrealised gain / (loss) on revaluation of investments		(0.4)					0.7
Realised gain on disposal of investments		-					-
Net gain / (loss) on investments		<b>(0.4)</b>					<b>0.7</b>

All investment assets are held primarily to provide an investment return for the Group. The stock market investments are listed securities on recognised stock exchanges and comprise 21.9% UK equities with a market value of £2.7m (2023: 33.1%, £3.8m) and 78.1% other investments with a market value of £9.5m (2023: 66.9%, £7.6m). The Well Vale Estates comprise farming lands of approximately 40 acres. Cliftonville House comprises offices and premises, which are rented to a third party.

Stock market investments are managed by Evelyn Partners and revalued using the latest available mid-market prices at the year end. Investment properties are revalued by Berry's Chartered Surveyors and Valuers with Well Vale Estates revalued using the market value of the land. Cliftonville House was revalued using a combination of future rental income and potential market value of the development of the site on expiry of a restrictive covenant that only allows redevelopment of the site for specific uses. There are no contractual obligations for the purchase, construction or development of investment properties held by the Group or for repairs, maintenance or enhancements in relation to these investment properties.

The latest external valuations for Well Vale Estates and Cliftonville House of £0.8m and £5.0m respectively were carried out as at 31 March 2024.

17. Debtors	Consolidated Group		Charitable Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Trade debtors	10.1	8.8	9.0	7.6
Prepayments and accrued income	4.3	3.9	4.1	3.6
Other debtors	0.1	1.1	-	0.1
<b>Total</b>	<b>14.5</b>	<b>13.8</b>	<b>13.1</b>	<b>11.3</b>

Included within trade debtors is a bad debt provision of £0.4m (2023: £0.5m).

Amounts owed by group undertakings are unsecured, interest free and have no fixed date of repayment.

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 18. Cash at Bank and in Hand

	Consolidated Group		Charitable Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Corporate cash	19.2	12.7	14.8	8.3
Service Users cash	2.5	2.4	2.5	2.4
<b>Total</b>	<b>21.7</b>	<b>15.1</b>	<b>17.3</b>	<b>10.7</b>

Included within cash at bank are balances in current accounts and instant access interest bearing accounts.

#### 19. Creditors

	Consolidated Group		Charitable Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Bank loans	(1.0)	(1.0)	(1.0)	(1.0)
Trade creditors	(6.8)	(6.8)	(4.6)	(4.5)
Other creditors	(3.3)	(2.5)	(3.2)	(3.2)
Hire purchase and finance lease agreements	(0.5)	(0.1)	(0.5)	-
Taxation and social security	(3.0)	(3.1)	(3.0)	(3.1)
Accruals	(10.2)	(11.5)	(8.4)	(8.7)
Deferred Income	(5.2)	(2.9)	(5.2)	(2.9)
<b>Creditors falling due within one year</b>	<b>(30.0)</b>	<b>(27.9)</b>	<b>(25.9)</b>	<b>(23.4)</b>
Bank loans	(18.0)	(19.0)	(18.0)	(19.0)
Hire purchase and finance lease agreements	(0.6)	-	(0.6)	-
<b>Creditors falling due after one year</b>	<b>(18.6)</b>	<b>(19.0)</b>	<b>(18.6)</b>	<b>(19.0)</b>

Included within Other Creditors are balances in respect of service users' monies of £2.5m (2023: £2.4m).

The bank loan balance was £19m at 31 March 2024. The agreement includes £4m term loan with annual amortisation, so the £1.0m due to be paid in September 2024 has been included in Creditors falling due within one year. The balance of the loan has been included in Creditors falling due after one year.

The Charity has facilities of £26m comprising £22m Revolving Credit Facility and £4m Term Loan with Barclays Bank Plc and Virgin Money Plc. This not only provides for current working capital needs but also enables the Board to fulfil its strategic ambitions. At the year-end £19m (2023: £20.0m) was drawn down in relation to this facility. The facility as at 31 March 2024 was secured on a proportion of the Charity's land and building portfolio. The interest on this facility as at 31 March 2024 was charged at SONIA plus a margin of 1.50%.

Amounts owed in respect of hire purchase and finance lease agreements are secured against the assets to which they relate.

