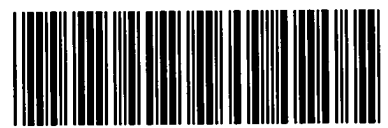


**PEABODY COMMUNITY FOUNDATION**  
**Annual report and financial statements**  
**31 March 2023**

THURSDAY



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A17

14/12/2023

#97

COMPANIES HOUSE





PCF Annual Report and Accounts 2022-23

# Making a positive *impact*

Peabody is a leading provider of water and wastewater services, with a strong commitment to sustainability and positive impact. Our 2022-23 Annual Report and Accounts detail our performance across financial, environmental, and social metrics, highlighting our commitment to making a positive impact on the communities we serve.

Our commitment to sustainability is reflected in our environmental and social performance, which we report on in detail in our Annual Report and Accounts. We are proud to have achieved a number of milestones in 2022-23, including...

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# Making a positive *impact*

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

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

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

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

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







Henna

NEVER REUSE  
I hereby release all  
liability, injury or  
damages that may  
result from the use  
of my henna cones  
by signing this document.

### Henna Tattoo Release Form

NEVER REUSE

I hereby release all liability and damages incurred in my participation in henna tattooing done at the community event scheduled for 11/17/2017. I understand that the hennaing is temporary and may cause allergic reaction to some skin types. I do hereby authorize release and hold harmless the following parties: The organizers and help out your development center. I hereby release my health concerns or damage that may arise.

Parent/Guardian Consent required for children 18 and under.  
By signing this document, I have read, understood and agreed to the above.

Name of child if applicable:

Parent/Guardian Name  
Name of Adult:

Signature

Date

Henna

NEVER REUSE

I hereby release

all liability

### Henna Tattoo Release Form

I hereby release all liability and damages incurred in my participation in henna tattooing done at the community event scheduled for 11/17/2017. I understand that the hennaing is temporary and may cause allergic reaction to some skin types. I do hereby authorize release and hold harmless the following parties: The organizers and help out your development center. I hereby release my health concerns or damage that may arise.

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Date







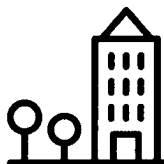
**2022-23**

## *in numbers*



**237**

started jobs



**206**

started  
apprenticeships



**689**

achieved  
qualifications



**837**

volunteers  
helped make a  
difference in their  
community



**£1.1m**

local grants  
for community  
projects



**416**

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



**476**

local social  
enterprises  
received support



**223**

people secured  
childcare  
qualifications



**20%**

social value  
weighting  
introduced for  
large contract  
tenders







## About

# Peabody

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

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

### Our strengths

---

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

---

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

---

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

---

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

---

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







# Chair's *letter*

**Deirdre Moss,  
Peabody Community Foundation**

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

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

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

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

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

*Deirdre Moss*

Chair





**Looking ahead with Helen Edwards, incoming Chair**

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



# Executive Director's *review*

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

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

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

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

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

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

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

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

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

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

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

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

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

*Stephen Burns*

Executive Director, Care, Inclusion and Communities





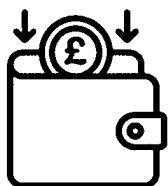


# Our vision and how we're working towards *our key goals*

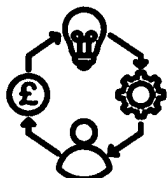
Our vision is to help our help our residents and customers become healthier, wealthier and happier. To do this, we put the needs of our communities at the centre of everything we do. We use years of experience and expertise to work with partners and residents to make a positive difference. We do this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



## **1** Building engaged and active communities



## **2** Boosting income



## **3** Developing skills and aspirations



## **4** Improving mental and physical health





## 1 | Building engaged and active *communities*

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

### **Helping people to help themselves**

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

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

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

### **Supporting young people to lead**

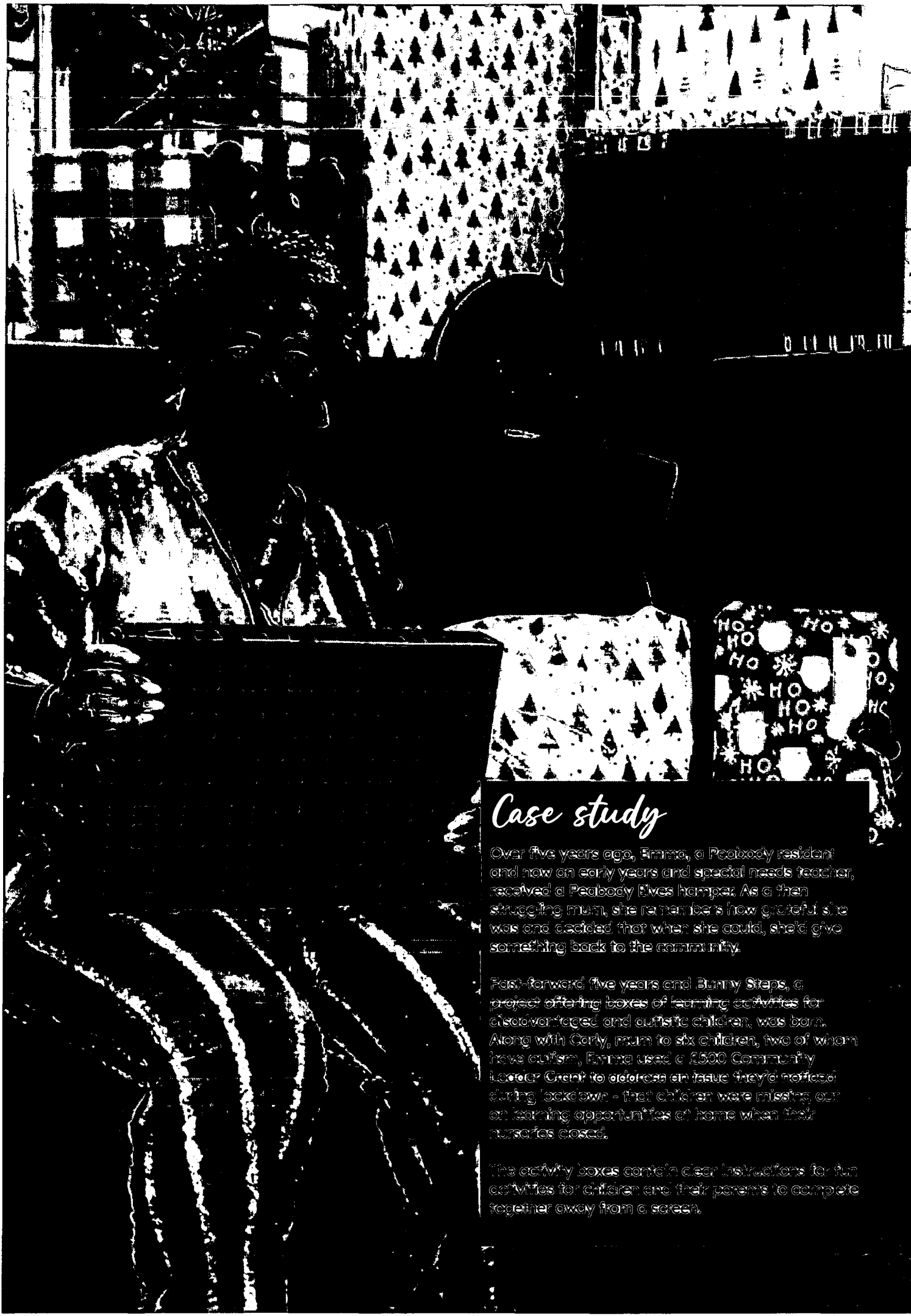
We have a range of programmes aimed at young people, encouraging them to lead as well as participate. Our Young Ambassadors programme works with 16-25-year-olds to help them identify and solve an issue in their local community. Some are even awarded grants of £1,000 to test their ideas. Another programme,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

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

### **New approaches to social change**

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





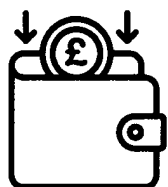
## Case study

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

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

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





## 2 | Boosting *income*

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

### **A career that will last**

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

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

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

### **Helping tackle financial worries**

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

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

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





### *Case study*

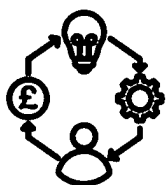
Janine\* now runs her own childminding business after doing a level 3 childminding course at Parkside Community Centre. As a busy mum to an eight-month-old, Janine found juggling the course and family life was made easier as she could leave her little girl in the free crèche while she attended classes.

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

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

\*Name changed for privacy





## 3 | Developing skills *and aspirations*

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

### **Kickstarting a career**

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

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

### **Supporting enterprise**

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

We provide:

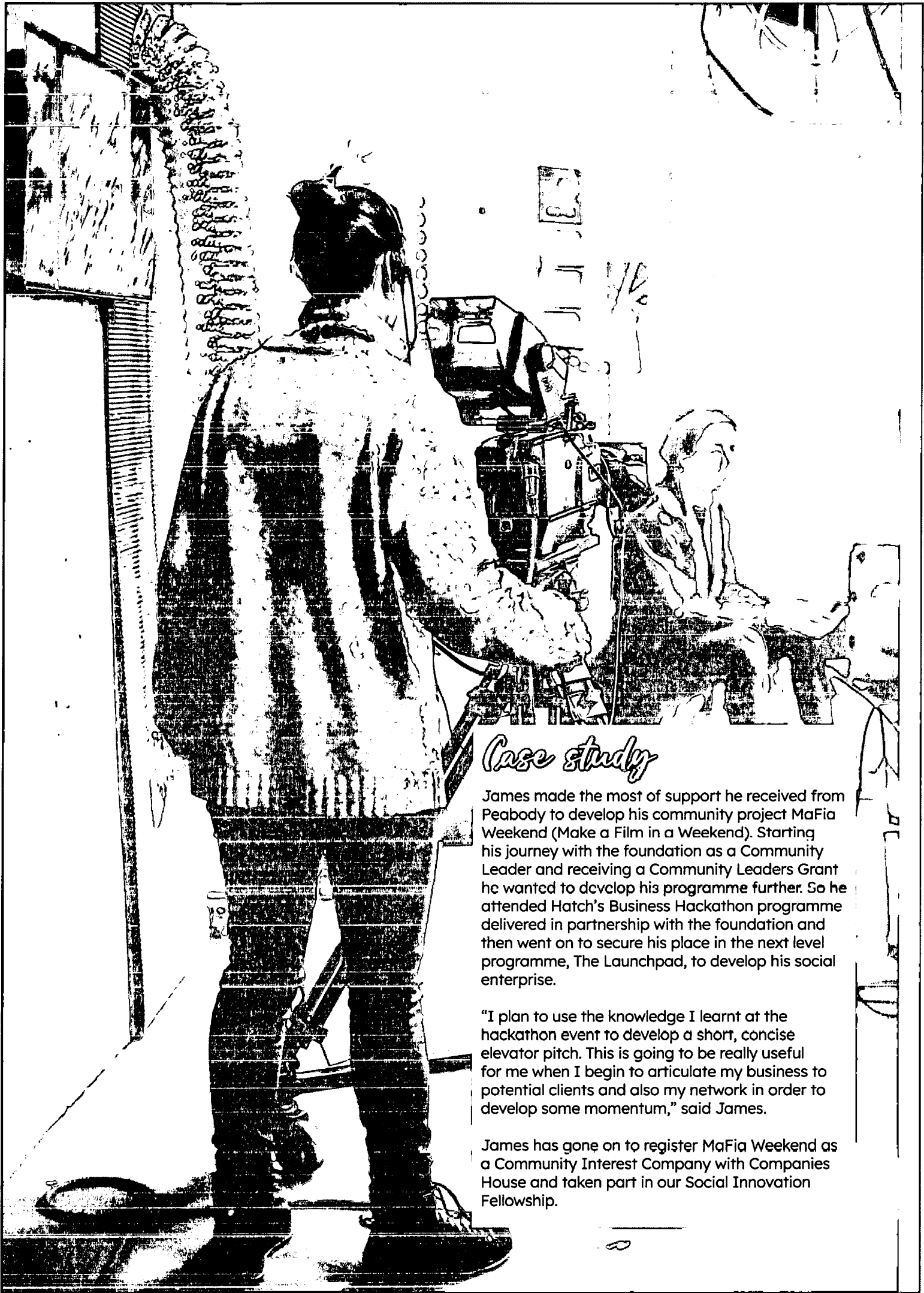
- Training and advice, including the monthly Peabody Business Forum.
- Help identifying internal and external funding opportunities.
- Access to our community centres, co-working spaces and commercial premises.
- Support with tendering and procurement.
- Opportunities to network and trade through Peabody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

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

### **Building business links**

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





### *Case study*

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

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

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





## 4 | Improving mental and physical health

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

### **Tackling food insecurity**

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

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

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

### **Championing well communities**

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

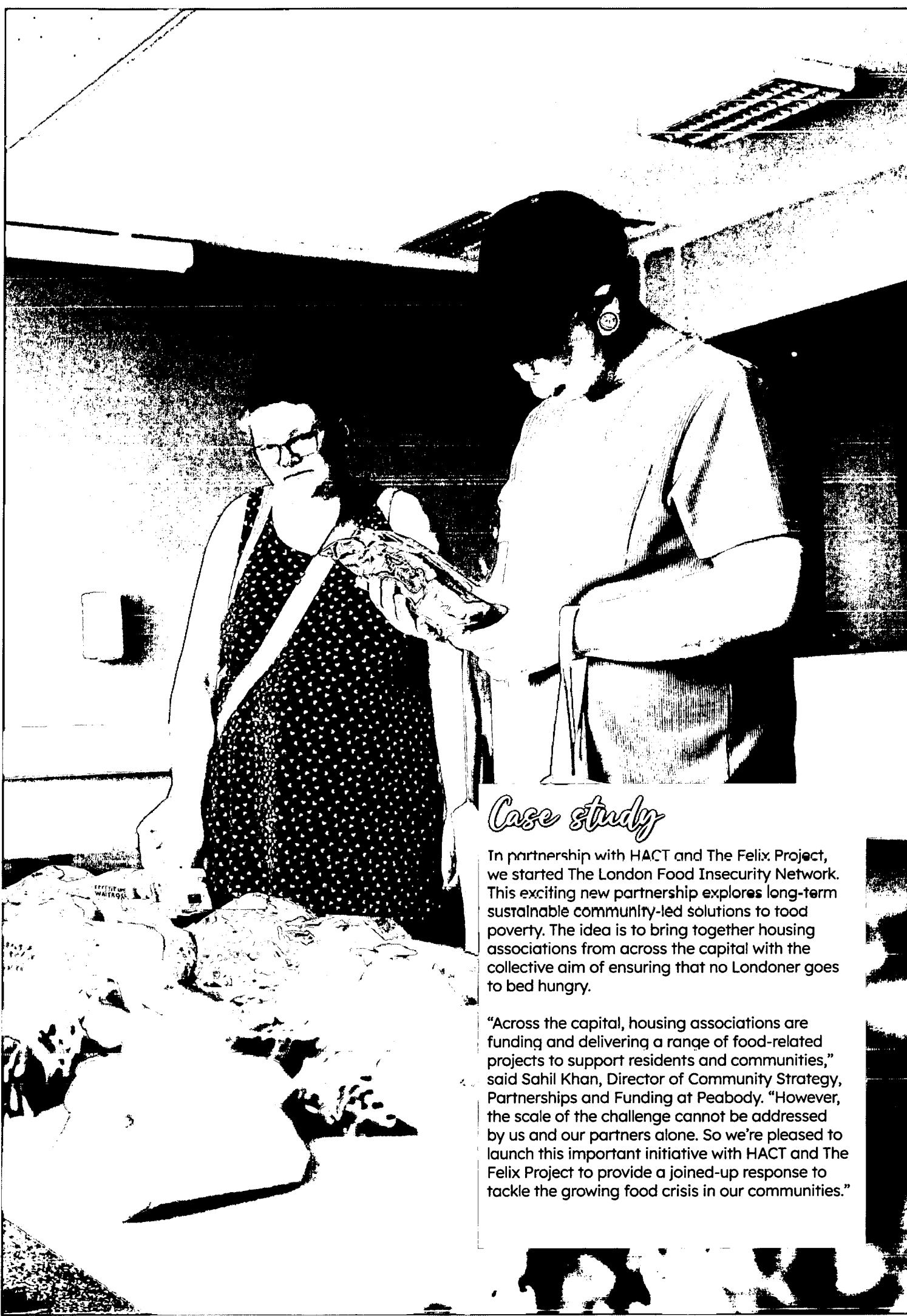
Our Active Well Programme in Thamesmead helped 913 people get active through a range of sporting activities. We were also able to bring together Integrated Care Systems (ICSs), Local Authority Public Health teams and local NHS services to improve health and wellbeing.

### **Better mental health**

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

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





### *Case study*

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

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



# Empowering people with *grants*

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

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

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

## **Bringing people together**

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

## **Supporting social action**

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

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

## **Building up local groups**

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





### *Case study*

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

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

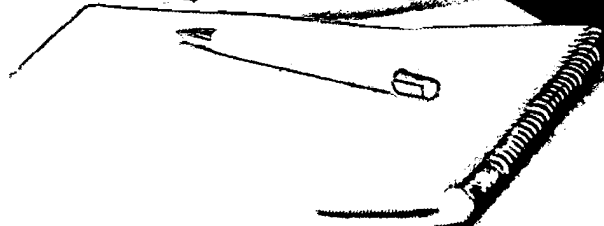




Psychology

Ask me about  
Psychology.

Psychology





## Local

# Peabody

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

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

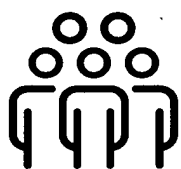
In all the areas we work, our aim is to co-create projects and unlock opportunities that help people flourish and facilitate change that lasts a lifetime.





# What we're doing in Thamesmead

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



**533,444**

Population of  
Greenwich and  
Bexley as of 2018  
(ONS UK)



**8,715**

Number of  
Peabody homes  
in Greenwich and  
Bexley

## How we're doing this

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

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



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

careers and arranged site visits for young people.



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

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

placements at Peabody and with local partners.

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



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



## Case study



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

## Case study



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

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

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

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

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

Our Positive Steps Thamesmead programme helps local people who have health issues connected with socio-economic problems. Its aim

is to connect with people who are struggling, understand their needs and put them in touch with relevant support services.



### Supporting the community:

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

**Creating inclusive social space:** we opened the Camouflage Café in the

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



### Sharing skills and experience:

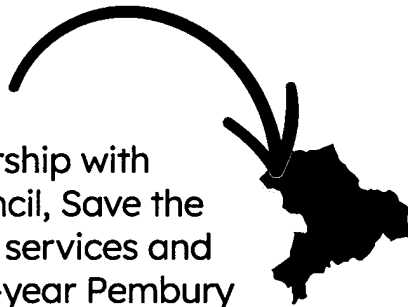
we've been working with a group from the Birchmere Changing Rooms and other local partners to co-design and develop their space. Representatives from the Moorings Neighbourhood Forum, The Birchmere Footballers, The Birchmere Angling Club and local school children from St Margaret Clitherow Primary School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



## What we're doing in

# Hackney

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



**279,665**

Population of  
Hackney as of  
2018 (ONS UK)



**6,843**

Number of  
Peabody homes

## How we're doing this

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

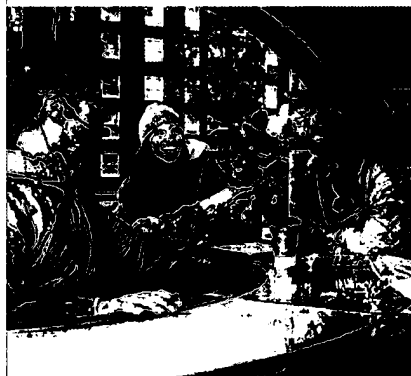


**Helping parents:** through our Parent Champions programme parents meet other parents to share information about family services, activities and their own experiences.