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 19. Creditors (continued)

Deferred income is deferred when cash has been received but the requirements of revenue recognition have not yet been met. Once met, income can be released to the statement of financial activities. A table of movements is shown below:

	Consolidated Group		Charitable company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Opening balance	(2.9)	(2.9)	(2.9)	(2.9)
Amounts deferred	(10.2)	(10.0)	(10.2)	(10.0)
Amounts released	7.9	10.0	7.9	10.0
Closing balance	<b>(5.2)</b>	<b>(2.9)</b>	<b>(5.2)</b>	<b>(2.9)</b>

#### 20. Commitments

At the year end, the company had annual commitments under non-cancellable hire purchase and finance leases:

Hire purchase and finance leases which expire:

	Consolidated Group		Charitable company	
	2024	2023	2024	2023
	£m	£m	£m	£m
Within one year	(0.5)	(0.1)	(0.5)	(0.1)
Within two to five years	(0.6)	-	(0.6)	-
	<b>(1.1)</b>	<b>(0.1)</b>	<b>(1.1)</b>	<b>(0.1)</b>



# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 21. Funds of the Charity

#### Analysis of Company net assets between funds:

	General fund	Designated fund	Restricted fund	Total
	£m	£m	£m	£m
Intangible fixed assets	0.7	-	-	0.7
Tangible fixed assets	194.1	-	-	194.1
Investments	18.1	-	-	18.1
Cash at bank and in hand	15.8	0.4	1.1	17.3
Other net current liabilities	(11.9)	(0.4)	-	(12.3)
Creditors of more than one year	(18.6)	-	-	(18.6)
Pension scheme liabilities	(1.2)	-	-	(1.2)
<b>Net assets</b>	<b>197.0</b>	<b>-</b>	<b>1.1</b>	<b>198.1</b>

Funds	Unrestricted	Restricted	Total
	£m	£m	£m
Balance at 01.04.2023	195.9	1.1	197.0
Income	196.9	0.1	197.0
Expenditure	(195.8)	(0.1)	(195.9)
<b>Balance at 31.03.2024</b>	<b>197.0</b>	<b>1.1</b>	<b>198.1</b>

#### Restricted funds:

	Huntington's	Other	Total
	£m	£m	£m
Balance at 01.04.2023	1.0	0.1	1.1
Statement of financial activities	-	-	-
<b>Balance at 31.03.2024</b>	<b>1.0</b>	<b>0.1</b>	<b>1.1</b>

### 22. Pensions

#### Defined Contribution Pensions

Scottish Widows operate St Andrew's Healthcare defined contribution pensions through their Money4Life workplace savings arrangement.

Contributions are based on qualifying earnings as defined by auto enrolment legislation, set at a minimum of 3% for the employer and 5% for the employee of relevant earnings. For ex-Group Personal Pension Scheme (GPP) members, the Charity has a minimum employer's contribution of 4% and minimum employee contribution of 5%.

The Charity also provides life assurance of 3x salary for ex-GPP active employees.

The Charity's contributions are charged to the Statement of Financial Activities each year during the year in which the employee is an active member of the scheme. The costs of administering the scheme and providing for death in service cover are met by the Group.

The pension charge for the year for these schemes was £4.6m (2023: £4.2m). As at 31 March 2024 there was an accrual of £0.8m (2023: £1.1m) for these schemes.

# St Andrew’s Healthcare

## Notes to the Financial Statements (continued)

### Defined Benefit Pension Scheme (St Andrew’s Healthcare Pension Scheme)

The latest full actuarial valuation was carried out as at 31 March 2022 by a qualified independent actuary. In the year 2023/24, the Charity paid £0.2m (2023: £0.1m) to meet the expenses of the scheme

### Ruling on amendment of Contracted out Salary Related pension schemes

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court 16 June 2023, considered the implications for section 37 of the Pension Schemes Act 1993. In a judgement delivered July 2024, the Court of Appeal unanimously upheld the decision of the High Court and the case has the potential to cause significant issues in the pensions industry. We will investigate the possible implications in due course, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