**Improving gaps in education:** the

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

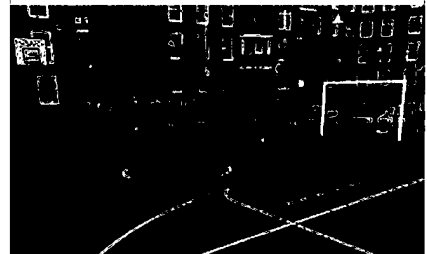
**Focusing on young people:** we held a special event for young people organised with Hackney Council, the Mayor and local Councillors, to look at how to improve safety by reducing crime and antisocial behaviour, youth violence and improving the quality of life.



**Supporting local initiatives:** Loanhood is a place where parents can get a whole set of school uniform for free by swapping uniform from the

previous year. Pembury Treasures lets local people set up stalls to sell things like cakes, knitted clothes, plants and bric-a-brac.

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



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

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



## Case study



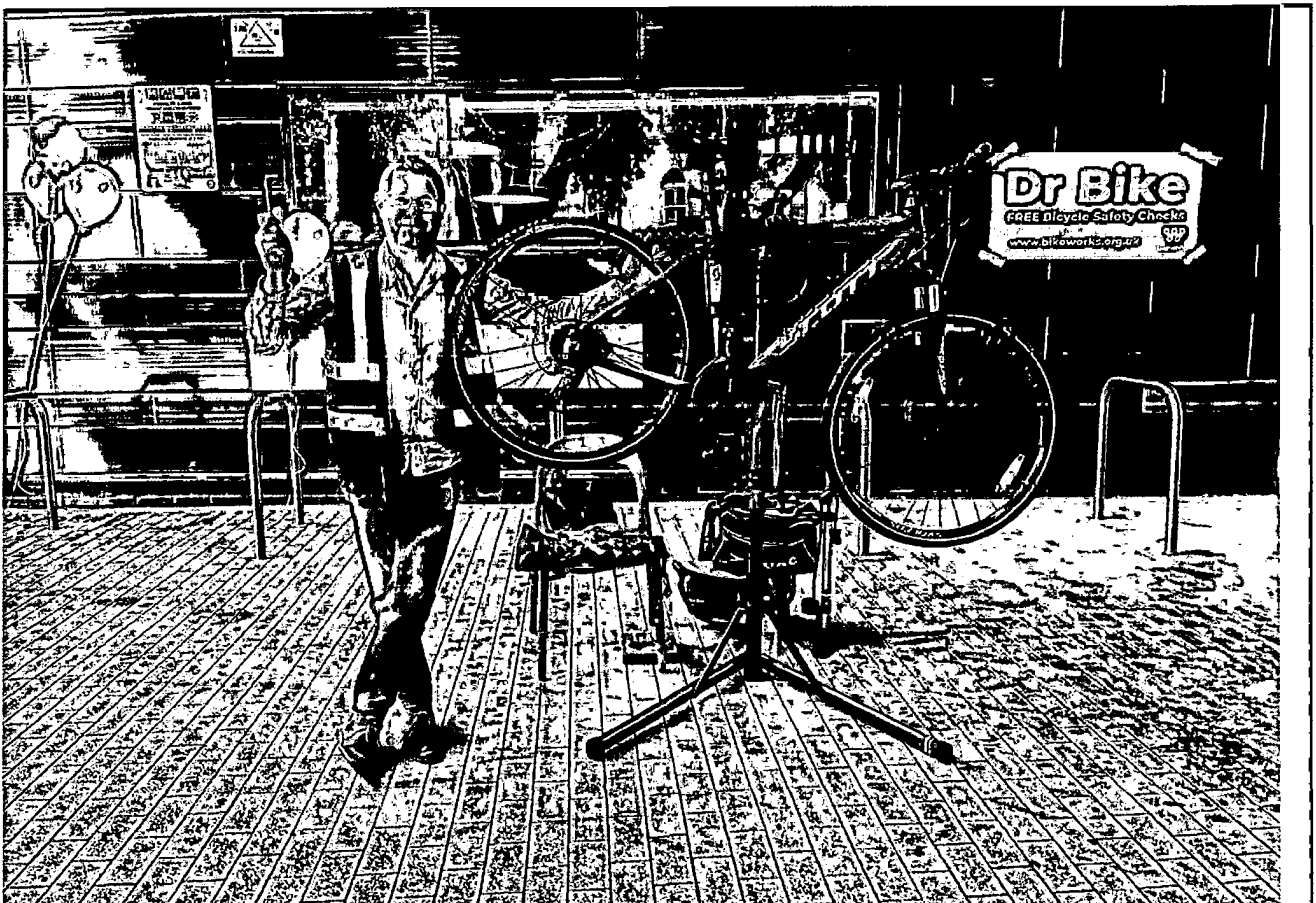
Our Pembury Children's Community has been held up as a great example of how to use the local community to encourage wider change. The Centre for Evidence and Implementation used our project in their study of place-based approaches to reducing youth violence for the Youth Endowment Fund. They praised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

## Case study



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

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

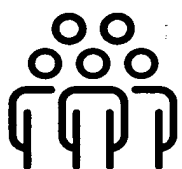




## What we're doing in

# Waltham Forest

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



**276,700**

Population  
Waltham Forest  
as of 2018 (ONS  
UK)



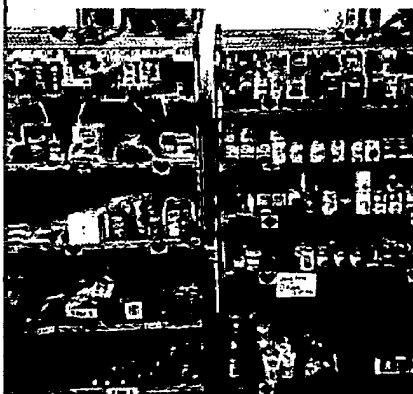
**2,797**

Number of  
Peabody homes

## How we're doing this

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

**Tackling food poverty:** our Chingford Hall Pantry supports more than 100 families a week to save money on their weekly shop, socialise and access local services.



**Supporting children:** we have a broad range of activities for children and young people supported by the Holiday Activities and Food Programme.

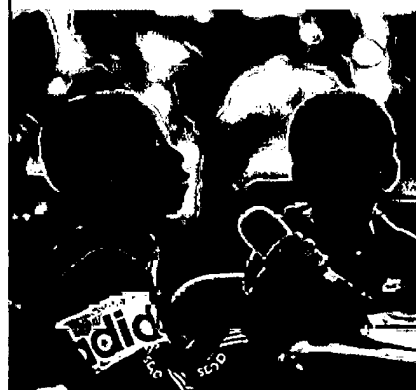
**Supporting local initiatives:** two community programmes, the Together Project and Lloyd Park Children's Charity's Baby Bank, have taken on leases for two of our small community properties in the borough.



**Providing funding:** we awarded £3,000 in microgrants to 347 local people to deliver their own projects.

**Supporting residents:** during the

winter we hosted three open access events attended by over 140 local residents. The first was a Winter Wellbeing Day in partnership with Eden Project Communities and OrganicLea. The second was a health festival in partnership with ELATT. And the third was the annual Christmas Fair led by two long-standing volunteers.



**Boosting health and wellbeing:** Our Wellbeing café offers weekly face-to-face sessions for residents who experience low mood, anxiety, loneliness, or social isolation.



## Case study

Daniel blossomed from shy to confident, gaining friends, football opportunities, and new experiences, thanks to a transformative youth club.

"I used to spend a lot of time hanging around the park with friends, one of the workers approached me and told me about the youth club in the area and invited me to come along, so I came with a few friends.

Before I joined the youth club, I would say that I was a bit anti-social, only sticking to people I knew. I felt nervous having to meet and socialize with other people. But in time through attending the youth club and chatting with the youth workers I started to feel less nervous and more confident to communicate with new people.

Now I get to play more football as they run activities in the cage. I talk to more people and meet people that live local to me and can chill with and I get the chance to try new foods I have never had before."

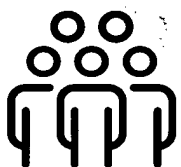
**Daniel from Leytonstone**  
\*name changed for privacy





# What we're doing in *Islington*

We're working with the local council and voluntary sector partners to co-produce localised, joined up and effective services that build individual and community resilience.



**239,142**

Population of  
Islington as of  
2018 (ONS UK)



**5,855**

Number of  
Peabody homes

## How we're doing this

**Creating partnerships:** as a founding member of Islington's Anchor Institutions, we're helping to shape the borough's future through partnership and collaboration.

**Providing funding:** through the Make it Happen Fund we awarded more than £10,000 in grants to small organisations, groups and customers to support projects that promote engaged and active communities. The fund is a partnership between Islington Giving, Newlon Housing Trust, Southern Housing Group, Hyde Housing, Islington Council and Peabody.



**Supporting enterprise:** we worked with Help on Your Doorstep to offer workspaces at our community centres in Archway and Bunhill. Their Good Neighbour Scheme helps vulnerable customers and addresses poverty and

inequality through early intervention and preventative initiatives.



**Supporting local initiatives:** Cook for Good is a community kitchen that's working to tackle food poverty, social isolation and community disconnection. Based in our Hugh Cubitt Centre, local residents can take part in cooking classes, use the food pantry or join neighbours for a community meal. Cook for Good also offers corporate teambuilding cooking events where all meals are shared with local residents and the profits support wider community programmes. The partnership was awarded Most Innovative Partnership at the Housing Digital Awards 2023.





## Case study

Thomas, who lives on a Peabody Estate in Islington, is one of 11 local residents who recently completed our Green Skills taster course run by developer, London Square, and the Skills Centre. As well as getting a CSCS Labourers Card, Thomas learnt about new technologies, modern ways to build and achieved qualifications in health and safety and environmental awareness.

Thomas hopes that finishing the course will be the first step toward changing his life by getting a job in our supply chain. He's working toward getting his HGV licence and finishing a scaffolding course.

Our goal is to provide a pool of talented local people who can work on the site of the former Holloway Prison. Peabody has committed to build a new neighbourhood with 985 new homes - 60% of them affordable, a 1.4-acre public park and facilities for everyone to enjoy.

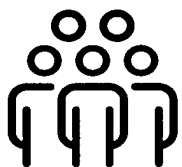




## What we're doing in

# Southwark and Lambeth

As part of Southwark's Anchor Institution Network, we're working together with partners to deliver better economic and social outcomes for local people.



645,500

Population of Southwark and Lambeth as of 2018 (ONS UK)



7,676

Number of Peabody homes

## How we're doing this

**Improving access to support and opportunities:** we're making sure our residents have opportunities to develop their careers and become more financially stable. We also created a Southwark Guide to Support to help residents meet some of the challenges they're facing because of the ongoing cost-of-living crisis.

**Providing funding:** we were awarded £42,500 of level-up Covid funding to distribute to grassroots organisations in the area.



**Providing business support:** we provide free enterprise support to all Southwark customers in partnership with HATCH Enterprise. In Lambeth, we delivered a business start-up

support YEA! Programme (Young Entrepreneurs Alliance) where 10 local businesses donated their time to help young entrepreneurs pitch their business ideas.



**Improving access to education:** we increased the number of training courses for English for Speakers of Other Languages (ESOL) and maths working with RIPE Enterprise to ensure customers have access to essential opportunities on their doorstep.

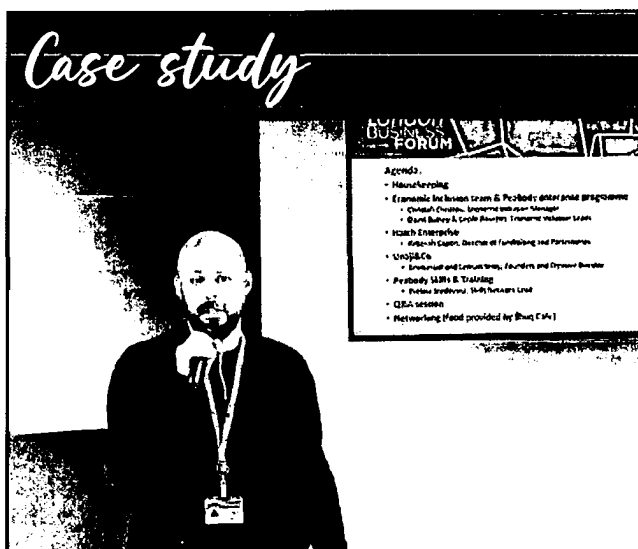
**Tackling violence:** we're working with the local authority and a range of partners to develop and deliver Lambeth's strategy for tackling

violence against young people. We're also supporting the Housing Association Youth Network to deliver programmes aimed at reducing place-centric violence around housing estates.



**Boosting health and wellbeing for young people:** we hosted a Mental Health Matters workshop for young people where they could explore issues relating to their mental health through creative means, including lyric writing and talking. And we launched a mentoring service with a targeted marketing campaign to local schools in partnership with the Chandran Foundation UK.

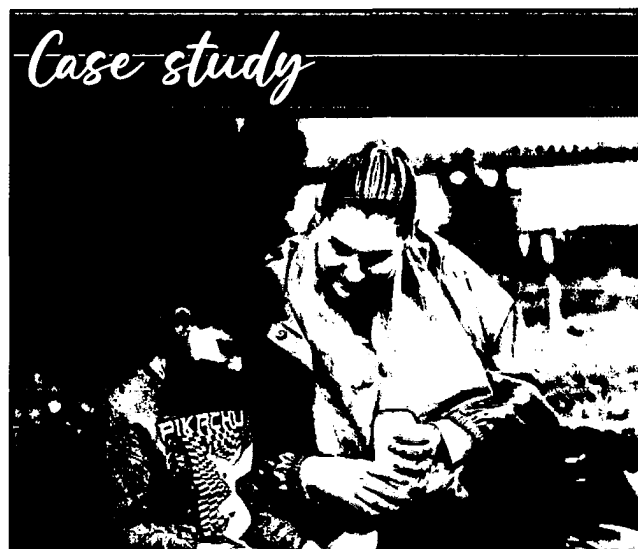




In partnership with HATCH Enterprise, based in East Street Market in Southwark, we've delivered dynamic opportunities for our communities to develop their ideas and launch their own businesses. HATCH delivered three Hackathons which were promoted by our Peabody Economic

Inclusion team. Individuals attending these masterclass style opportunities were offered one-to-one business support by a HATCH Programme Manager to take their ideas further. Through our partnership we've supported eight entrepreneurs into 12-week programmes to further develop their business or business ideas. Seven people accessed the Launchpad programme, and one joined the Incubator programme after attending the three-hour HATCH Hackathon Masterclasses – all progressing to the next level programme.

Nicole who joined one of the sessions said: "I really enjoyed this workshop - it made the whole process of business planning a lot less daunting."



Our Community Celebration Fund supported people across Peabody communities to organise events and activities to help residents reconnect with friends, families and communities after Covid restrictions. It also coincided with celebrations to mark Peabody's 160th anniversary and the late Queen's Platinum Jubilee.

Susan from Rosendale helped organise a Platinum Jubilee party for her local community, where the dancing competition became quite competitive. "There was some amazing dancing with different dance styles," she said, adding that the children's competition had to have two winners as it was too difficult to choose. She also said it was a very diverse event with lots of people joining in.

"The whole community took part, which made for a very enjoyable day, particularly after the last two years. The weather held off for the whole afternoon which meant the event could be outside so that we could accommodate everyone."





# Looking *ahead*

As mentioned at the start of this report, after joining together with Catalyst in April 2023, we're now a bigger organisation with even bigger plans. We have a new Community Strategy that focuses on four priorities based on what our residents and customers want and need. But our aim remains the same – to deliver the greatest possible value for our communities and help people flourish.

We'll continue with the valuable work we're already doing and invest where we can to further improve our communities and the lives of those that call them home. We'll focus on the following areas:

## **Tackling inequality and poverty:**

We'll continue to collaborate with our partners to maximise the value we bring to our communities. We'll deliver support to those who need it and use data to understand what's needed. We'll help provide affordable childcare, allowing more of our customers to gain employment and increase their skills.

## **Embedding wellbeing:**

We'll look at the bigger picture and give people the skills they need to help themselves and those around them. This is the only way to make sure the changes we're making are sustainable.

## **Customer co-creation and sharing power:**

We'll use the combined expertise and skills of our residents, colleagues and partners to help deliver what each community needs most.

## **Community activities and programmes:**

We'll use our increased size and influence to develop national and pan-regional partnerships which bring much-needed skills and funding to local areas.

We've also changed our overall approach to give us a more local focus and help us better understand what works for our communities. By working more closely with partners in Islington, Lambeth, Southwark, Hackney, Waltham Forest and Thamesmead we've already seen a difference in how our investments are being used. And most importantly of all, we know we're providing services that are truly needed.

Our residents have told us they want to be more involved with our community investment work. So we're making it as easy as possible for them to play a part in designing services and making decisions. By doing this, we'll be helping to build the engaged, supportive and entrepreneurial community that's central to Peabody.

## **Social Value**

Adding social value remains a key part of who we are. We're doing what we can to gain more social value from our spending decisions so we can address more of the key issues faced by our residents and communities. We've embedded social value targets in our large-scale contracts to ensure that our communities benefit from employment opportunities, funding for grassroots events and projects, volunteering opportunities and much more.

Our new approach to social value sets out how we'll monitor and maximise social value and support the United Nation's Sustainable Development Goals (SDG's). These are outlined in the 2030 Agenda for Sustainable Development and aim to create a better, fairer world by 2030 – ending poverty and inequality and urgently addressing climate change.





Wates

Wates

### *Case study - Wates*

Wates is a long-term partner of Peabody, providing responsive repairs services to our customers across Greater London and Essex. They've delivered a range of initiatives over the past year that show their commitment to social value. These include sending volunteer staff members to careers days for young people, supporting CV writing and holding interview skills workshops, arranging pro-bono repairs days on our estates and improving communal areas. They've also donated books to Peabody and partner organisation community centres through Wates' own partnership with the Children's Book Project.

"Social Value sits at the heart of Wates, as a long-term, ongoing commitment to supporting individuals and local small businesses, the communities where we work and the environment. It's important now more than ever, due to the social and economic pressures our communities are facing, that we push for meaningful social value that benefits Peabody residents." Jamie Earl, Social Value Manager, Wates.



# Partners

We would like to thank the following for their valuable support in 2022-23:

Addison Lee	London Community Foundation
Advanced Building Ltd	London Economic Action Partnership
Amalgamated Lifts	London Food Alliance
Axis	London Funders
Bayanix	London South East Colleges
BNP Paribas	London Wildlife Trust
Bow Arts	LSEC London South East Colleges
Catalyst	Manchester University
Charlton Athletic Community Foundation	Mary Minute Trust
City Hall Regeneration Fund	Mayors Fund for London
<b>City of Westminster</b>	<b>National Lottery Community Fund</b>
Clarion Housing Group	New Economics Foundation
Clifford Chance	Orbit
Department of Work and Pensions	PeopleValue
Durkan	Pilton
East London Business Alliance	Plentific
EEM	Purdy Contracts Ltd
Effectable	Ravensbourne University
Engie	Royal Borough of Greenwich
Film Fixer	Royal Borough of Kensington and Chelsea
Ginkgo Gardens	Saltash Enterprises Ltd
Greater London Authority	Save the Children
HACT	Seville
Harmony	Smart Works
<b>Help on Your Doorstep</b>	<b>Social Value Portal</b>
HS2	Sport England
ID Verde	Sureserve Fire and Electrical
Imperial College	Sustrans
Jigsaw Conferences	Systems Link 2000
<b>KBH Builders</b>	<b>Tectonic</b>
Kinovo Group	The Aspen Institute
L&Q	The Felix Project
Lightside	The Housing Forum
Lloyd Park Children's Charity	The South East London Chamber of Commerce
LMAC Group Ltd	Think Events London
London Borough of Bexley	TSG Building Services
London Borough of Hackney	Trees UK of Bromley
London Borough of Hammersmith and Fulham	Topcoat
<b>London Borough of Islington</b>	<b>United Charities in Hammersmith and Fulham</b>
London Borough of Lambeth	University of Manchester
London Borough of Lewisham	VINCI Facilities
London Borough of Southwark	Waterways Children's Centre
London Borough of Tower Hamlets	Wates
<b>London Borough of Waltham Forest</b>	<b>Wells Fargo</b>
London Borough of Wandsworth	Youthbuild Ventures UK