Principal actuarial assumptions	At 31 March 2024	At 31 March 2023
Discount rate	4.80%	4.75%
Inflation (RPI)	3.25%	3.30%
Inflation (CPI)	2.65%	2.65%
Pension increase (RPI 5)	3.10%	3.15%
Pension increase (RPI 2.5 )	2.10%	2.15%
Pension increase (CPI 3)	2.15%	2.15%
Post-retirement mortality	For males: 97% x S3PMA tables. For females: 102% x S3PFA tables. CMI 2022 projections with a long-term improvement rate of 1.25% pa, a smoothing parameter of 7, a 0.25% initial addition parameter. Nil 2020 and 2021 'weight parameters' and 25% weight given to 2022.	For males: 97% x S3PMA tables. For females: 102% x S3PFA tables. CMI 2021 projections with a long-term improvement rate of 1.25% pa, a smoothing parameter of 7, a 0.25% initial addition parameter and 5% 2020 and 2021 'weight parameters'.
Commutation	Members are assumed to take additional retirement cash equal to half of the difference between their retirement cash (3 x pension) and HMRC maximum cash entitlement.	Members are assumed to take additional retirement cash equal to half of the difference between their retirement cash (3 x pension) and HMRC maximum cash entitlement.
Life expectancy at age 65 of male aged 45	23.2	23.5
Life expectancy at age 65 of male aged 65	21.9	22.2
Life expectancy at age 65 of female aged 45	25.4	25.7
Life expectancy at age 65 of female aged 65	24.0	24.3
<b>The current asset split is as follows:</b>	<b>Bid values as at 31 March 2024</b>	<b>Bid values as at 31 March 2023</b>
	<b>£m</b>	<b>£m</b>
Fiduciary manager	126.5	135.7
Cash	1.1	0.8
<b>Total assets</b>	<b>127.6</b>	<b>136.5</b>

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 22. Pensions (continued)

<b>Balance sheet</b>	<b>At 31 March 2024 £m</b>	<b>At 31 March 2023 £m</b>
Fair value of assets	127.6	136.5
Present value of funded obligations	(128.3)	(129.0)
<b>(Deficit) / surplus in the scheme</b>	<b>(0.7)</b>	<b>7.5</b>
Effect of asset ceiling	-	(7.5)
<b>Net defined benefit liability</b>	<b>(0.7)</b>	<b>-</b>

  

<b>Amount recognised in Profit and Loss</b>	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
Administration costs	0.3	-
Interest on liabilities	6.0	4.8
Interest on assets	(6.3)	(5.4)
Past service costs	0.7	0.3
Interest on effect of asset ceiling	0.4	0.6
<b>Total charge to Profit and Loss</b>	<b>1.1</b>	<b>0.3</b>

  

<b>Remeasurements over the period</b>	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
Loss on assets in excess of interest	7.9	56.4
Experience losses on liabilities	2.3	2.5
Gains from changes to demographic assumptions	(1.4)	(2.4)
Gains from changes to financial assumptions	(1.1)	(41.6)
Gains from change in effect of asset ceiling	(7.9)	(15.1)
<b>Total remeasurements</b>	<b>(0.2)</b>	<b>(0.2)</b>

  

<b>Change in value of assets</b>	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
Fair value of assets at start	136.5	194.9
Interest on assets	6.3	5.4
Company contributions	0.2	0.1
Benefits paid	(7.2)	(7.5)
Administration costs	(0.3)	-
Return on assets less interest	(7.9)	(56.4)
<b>Fair value of assets at end</b>	<b>127.6</b>	<b>136.5</b>
<b>Actual return on assets</b>	<b>(1.6)</b>	<b>(50.9)</b>

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 22. Pensions (continued)