# Trustees / Directors / Advisors

## Peabody Community Foundation

### Trustees / Directors / Advisors

(The Trustees are also the Directors of the Company)

Deirdre Moss, Chair (until Sep 2023)

Helen Edwards, Chair (from Sep 2023)

Thelma Stober, Vice Chair

Peter Baffoe

Christine Turner

Katharina Winbeck

Shreya Hewett

Matthew Martin

Karima Mbarak

Catherine O'Kelly

### Executive Director of Care, Inclusion and Communities

Stephen Burns

### Director of Community Strategy, Fundraising and Partnerships

Sahil Khan

### Secretary

Sarah Cameron

### Company No

01267728 (Registered in England and Wales)

### Charity No

271731 (Registered in England and Wales)

### Registered Office

45 Westminster Bridge Road, London, SE1 7JB

### Bankers

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

### Auditors

KPMG LLP, 15 Canada Square, Canary Wharf, London E14 5GL

### Solicitors

Trowers & Hamblins, 3 Bunhill Row, London, EC1Y 8YZ



**Deirdre Moss**  
Chair (until Sep 2023)

Deirdre joined the Peabody Community Foundation ("PCF" or the "Charity") Board in November 2017 having been appointed to the Peabody Trust Board in June 2017 following the Peabody and Family Mosaic merger in 2017, where she was on the Board from September 2014. Deirdre has worked in the insurance industry for over 25 years with FTSE 100 companies. Specialising in HR, she has led major changes involving large, diverse workforces. She has her own HR consultancy company, and also sits on the advisory group of a London-based training company. Deirdre has championed diversity issues throughout her career and continues to work in a voluntary capacity in this area.



**Katharina Winbeck**  
Board Member

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





**Helen Edwards**  
Chair (from Sep 2023)

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



**Thelma Stober**  
Vice Chair

Thelma Stober is Head of Legal and Company Secretary at the Local Government Association and survivor of the London terror attacks. She sits on the Government's Victims' Panel advising on improving the criminal justice system for victims of crime and is also a trustee for the London Emergency Trust. She is Chair of the Grenfell Tower Memorial Commission and was previously a board member for Sanctuary Housing Association. Thelma brings additional skills in customer services, housing sector expertise and government policy, legislation and regulation.



**Peter Baffoe**  
Board Member

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



**Christine Turner**  
Board Member

With over 35 years' experience in social housing as a senior executive, board member and regulator, Christine's expertise encompasses governance, development, low-cost home ownership, regeneration, and customer involvement. She is particularly interested in the provision of housing to meet a wide range of needs, and which support social regeneration. She has championed customer involvement and standards of service delivery.



**Shreya Hewett**  
Board member

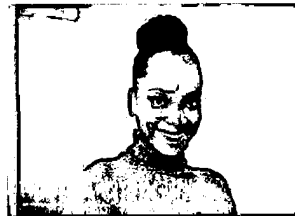
Shreya joined the PCF Board as resident Board member in January 2021. Shreya Hewett is co-founder of GRASP, a children's health and hygiene brand launched in 2021. As a Hackney resident for the last eight years and the mother of three young children, she is

passionate about community engagement and early years development, particularly in cross-cultural settings. Shreya has a BA in History and Economics from the University of Oxford, and a background in economic policy output and financial technology.



**Matthew Martin**  
Board member

Matthew joined the Peabody Board as a resident member in December 2022. He previously served on Catalyst's Customer Experience Committee before the merger with Peabody. With over 10 years' professional experience in learning, development and customer experience, Matthew brings a unique perspective to the board. As a shared owner, he's also passionate about putting the voice of residents at the heart of Peabody's decision making.



**Karima Mbarak**  
Board member

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



**Catherine O'Kelly**  
Board Member

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





## Afternoon Tea Menu



### CARIBBEAN

Dun and Cheese  
Saltfish Fritters  
Vegetable Fritters  
Chicken Wings  
Meat & Veg Patties



### WEST AFRICA

Chin Chin  
Puff Puff  
Meat Pies



### EAST AFRICA

Halwa  
Somali Tea



### ASIAN

Samosas  
Chat Tea

A taste of some delicious cultural dishes from the BAME community to celebrate Black History Month.

For more information, visit the Peabody website.



Peabody



# Financial review

## Financial performance

The Charity has reported an overall surplus of £250k for the year ending 31 March 2023 (2022: £5,127k surplus). The majority of the Foundation's funding is receivable from Peabody, with the level agreed during the Group annual budgeting process. The Charity adapts its operations to ensure that outcomes can be maintained within a fully funded balanced budget. For 2023, the level of expenditure was lower than originally planned in the budget, whilst the intra Group funding remained. This is due to the timing of community projects and staff vacancies. As at 31 March 2023, the Charity had reserves of £34.2m (2022: £34.0m).

## Section 172 Statement

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

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

The Trustees consider the likely consequence of any decision in the long term in accordance with the strategic objectives of the Group as set out in the Group Accounts and in line with the Charity's goals to build engaged and active communities, boost incomes, develop skills and aspirations, and improve mental and physical health, within the budget and risk capacity agreed by the Board. The Trustees also adopt the Group's approach to environmental, social and governance ("ESG") matters.

By adopting the values and culture of the Group in the decision making process the Trustees are confident that the Charity demonstrates positive engagement with stakeholders, a reputation for high standards of business conduct and its commitment to long term, sustainable success and accordingly to Trustees' compliance with s172.

## Sustainability Statement

The Charity, as a wholly owned subsidiary of Peabody, aligns its activities and strategic priorities with those adopted by Peabody, including the Sustainability Strategy 2023-2026. All subsidiaries continue to work towards meeting energy efficiency targets. All of Peabody's new homes in the Greater London area meet GLA environmental standards and meet the London Plan guidelines, which are set above minimum planning and building regulation requirements.

Peabody is committed to environmental, social and governance ("ESG") practice. We have released our new ESG report this year and received third party accreditation from the Certified Sustainable Housing label.

On 7 June 2023 Peabody published its Sustainable Finance Framework ("SFF"). The objectives of the SFF are closely linked to the Sustainable Reporting Standard for Social Housing ("SRS") and include:

- **Renovating and retrofitting existing homes** to improve EPC ratings and energy efficiency, and projects to protect as many people as possible from fuel poverty and high heating bills.
- Boosting access to electric charging points in **Peabody neighbourhoods for both residents and employees**. Peabody's aim is for all its vehicles to be electric by 2030.
- Placemaking and projects to improve green spaces and public realm, helping to make a positive difference for health and wellbeing.
- Continuing to build genuinely affordable homes for people in need.
- Projects to support residents and community partners delivering wide-ranging programmes aimed at children and young people.
- Providing dedicated personal support designed to prevent or alleviate unemployment and low pay amongst Peabody residents.
- **A detailed programme to reduce carbon emissions** and provide support for people living in Peabody neighbourhoods to do so.



# Financial review continued

Further information about Peabody's sustainability practices can be found in the Group Accounts, available online at the Group's website ([www.peabody.org.uk](http://www.peabody.org.uk)).

## Principal risks and uncertainties

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

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

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

- **Colleague training on Group procedures** and specific training for services, and having safeguarding reporting processes in place. Training includes Health & Safety, Data Protection and Safeguarding.
- Quarterly DBS checks, ongoing monitoring and oversight of Fire Risk Assessments, gas safety checks, and Health & Safety inspections.
- Reporting of incidents of non-compliance to the **Health & Safety Committee and the Safeguarding Panel** for corrective action.
- Local area plans to cater to local needs and support local partnerships, with an engagement model in place.

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

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

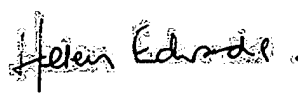
The Trustees Report provides further information on Future Plans at page 38.

Further analysis of the key strategic risks faced by Peabody and its subsidiaries and associated risk mitigation are provided in the Group Accounts which can be found at [www.peabody.org.uk](http://www.peabody.org.uk).

## Governance

The Trustees' Report pages 47 to 51 and the Group Accounts provide details on compliance with applicable law and regulations and the National Housing Federation ('NHF') Code of Governance (2020 edition).

By Order of the Board



Helen Edwards  
Chair  
6 December 2023



# Trustees' annual report

The Directors of Peabody Community Foundation are the Trustees of the Charity. The Trustees present their report, together with the audited financial statements for the year ended 31 March 2023.

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

## Objectives and principal activities

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

## Trustees

Particulars of the Trustees who served on the Board during the year and subsequently are set out on pages 42 & 43.

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

## Regulatory Framework

The Charity is a wholly owned subsidiary of Peabody. During the year to 31 March 2023, Peabody and its principal subsidiaries (including the Charity) applied the principles and provisions of the National Housing Federation ('NHF') Code of Governance for housing associations (2020 edition), (the 'NHF Code'). Peabody has substantially complied with the requirements underlying the principles based NHF Code. Peabody has also met the principles of the NHF Code of Conduct (2022 edition) through

adhering to the Peabody Code of Conduct, which is based on the NHF Code of Conduct.

In fulfilling its obligations under both codes, the Group follows good practice drawn from supporting guidance. The next independent assessment of compliance will be undertaken later in the current financial year.

During the year, the Peabody Board on behalf of the Group was kept updated on, and provided oversight and challenge in relation to, the Group's compliance with the Regulator of Social Housing ('RSH' or 'the Regulator') Regulatory Framework ('the Regulatory Framework'), including the Governance and Financial Viability Standard.

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

## Roles of the Trustee Board and Committees

The Peabody Board has overall responsibility for Group strategy and management. During the financial year ended 31 March 2023, there were nine Group committees: Audit and Risk Committee, Communities Committee, Customer Experience Committee, Development Committee, Finance and Treasury Committee, Nominations and Remuneration Committee, Thamesmead Committee, Care and Support Committee and Asset Management Committee (established November 2022).

These Committees support the Peabody Board and are accountable to and report to the Peabody Board.

Descriptions of the work of these Committees can be found in the Group Accounts.



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

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

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

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

### Board Recruitment, Induction & Training

The Chair, Deirdre Moss, completed her service with the Board in September 2023. The Board

expressed its thanks to Deirdre for her leadership and guidance during her tenure. Board member, Helen Edwards, was appointed as Chair of the Board and Communities Committee by the Peabody Trust Board from September 2023.

As part of the merger with Catalyst Housing Limited, the Communities Committee welcomed additional members Thelma Stober and Christine Turner from the Catalyst Housing Limited Board, and resident member Matthew Martin from the Catalyst Customer Experience Committee. Matthew Martin subsequently left the Communities Committee (on 24 November 2023) to join the Group Customer Experience Committee.

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

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

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

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



# Trustees' annual report continued

## Board Effectiveness - Self Assessment

The Board undertakes regular formal evaluation of its own performance and completed a skills review at the end of 2022/23. Due to the merger between Peabody and Catalyst and the completion of the Peabody Board external governance review, the Board's 2022/23 self-assessment was deferred, and a full assessment will be completed in 2023/24.

## Trustees'/Directors' Interests

None of the Trustees held any beneficial interest in the Charity, its parent undertaking or any of its fellow subsidiaries during the year, except in the case of the resident Trustees, Shreya Hewett, Karima Mbarak and Katharina Winbeck in their capacity as residents of the parent undertaking. Their legal agreements with Peabody in relation to their homes are on the same terms and conditions as those of other equivalent residents. In their relationship with Peabody as tenants or shared ownership leaseholders (as appropriate), they cannot employ their position as a board or committee member to their advantage. In October 2023 the Nomination and Remuneration Committee agreed Katharina Winbeck would continue her role as an independent member of the Board and Communities Committee as she is no longer a Peabody resident. Some Trustees sit on other boards and committees in the Group, as disclosed on pages 42 and 43.

## Remuneration of non-executive Communities Committee Members

The non-executive members of the Committee received remuneration in accordance with the Peabody Board and Committee Member Pay and Expenses Policy. Full disclosure for each role as at 31 March 2023 is provided in the table below:

	Peabody board level of pay	Committee only level of pay
Peter Baffoe (1)	15,000	
Helen Edwards (2)	18,500	
Shreya Hewett		7,500
Matthew Martin	15,000	
Karima Mbarak		7,500
Deirdre Moss (3)	18,500	
Thelma Stober (4)		10,500
Christine Turner (5)		14,000
Katharina Winbeck		7,500

- (1) Peter Baffoe also served as a member of the Peabody Board; the Customer Experience Committee; and the Committee. The remuneration shown in the table represents his Peabody Trust Board membership.
- (2) Helen Edwards also served as a member of the Peabody Board; the Audit and Risk Committee; the Chair of Care and Support Committee and the Committee. The remuneration shown in the table represents her role as Peabody Trust Board member and Chair of Care and Support Committee.
- (3) Deirdre Moss also served as a member of the Peabody Board member; Chair of Town and Country Country Housing; the Thamesmead Committee; the Nominations and Remuneration Committee and the Committee. The remuneration shown in the table represents her role as Peabody Trust Board member and Chair of Town and Country Housing.
- (4) Thelma Stober served as a member on the Catalyst Housing Limited Board; the Thamesmead Committee and the Committee. The remuneration shown in the table represents her Catalyst Housing Limited Board membership.
- (5) Christine Turner served as the Chair of Rosebery Housing Association; a member of the Catalyst Housing Limited; the Customer Experience Committee and the Committee. The remuneration shown in the table represents her role as Catalyst Housing Limited Board member and Chair of Rosebery Housing Association.

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

The levels of payment per annum that the Committee members named above are legally entitled to under the Rules of Peabody Trust and the Board and Committee Pay and Expenses Policy adopted by the Peabody Board in May 2022, with effect from 1 April 2022, are (per annum) as follows:

For Committee Chair / Principal Peabody Subsidiary Chair	£18,500
For a Peabody Board Member	£15,000
For a Committee Member	£7,500



# Trustees' annual report continued

## Stakeholders, sustainability and transparency

The Group (including the Charity) continues to **exercise a strategic approach to influencing by building relationships with a range of stakeholders and policymakers.** These include representatives of local, regional and national government; Peabody's funders and regulators; and delivery partners **from a number of sectors.** This engagement also feeds into the work of representative bodies such as the G15 Group, the NHF and the Chartered Institute of Housing, to influence policy decisions in the sector. This approach has helped Peabody **to deliver on its strategic goals and achieve the social purpose expressed through its mission statement.** An example of this is in Thamesmead, where the strength of Peabody's relationships with stakeholders and its partnerships with the London Borough of Bexley, the Royal Borough of Greenwich, the Greater London Authority and Transport for London among others will underpin the success of the Thamesmead regeneration programme over the years to come.

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

## Future Plans

Notwithstanding the principal risks and uncertainties set out on page 46, the Charity will continue to invest in community programmes in accordance with Our Future Priorities as set out on page 38.

## Statement of going concern

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

Consideration of going concern is further documented in note 1.2 of these financial statements.

## Reserves policy

The reserves policy is adopted by the Board and **sets out designated reserves including Deferred Consideration and Fixed Assets together with the Operating Reserve.** The Charity's Reserves Policy is to maintain sufficient level of reserves to enable normal operating activities to continue over a period of up to 2 months (the equivalent of approximately £1.5 million) should a shortfall in income occur and to take account of potential risks and contingencies that may arise from time to time. The Charity's free operating reserves, which are defined as those reserves which are not committed, restricted or designated, totalled £5.3 million at the year end, higher than the minimum level set by Trustees.

## Internal controls and risk management

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

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

## The risk review process

During the year, the Peabody Board and the Group Audit and Risk Committee focused on ensuring that a robust risk management framework was in place across the Group. There is a programme to keep all risks and the mitigating controls under regular review via cyclical reports to the Group Audit and Risk Committee and reports at least twice yearly to the Peabody Board. The Group has 11 key risks outlined in its risk register which was approved by the Peabody Board on 25 May 2023. These risks are set out in the Risk section of the Strategic Report in the Group's Annual Report and Financial Statements.



Further information on risk, internal audit, monitoring and controls is set out in the Group Accounts.

#### **Statement on Internal Controls Assurance – Peabody Group**

The Group's arrangements in respect of the system of risk management and internal control cover the Charity and are set out in detail in the Group Accounts.

The Peabody Board has delegated to the ARC the regular review of the effectiveness of the Group system of internal control, whilst maintaining ultimate responsibility for the system of internal control. The Committee reviewed the effectiveness of the system of internal control in existence in the Group for the period commencing 1 April 2022 up to the date of approval of the Group Accounts, and the annual report of the internal auditor and reported to the Peabody Board that it found no significant weaknesses in the system of internal control.

#### **External Auditor**

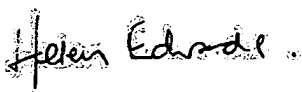
KPMG LLP will pursuant of section 487 of the Companies Act 2006, be deemed to be reappointed and will therefore, continue in office.

#### **Disclosure of Information to Auditor**

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

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

**By Order of the Board**



Helen Edwards  
Chair  
6 December 2023



# Statement of Trustees' responsibilities in respect of the trustees' Annual Report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

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

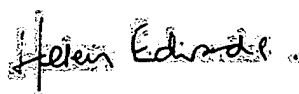
Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of **affairs of the charitable company and of the excess of income over expenditure** for that period. In preparing these financial statements, the trustees are required to:

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

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

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

By Order of the Board



Helen Edwards  
Chair  
6 December 2023



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

## Opinion

We have audited the financial statements of **Peabody Community Foundation ("the Charity")** for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Changes in Reserves and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

We have been appointed as auditor under section 145 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the charity in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

## Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charity or to cease its operations, and as they have concluded that the charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period"). In our evaluation of the trustees' conclusions, we considered the inherent risks to the charity's business model and analysed how those risks might affect the charity's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for the going concern period.

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

## Fraud and breaches of laws and regulations – ability to detect

### Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors, the Audit and Risk Committee, internal audit and inspection of policy documentation as to the parent, Peabody Trust's, high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Charity's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

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



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

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included journal entries related to unusual account combinations for cash and revenue.

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

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

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

The charity is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal

controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

## Other information

The trustees are responsible for the other information, which comprises the Trustees' Annual Report.

Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

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

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

## Trustees' responsibilities

As explained more fully in their statement set out on page 52, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to



going concern; and using the going concern basis of accounting unless they either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

This report is made solely to the charity's trustees as a body, in accordance with section 145 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Emma Larcombe*

Emma Larcombe  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006  
20 Station Road  
Cambridge  
CB1 2JD  
8 December 2023



# Statement of financial activities

	Note	2023 Unrestricted Funds £'000	2023 Restricted Funds £'000	2023 Total funds £'000	2022 Total funds £'000
<b>Incoming Resources</b>					
Donations and legacies	3.1	6,472	37	6,509	6,699
Income from charitable activities	3.2	677	404	1,081	4,548
<b>Total incoming resources</b>		<b>7,149</b>	<b>441</b>	<b>7,590</b>	<b>11,247</b>
<b>Resources expended</b>					
Cost of charitable activities	4.1	(7,288)	(927)	(8,215)	(6,909)
<b>Total resources expended</b>		<b>(7,288)</b>	<b>(927)</b>	<b>(8,215)</b>	<b>(6,909)</b>
Investment income	5	879	-	879	857
Interest payable	5	(6)	-	(6)	(4)
Other income/(expenditure)	13	9	-	9	-
<b>Net income for the year</b>	6	<b>743</b>	<b>(486)</b>	<b>251</b>	<b>5,191</b>
Actuarial (loss)/gain on defined pensions schemes	13	(7)	-	(7)	(64)
<b>Net income/(expenditure) for the year</b>		<b>4,956</b>	<b>171</b>	<b>5,127</b>	<b>(49)</b>
<b>Net movements in funds</b>		<b>736</b>	<b>(486)</b>	<b>250</b>	<b>5,127</b>
Fund balances brought forward		33,065	910	33,975	28,848
Transfers between funds		8	(8)	-	-
<b>Fund balances carried forward</b>		<b>33,809</b>	<b>416</b>	<b>34,225</b>	<b>33,975</b>

The accompanying notes form part of these financial statements.