<b>Change in value of the DB liabilities</b>	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
Value of liabilities at start	129.0	172.9
Past service costs	0.7	0.3
Interest on liabilities	6.0	4.8
Benefits paid	(7.2)	(7.5)
Experience loss on liabilities	2.3	2.5
Changes to demographic assumptions	(1.4)	(2.4)
Changes to financial assumptions	(1.1)	(41.6)
<b>Value of liabilities at end</b>	<b>128.3</b>	<b>129.0</b>
	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
<b>Reconciliation of effect of asset ceiling</b>		
Effect of asset ceiling at start	7.5	22.0
Interest on effect of asset ceiling	0.4	0.6
Actuarial gains	(7.9)	(15.1)
<b>Effect of asset ceiling at end</b>	<b>-</b>	<b>7.5</b>
	<b>Period to 31 March 2024 £m</b>	<b>Period to 31 March 2023 £m</b>
<b>Projected Profit &amp; Loss account for next period</b>		
Administration costs	0.3	-
Interest on liabilities	6.0	6.0
Interest on assets	(5.9)	(6.3)
Past service costs	-	0.7
Interest on effect of asset ceiling	-	0.3
<b>Total charge to Profit and Loss</b>	<b>0.4</b>	<b>0.7</b>

There is a pension paid to one member of the Scheme who receives additional pension benefits provided for outside of the Scheme funded directly by the Charity through an 'Employer Financed Retirement Benefits Scheme' (or EFRBS). The value of the liability at 31 March 2024 was £450,000 (2023: £460,000).

# St Andrew's Healthcare

## Notes to the Financial Statements (continued)

### 23. Financial Instruments

	Consolidated Group		Charitable Company	
	2024	2023	2024	2023
	£m	£m	£m	£m
<b>Financial assets at fair value</b>				
Stock market investments (note 16)	12.3	11.4	12.3	11.4
	<b>12.3</b>	<b>11.4</b>	<b>12.3</b>	<b>11.4</b>
<b>Financial assets at amortised cost</b>				
Trade debtors (note 17)	10.1	8.8	9.0	7.6
Accrued income (note 17)	2.2	1.7	2.3	1.7
Other debtors (note 17)	0.1	1.1	-	0.1
Cash at bank and in hand (note 18)	21.7	15.1	17.3	10.7
	<b>34.1</b>	<b>26.7</b>	<b>28.6</b>	<b>20.1</b>
<b>Financial liabilities measured at fair value</b>				
Derivative financial instruments	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities measured at amortised cost</b>				
Bank loans (note 19)	(19.0)	(20.0)	(19.0)	(20.0)
Trade creditors (note 19)	(6.8)	(6.8)	(4.6)	(4.6)
Other creditors (note 19)	(3.3)	(2.5)	(3.2)	(3.2)
Obligations under finance lease and hire purchase contracts (note 19)	(1.1)	(0.1)	(1.1)	-
Accruals (note 19)	(10.2)	(11.5)	(8.4)	(8.7)
	<b>(40.4)</b>	<b>(40.9)</b>	<b>(36.3)</b>	<b>(36.5)</b>

## St Andrew's Healthcare

### Notes to the Financial Statements (continued)

#### 24. Notes to the Cash Flow Statement

	<b>2024</b>	<b>2023</b>
	<b>£m</b>	<b>£m</b>
Net income / (expenditure) after tax	4.4	(3.1)
Actuarial gains on pension schemes	0.2	0.1
	<b>4.6</b>	<b>(3.0)</b>
Adjustments for:		
Depreciation of fixed assets (note 15)	10.5	11.1
Unrealised (gain) / loss on investments (note 16)	(0.7)	0.4
Dividends, interest and rents received (notes 5,6)	(1.4)	(0.9)
Decrease in stock	-	0.1
(Increase) / decrease in debtors (note 17)	(0.7)	1.5
Increase in creditors (note 19)	3.4	0.8
Other movements	(0.2)	(0.8)
<b>Net cash from operating activities</b>	<b>15.5</b>	<b>9.2</b>

#### Analysis of changes in net debt

	<b>At 1 April 2023</b>	Movement in year	<b>At 31 March 2024</b>
	<b>£m</b>	£m	<b>£m</b>
Cash at bank and in hand (note 18)	<b>15.1</b>	6.6	<b>21.7</b>
Bank loans (note 19)	<b>(20.0)</b>	1.0	<b>(19.0)</b>
Net cash	<b>(4.9)</b>	7.6	<b>2.7</b>
Obligations under finance lease and hire purchase contracts	<b>(0.1)</b>	(1.0)	<b>(1.1)</b>
<b>Net debt</b>	<b>(5.0)</b>	<b>6.6</b>	<b>1.6</b>

#### 25. Post Balance Sheet Events

There have been no post balance sheet events.