All amounts are derived from continuing activities.

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

No corporation tax was payable by the Charity for the year ended 31 March 2023 (2022: £nil).



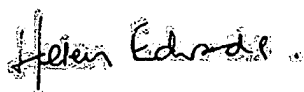
# Statement of financial position

## For the year ended 31 March 2023

	Note	Total 2023 £'000	Total 2022 £'000
<b>Non-current assets</b>			
Tangible fixed assets	9	13,221	13,079
Debtors due more than one year	10	18,213	18,752
		<b>31,434</b>	<b>31,831</b>
<b>Current assets</b>			
Debtors	11	2,218	910
Cash and cash equivalents		2,462	5,457
		<b>4,680</b>	<b>6,367</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(1,680)</b>	(3,960)
<b>Net current assets</b>		<b>3,000</b>	<b>2,407</b>
Total assets less current liabilities		34,434	34,238
Defined benefit pension scheme	15	(209)	(263)
<b>Net assets</b>		<b>34,225</b>	<b>33,975</b>
<b>Funds</b>			
Restricted funds	13	416	910
Unrestricted funds	13	33,809	33,065
<b>Total funds</b>		<b>34,225</b>	<b>33,975</b>

The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Trustees on 6 December 2023 and were signed on its behalf by:



**Helen Edwards**  
Chair



# Notes to the financial statements

## 1. Legal status

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

## 2. Accounting policies

### 2.1 Basis of preparation

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

**The Charity is a public benefit entity.**

The financial statements are presented in sterling (£).

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

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

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

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

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

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

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

## 2.3 Going concern

The Peabody Community Foundation's Board, after reviewing the Charity's budgets for 2023/24 and the Group's medium term financial position as detailed in the 30-year business plan, are of the opinion that, taking account of severe but plausible downsides, such as inflation and interest rate rises and reducing stakeholder's household incomes, the Foundation will have sufficient funds to meet its liabilities as they fall due for a period of 12 months from the date of approval of the financial statements. The trustees therefore continue to adopt the going concern basis in preparing the annual financial statements.

## 2.4 Cash and cash equivalents

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

## 2.5 Value Added Tax (VAT)

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

## 2.6 Taxation

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

## 2.7 Winding up or dissolution of the charity

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

## 3. Incoming resources

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

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

### Revenue grant

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

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



### 3.1 Donations and legacies

	Unrestricted £'000	Restricted £'000	Total £'000	2022 £'000
Intra group donations – Peabody	6,293	-	6,293	6,556
Other Donations	179	37	216	143
	<b>6,472</b>	<b>37</b>	<b>6,509</b>	<b>6,699</b>

### 3.2 Income from charitable activities

	Unrestricted £'000	Restricted £'000	Total £'000	2022 £'000
Connecting Young Hackney	-	50	50	44
Community Champions	-	40	40	40
Community Fund (iWill)	-	29	29	106
Sport England - Tackling Inactivity	-	-	-	63
Maternity Champions	-	60	60	-
Public Health Southwark Council	5	46	51	-
Shaping Healthier Thamesmead RBOG	-	9	9	-
Contribution to the VCS Research (Bexley)	-	7	7	-
LBWF Public Health Unit	-	6	6	-
Other grant income	-	157	157	50
	<b>5</b>	<b>404</b>	<b>409</b>	<b>303</b>
Trading Income	643	-	643	548
Other Charitable Income – Moorings Club	29	-	29	3,697
<b>Total incoming resources from charitable activities - 2023</b>	<b>677</b>	<b>404</b>	<b>1,081</b>	<b>4,548</b>
Total incoming resources from charitable activities - 2022	4,245	303	4,548	

### 4. Resources expended

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

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

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



# Notes to the financial statements

## continued

### 4.1 Cost of charitable activities

	Direct costs £'000	Support costs £'000	Total £'000	2022 £'000
<b>Charitable activities</b>				
Building capacity of group and individuals	2,787	464	3,251	2,361
Children, young people & families	1,525	254	1,779	1,577
Employment and employability	659	110	769	756
Improving sports	426	71	497	448
Community cohesion	1,384	231	1,615	1,498
Other charitable activities	244	41	285	250
	<b>7,025</b>	<b>1,171</b>	<b>8,196</b>	<b>6,890</b>
<b>Governance</b>				
Staff costs	-	9	9	9
External audit and legal fees	-	10	10	10
	-	<b>19</b>	<b>19</b>	<b>19</b>
<b>Total resources expended</b>	<b>7,025</b>	<b>1,190</b>	<b>8,215</b>	<b>6,909</b>
<b>Total resources expended – 2022</b>	<b>5,804</b>	<b>1,105</b>	<b>6,909</b>	

### 4.2 Support costs

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

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

	2023 £'000	2022 £'000
Administration costs	610	543
Staff costs	580	562
	<b>1,190</b>	<b>1,105</b>



## 5. Interest receivable and payable

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

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

	2023 £'000	2022 £'000
Interest from parent undertaking	49	20
Interest cost on pension scheme	482	428

## 6. Net income for the year before gains and losses

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

	2023 £'000	2022 £'000
Depreciation on tangible fixed assets	311	306
Auditor's remuneration	23	10
Pension costs	154	157

## 7. Employee information

### Holiday pay accrual

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

### Defined contribution plans and other long term employee benefits

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

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

### Defined Benefit Pension Scheme

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

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



# Notes to the financial statements

## continued

### 7. Employee information continued

#### Termination benefits

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

	2023 No.	2022 No.
<b>The average number of employees during the year was as follows:</b>		
Charitable activities	99	86
Management, administration and support services	4	4
	<b>103</b>	<b>90</b>

	2023 No.	2022 No.
<b>Employee costs:</b>		
Wages and salaries	3,706	3,245
Social security costs	394	345
Pension costs	154	157
Other employee costs	14	44
	<b>4,268</b>	<b>3,791</b>

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

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

	2023 No.	2022 No.
<b>Emoluments of higher paid staff within the following scales were:</b>		
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£140,001 - £150,000	-	1
	<b>4</b>	<b>5</b>

The earnings for the Charity's key management personnel (including the Executive Director) for the year were £385k (2022: £279k), with pension contributions of £14k (2022: £9k), and benefits in kind totalling £2k (2022: £nil).



## 8. Trustees' remuneration and expenses

During the last financial year, non-executive members of the Communities Committee received remuneration from Peabody Trust. The Corporate Governance section of the Trustees' Annual Report (Remuneration of non-executive Communities Committee Members) discloses information for the financial year 2022/23.

During the year Trustees claimed expenses £40 for travel, subsistence and incidental expenses in the year (2022 £Nil).

During the year the Charity paid £281 (2022: £258) for Trustees' indemnity insurance through Group Insurance policy.

## 9. Tangible fixed assets

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

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

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

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

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

	Freehold land and buildings £'000	IT and office equipment £'000	Total £'000	2023 Total £'000
<b>Cost</b>				
At 1 April 2022	15,562	364	15,926	11,668
Additions	136	317	453	4,258
<b>At 31 March 2023</b>	<b>15,698</b>	<b>681</b>	<b>16,379</b>	<b>15,926</b>

<b>Depreciation</b>				
At 1 April 2022	2,739	108	2,847	2,541
Charge for the year	278	33	311	306
<b>At 31 March 2023</b>	<b>3,017</b>	<b>141</b>	<b>3,158</b>	<b>2,847</b>

<b>Net Book Value</b>				
<b>At 31 March 2023</b>	<b>12,681</b>	<b>540</b>	<b>13,221</b>	<b>13,079</b>
At 31 March 2022	12,823	256	13,079	9,127

All assets are held for charitable purposes.

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

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



# Notes to the financial statements

## continued

### 10. Debtors due in more than one year

	2023 £'000	2022 £'000
Deferred consideration	14,713	15,252
Loan to parent company	3,500	3,500
	<b>18,213</b>	<b>18,752</b>

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

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

### 11. Debtors due in less than one year

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

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

	2023 £'000	2022 £'000
<b>Amounts due within one year</b>		
Trade debtors	115	49
Amounts owed by other Group members	1,559	2
Prepayments and accrued income	-	18
Other debtors	5	359
Deferred consideration	539	482
	<b>2,218</b>	<b>910</b>

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

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

### 12. Creditors: amounts falling due within one year

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

	2023 £'000	2022 £'000
Trade creditors	139	278
Amounts owed to other Group members	-	2,029
Other creditors	424	467
Accruals and deferred income	1,117	1,186
	<b>1,680</b>	<b>3,960</b>



## 12. Creditors: amounts falling due within one year continued

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

	2023 £'000	2022 £'000
Movement in deferred income:		
Deferred income at 1 April	462	352
Amounts released from previous years	(462)	(352)
Incoming resources deferred in the year	411	462
<b>Deferred income at 31 March</b>	<b>411</b>	<b>462</b>

## 13. Funds

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

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

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

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

	1 April 2022 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Gains & (Losses) £'000	31 March 2023 £'000
<b>Restricted funds</b>	910	441	(927)	(8)	-	416
Unrestricted funds	33,065	8,031	(7,288)	8	(7)	33,809
<b>Total funds</b>	<b>33,975</b>	<b>8,472</b>	<b>(8,215)</b>	<b>-</b>	<b>(7)</b>	<b>34,225</b>

### Unrestricted funds

<b>Designated funds</b>						
Pitch resurfacing	235	-	-	-	-	235
Fixed assets	12,844	453	(311)	-	-	12,986
Thamesmead community	15,734	879	(1,361)	-	-	15,252
<b>Total Designated funds</b>	<b>28,813</b>	<b>1,332</b>	<b>(1,672)</b>			<b>28,473</b>
<b>General funds</b>	<b>4,252</b>	<b>6,699</b>	<b>(5,616)</b>	<b>8</b>	<b>(7)</b>	<b>5,336</b>
<b>Total unrestricted funds</b>	<b>33,065</b>	<b>8,031</b>	<b>(7,288)</b>	<b>8</b>	<b>(7)</b>	<b>33,809</b>



# Notes to the financial statements

## continued

### 13. Funds continued

	1 April 2021 £'000	Incoming Resources £'000	Outgoing Resources £'000	Transfers £'000	Gains & (Losses) £'000	31 March 2022 £'000
Restricted funds	739	308	(137)	-	-	910
Unrestricted funds	28,109	11,796	(6,776)	-	(64)	33,065
<b>Total funds</b>	<b>28,848</b>	<b>12,104</b>	<b>(6,913)</b>	<b>-</b>	<b>(64)</b>	<b>33,975</b>

#### Unrestricted funds

<b>Designated funds</b>						
Pitch resurfacing	235	-	-	-	-	235
Fixed assets	8,892	4,258	(306)	-	-	12,844
Thamesmead community	16,162	857	(1,285)	-	-	15,734
<b>Total Designated funds</b>	<b>25,289</b>	<b>5,115</b>	<b>(1,591)</b>	<b>-</b>	<b>-</b>	<b>28,813</b>
<b>General funds</b>	<b>2,820</b>	<b>6,681</b>	<b>(5,185)</b>	<b>-</b>	<b>(64)</b>	<b>4,252</b>
<b>Total Unrestricted funds</b>	<b>28,109</b>	<b>11,796</b>	<b>(6,776)</b>	<b>-</b>	<b>(64)</b>	<b>33,065</b>

#### Designated Funds

**Pitch resurfacing** - During 2017 the Trustees agreed to set up a separate designated fund to cover the potential cost of resurfacing the pitches at the Sporting Club.

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

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

### 14. Analysis of net assets between funds at 31 March

	Unrestricted Funds £'000	Designated Funds £'000	Restricted Funds £'000	2023 Funds £'000	2022 Funds £'000
Fixed assets	-	13,221	-	13,221	13,079
Debtors due more than one year	3,500	14,713	-	18,213	18,752
Current assets	3,314	539	827	4,680	6,367
Current liabilities	(1,269)	-	(411)	(1,680)	(3,960)
Net pension liability	(209)	-	-	(209)	(263)
	<b>5,336</b>	<b>28,473</b>	<b>416</b>	<b>34,225</b>	<b>33,975</b>

### 15. Pension commitments

The pensions of employees of the Charity are administered through four schemes, two of which are defined benefit scheme and two defined contribution schemes. The Charity participates in the London Pensions Fund Authority Scheme (LPFA) for those former employees who elected to join prior to 31 March 2008. The scheme had been closed to new entrants for some time and was closed to future accrual from 31 March 2020. The Charity also has an ongoing liability for pension commitments under the (Career Average Revalued Earnings) which was closed to new entrants on 30 June 2015. A defined contribution scheme (Career Average Revalued Earnings - CARE) was opened to entrants on 1 July 2015 and closed to new entrants 31 October 2015. Deficit contributions to this scheme between 1 April 2021 to 30 September 2027 are £1,530,000 per annum.

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



## 15. Pension commitments continued

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

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

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

In December 2018 the Court of Appeal ruled that 'transitional arrangements' protection in respect of benefit changes to the Judicial and Fire Fighter Pension scheme amounted to unlawful discrimination ('McCloud case'). This applies to each of the Local Government Pension Schemes, including LPFA. The consultation closed on 8 October 2020 and a ministerial statement in response to this was published on 13 May 2021, however a full response to the consultation is still awaited. The impact of the findings will only be known after this process has concluded and a final set of remedial Regulations are published.

While an appropriate McCloud allowance has been measured to obtain the accounting results as at 31 March 2022, we do not believe there are any material differences between the approach underlying our estimated allowance and the proposed remedy. With a small proportion of active members and a salary increase assumption equal to (or less than) CPI, the impact of the McCloud judgement is likely to be negligible.

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LPFA. As this case has only recently been announced, there is not a current accurate indication of the potential impact this may have on the value of employers' liabilities or the cost of the scheme.

	2023 £'000	2022 £'000
LPFA - Pension scheme asset	-	-
CARE - Pension scheme liability	209	263

### The London Pensions Fund Authority

Some former employees of the Charity who are former employees of Thamesmead Town participate in the LPFA Pension Fund, part of the Local Government Pension Scheme. The fund is administered in accordance with the Local Government Pensions Scheme Regulations 1997, as amended.

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

The estimated asset allocation for the Scheme as at 31 March is as follows:	2023 £'000	2022 £'000
Equities	1,123	1,071
Target return Portfolio	355	405
Infrastructure	242	192
Property	188	169
Cash	2	45
	<b>1,910</b>	<b>1,882</b>



# Notes to the financial statements

## continued

### 15. Pension commitments continued

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

The assumed life expectations are	2023	2022
Retiring today – male	87.3	87.1
Retiring today – female	89.3	89.8
Retiring in 20 years – male	86.4	87.1
Retiring in 20 years – female	88.5	89.5

The major assumptions used by the actuary to value the liabilities of the scheme at 31 March under FRS 102 are:	2023 % per annum	2022 % per annum
CPI increases	2.90%	3.20%
Salary increases *	3.90%	4.20%
Pension increases	2.90%	3.20%
Discount rate	4.80%	2.70%

\* The Charity has no employees who are active members within this scheme

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

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

Statement of Financial Position as at 31 March:

Net LPFA pension position as at 31 March	2023 £'000	2022 £'000
Present value of the defined benefit obligations	1,190	1,512
Fair value of Fund assets (bid value)	(1,910)	(1,882)
Restriction to reflect extent of surplus recoverable	720	370
Net LPFA defined benefit pension asset/obligation	-	-

A restriction has been made against the net surplus on the LPFA pension scheme obligations in the year as, whilst an exit credit (or debt) may be received (or paid) under the LGPS regulations, the exact amount which may be recoverable in the event of a termination event to the scheme is undeterminable.

The amounts recognised in the Statement of Financial Activities	2023 £'000	2022 £'000
Net interest on the defined assets	(10)	(10)
Administration expenses	1	2
Actuarial loss – including restriction against net surplus	-	75
Total LPFA (profit) / loss	(9)	67



Reconciliation of opening and closing balances of the present value of the defined benefit obligation	2023 £'000	2022 £'000
Opening LPFA Scheme obligations	1,512	1,610
Interest on obligation	41	23
Change in financial assumptions	(442)	(53)
Change in demographic assumption	(19)	-
Experience loss (gain) on defined benefit obligation	98	(12)
Estimated benefits paid net of transfers in	-	(56)
Closing LPFA Scheme obligations	1,910	1,512

Reconciliation of opening and closing balances of the present value of the defined benefit assets	2023 £'000	2022 £'000
Opening fair value of LPFA Scheme assets	1,882	1,683
Interest on assets	51	33
Return on assets less interest	(26)	224
Other actuarial gains/(losses)	4	-
Administration expenses	(1)	(2)
Estimated benefits paid including unfunded benefits	-	(56)
Closing fair value of LPFA Scheme assets	1,910	1,882

Projected pension expense for the year to 31 March:	2024 £'000
Service cost	-
Net interest on the defined assets	(35)
Administration expenses	1
Total LPFA (profit) / loss	(34)
Employer's contributions	-

### Career Average Revalued Earnings Pension Scheme

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

The main benefits provided by the Scheme are:

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

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

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

The latest full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79.0m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:



# Notes to the financial statements

## continued

### 15. Pension commitments continued

#### Deficit contributions

From 1 April 2021 to 30 November 2027:	£1,530,000 per annum
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(Payable monthly and increasing by 3.0% each year on 1st April)

The Charity's share of the deficit funding contributions is £47,866 per annum payable in monthly instalments.

In addition to the deficit funding contribution, contributions are also required to be made in respect of the expenses of running of the Scheme. From 1 April 2022 the contribution required to the Scheme is £179,000 per annum (2022: £173,800 per annum) increasing on 1 July each year by 3% is required for Scheme administration expenses. The Charity's share of these Scheme expenses is £4,560 per annum (2022 £4,430) payable in monthly instalments.

#### Employer Debt on Withdrawal

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

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

Potential employer debt is treated as a contingent liability.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation	2023 £'000	2022 £'000
Provision at start of period	263	1,610
Unwinding of the discount factor (interest expense)	6	23
Deficit contribution paid	(48)	(53)
Remeasurement - impact of any changes in assumptions	(12)	-
Remeasurement - amendments to the contribution schedule		(12)
<b>Provision at end of period</b>	<b>209</b>	<b>1,512</b>

Amounts recognised in the Statement of Financial Activities	2023 £'000	2022 £'000
Interest expense	6	3
Remeasurement - impact of any change in assumptions	(12)	(11)
Remeasurement - amendments to the contribution schedule	-	-
<b>Total profit</b>	<b>(6)</b>	<b>(8)</b>

Assumptions	2023 £'000	2022 £'000
<b>Rate of discount</b>	<b>5.18</b>	<b>2.55</b>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. 16.



## 16. Contingent liability

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

## 17. Ultimate parent undertaking

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

## 18. Related party transactions

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

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

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

- Peabody Trust provided support services, finance, governance, IT, HR totalling £339k (2022: £339k), and recharged £4,269k (2022: £3,791k) of salary costs relating to Peabody staff working directly for the Charity.

Peabody provided no further refurbishment grants in the year in relation to the Moorings Social Club (2022: £2,727k).

At the year-end £1,559k was payable to PCF (note 11). At the previous year end £2,029k was payable by PCF to the Peabody Trust (note 12).

- Peabody paid the Charity £1,361k (2022: £1,285k) as the year 9 payment in respect of the sale of Tilfen Land Ltd. £539k (2022: £482k) was charged against the deferred consideration debtor (note 11) with £879k (2022: £857k) being recognised as interest (note 5).